



bcuc
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Utilities Commission

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Sent via email

Letter L-49-20

Mr. Doug Slater
Director, Regulatory Affairs
FortisBC Energy Inc.
16705 Fraser Highway
Surrey, BC V4N 0E8
gas.regulatory.affairs@fortisbc.com

Re: FortisBC Energy Inc. – Revelstoke – November 2020 – October 2021 Annual Contracting Plan

Dear Mr. Slater:

On June 12, 2020, FortisBC Energy Inc. (FEI) submitted to the British Columbia Utilities Commission (BCUC), on a confidential basis, its Annual Contracting Plan (ACP) for the Revelstoke area for the period of November 1, 2020 to October 31, 2021 (2020/2021 ACP). In its submission, FEI requests BCUC acceptance of the Revelstoke 2020/2021 ACP. The objectives for the Revelstoke 2020/2021 ACP are identified as follows:

1. To provide secure, reliable, and cost effective supply in order to meet customer requirements; and
2. To reduce the impact of propane price volatility on customers' propane rates in a cost effective manner.

FEI also included in the 2020/2021 ACP the results of the previous year's contracting plan in terms of financial results of its contracting strategies and the degree to which the objectives were met using these strategies.

The BCUC has reviewed the FEI filing and accepts the Revelstoke 2020/2021 ACP.

FEI is requested to file a report by the earlier of June 30, 2021 or the date of submission of FEI's Revelstoke 2021/2022 ACP that identifies the financial outcome of the 2020/2021 ACP and provides an analysis to demonstrate the degree to which the objectives of the 2020/2021 ACP have been met.

A copy of FEI's non-confidential Executive Summary for the 2020/2021 ACP is attached and is available for public review. Exclusive of the non-confidential Executive Summary, the BCUC will hold the contents of the Revelstoke 2020/2021 ACP confidential as requested by FEI as it contains commercially sensitive information.

Sincerely,

Original signed by:

Marija Tresoglavic
Acting Commission Secretary

DC/dg
Enclosure



1 EXECUTIVE SUMMARY

2 This submission by FortisBC Energy Inc. (FEI) sets out the proposed Annual Contracting Plan
3 (ACP) that is designed to meet the forecast propane supply requirements for Revelstoke
4 customers for the period from November 1, 2020 to October 31, 2021 (2020/21 ACP). The
5 primary objectives of the 2020/21 ACP are to provide secure, reliable, and cost effective supply
6 to meet the requirements of Revelstoke customers, as well as to reduce the impact of propane
7 price volatility on Revelstoke's propane rates.

8 Revelstoke's propane supply requirements for the 2020/21 ACP are forecast to be 9,000 cubic
9 metres (M³) and the supply will be provided and delivered by the suppliers FEI selected through
10 its 2018 Expression of Interest (2018 EOI). Consistent with past practice, FEI proposes to
11 contract for approximately 50 percent of Revelstoke's 2020/21 winter propane requirements with
12 fixed price purchases to help mitigate propane price risks and rate volatility for Revelstoke
13 customers. The remainder of the supply requirements for the 2020/21 winter and 2021 summer
14 will be purchased at floating monthly prices.