



November 9, 2018

Sent via email

Letter L-29-18

Ms. Diane Roy
Vice President, Regulatory Affairs
FortisBC Energy Inc.
16705 Fraser Highway
Surrey, BC V4N 0E8
gas.regulatory.affairs@fortisbc.com

Re: FortisBC Energy Inc. – Winter 2018 Gas Supply Strategy (November 2018 to March 2019) – Compliance Filing

Dear Ms. Roy:

In response to current market conditions, whereby natural gas supply is constrained due to reductions in gas transport capacity along the T-South pipeline, the British Columbia Utilities Commission (BCUC) requests FortisBC Energy Inc. (FEI) to provide the following compliance filings, pursuant to section 23 of the *Utilities Commission Act*:

- i) A risk management strategy (RMS) that outlines potential curtailment plans for each of FEI's core customer rate classes; and
- ii) Weekly compliance filings to report all curtailments consequent to shortages in natural gas supply. These filings should also include a summary of significant, foreseeable risks that could result in future curtailments including a discussion of key assumptions made in the assessment.

Further clarification of the above items is provided below:

Risk Management Strategy

The BCUC requests that the RMS be filed with the BCUC **no later than Friday, November 16, 2018**. In detailing potential curtailment plans, the BCUC requests FEI to address the following:

- The estimated number of customers in each rate class;
- The regions where each of FEI's core customers are located;
- The volume of gas needed to meet load requirements in each region;
- The location of potential gas supply sources;
- An outline that demonstrates how FEI plans to transport gas from source locations to meet regional load requirements; and
- A methodology to determine priority of gas supply curtailments.

Weekly Compliance Filings

The BCUC requests that weekly compliance filings commence effective immediately, and will continue to the end of the winter period in March 2019, or at an appropriate time as determined by the BCUC. In providing these filings, the BCUC requests FEI to include the following details:

- Customer name;
- Customer class;
- Region where the customer is located;
- Duration and description of curtailment including whether customer has alternative fuel sources and if customer has objected to curtailment;
- Estimated weekly volume of gas curtailed, by region;
- Summary and update of significant, foreseeable risks that could result in future curtailments;
- Key assumptions made in assessing the likelihood of future curtailments;

Should you have any questions about this, please feel free to contact BCUC staff for clarification or further assistance.

Sincerely,

Original signed by:

Patrick Wruck
Commission Secretary

RQ/yl