

Patrick Wruck
Commission Secretary

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December 7, 2018

Sent via email Letter L-32-18

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:

On November 9, 2018, 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) issued, pursuant to section 23 of the *Utilities Commission Act*, Letter L-29-18. That letter requested FortisBC Energy Inc. (FEI) to provide a compliance filing including a risk management strategy outlining potential curtailment plans for each of FEI's core customer rate classes. In response, on November 14, 2018, FEI filed with the BCUC a Winter 2018 Gas Supply Strategy (November 2018 to March 2019) (FEI Filing). The FEI Filing included background information, a status report and a confidential System Preservation and Service Restoration Plan (P&R Plan).

The BCUC has reviewed these documents and notes that the FEI Filing, and specifically the confidential P&R Plan, is consistent with section 13.2 of FEI's General Terms and Conditions (GT&C) found within FEI's tariff, which was approved by the BCUC by Order G-135-18. Under section 13.2 of the GT&C, FEI may discontinue, interrupt or reduce to a specified degree or quantity, the delivery of gas where there is a temporary or permanent shortage of gas supply. Therefore, the BCUC notes that FEI's Filing is in the public interest and is not unduly discriminatory as it is in accordance with FEI's approved tariff.

The BCUC reminds FEI of the importance of maintaining frequent and transparent communications with all customers potentially impacted by its confidential P&R Plan and to prepare appropriate emergency support in the event of a curtailment to core customers. Further, FEI should take all steps possible to provide advanced notice and guidance to residential customers, where possible, should the risk of curtailment become likely.

Sincerely,

Original signed by:

Patrick Wruck Commission Secretary

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