



**ORDER NUMBER**  
**G-335-20**

IN THE MATTER OF  
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

FortisBC Energy Inc.

Application for a Certificate of Public Convenience and Necessity for the Okanagan Capacity Upgrade Project

**BEFORE:**

R. I. Mason, Panel Chair  
D. A. Cote, Commissioner  
A. K. Fung, QC, Commissioner

on December 16, 2020

**ORDER**

**WHEREAS:**

- A. On November 16, 2020, FortisBC Energy Inc. (FEI) submitted an application to the British Columbia Utilities Commission (BCUC) for, among other things, a Certificate of Public Convenience and Necessity (CPCN) pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA) for the Okanagan Capacity Upgrade (OCU) Project (Application);
- B. In the Application, FEI requests BCUC approval to:
  - 1. Construct, install and operate approximately 30 km of new 406 mm pipeline that will operate at a Maximum Operating Pressure (MOP) of 7,826 kPa at kilometre point 30.8;
  - 2. Construct, install and operate a new Chute Lake Pressure Control Station at kilometre point 60.8 with a 406 mm pig barrel and pressure regulated tie in to the existing VER PEN 323 pipeline set at 5,171 kPa for gas flowing north to Kelowna and 4,826 kPa for gas flowing south to Penticton;
  - 3. Construct, install and operate a new above ground 406 mm Block Valve Station at kilometre point 36.1; and
  - 4. Deactivate a 1,200 m section of the existing OLI PEN 406 pipeline between the tie in location at kilometre point 30.8 and the Ellis Creek Pressure Control Station;
- C. FEI also seeks BCUC approval, pursuant to sections 59 to 61 of the UCA, to establish a non-rate base deferral account, entitled the OCU Application and Preliminary Stage Development Costs Deferral Account, to be amortized over three years and costs recorded in this deferral account to attract an after-tax weighted average cost of capital return;
- D. FEI requests that Appendices A, B, C, E, H-14, H-18 and I-5 to the Application relating to engineering, cost estimates, risk assessments, negotiations with private landowners and responses from Indigenous groups

engagement be treated as confidential due to their private and commercially sensitive nature and to maintain the safety and security of FEI assets; and

- E. The BCUC has commenced review of this Application and considers that establishing a regulatory timetable is warranted.

**NOW THEREFORE** the BCUC orders as follows:

1. A public hearing for the review of the Application is established, in accordance with the regulatory timetable as set out in Appendix A to this order (Regulatory Timetable).
2. FEI is to publish the Public Notice in print/display-ad format no later than Monday, January 25, 2021, attached as Appendix B to this order, in appropriate news publications, such as, but not limited to, local and community newspapers as to provide adequate notice to those parties who may have an interest in or be affected by the Application.
3. As soon as practicable, FEI is directed to publish, together with any supporting materials, the Application, this order and the Regulatory Timetable by using appropriate communication methods, including FEI's website and social media accounts.
4. FEI is to notify all rights holders and stakeholders described on pages 2 and 3 of Appendix H-1 of the Application, regarding the BCUC review of the Application.
5. FEI is directed to provide the following information inserted into an updated version of the Application, by the date established in the Regulatory Timetable:
  - a. A detailed description of the peak demand forecasting methodology which supports the need for the OCU Project, including but not limited to: an explanation of the 1 in 20 year weather event forecast and its application to customer demand, the duration of the peak period (e.g. peak hour, peak day), the applicable geographic area, assumptions for growth in different rate classes including changes in peak use per customer (as applicable) and number of customers, any known or probable impacts on peak demand incorporated into the forecast, and whether the forecast includes interruptible demand;
  - b. An explanation of the assumptions used to determine the current system capacity under peak winter conditions, including but not limited to a description of the current compression capabilities of the Interior Transmission System and any local capacity constraints;
  - c. The forecasted system capacity under peak winter conditions if the OCU Project is constructed; and
  - d. A more fulsome description of the short-term mitigation measures outlined in section 4.1.1 of the Application, including the potential capacity increases, the capability of the measures to address system capacity constraints, the limitations of such measures, an estimate of the length of time such measures can remain in place and the costs if any associated with such measures.
6. Appendices A, B, C, E, H-14, H-18 and I-5 attached to the Application will be held confidential unless determined otherwise by the BCUC, due to their commercially sensitive nature and to maintain the safety and security of the FEI assets.

7. In accordance with BCUC's [Rules of Practice and Procedure](#), parties who wish to actively participate in this proceeding must submit the [Request to Intervene Form](#), available on the BCUC's website at <https://www.bcuc.com/get-involved/get-involved-proceeding.html>, by the date established in the Regulatory Timetable.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 16<sup>th</sup> day of December 2020.

BY ORDER

*Original signed by:*

R. I. Mason  
Commissioner

Attachment

FortisBC Energy Inc.  
Application for A Certificate of Public Convenience and Necessity for the Okanagan Capacity Upgrade Project

**REGULATORY TIMETABLE**

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Action	Date (2021)
FEI files updated version of Application	Wednesday, January 13
FEI publishes notice of the Application	Monday, January 25
Intervener Registration	Thursday, February 4
BCUC Information Request No. 1	Thursday, February 4
Intervener Information Request No. 1	Thursday, February 11
FEI responses to BCUC and Intervener Information Requests No. 1	Thursday, March 4
BCUC and Intervener Information Requests No. 2	Thursday, March 25
FEI responses to BCUC and Intervener Information Requests No. 2	Thursday, April 22
Further process	To be determined



# We want to hear from you

## FEI APPLICATION FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE OKANAGAN CAPACITY UPGRADE PROJECT

On November 16, 2020, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC) for approval of a Certificate of Public Convenience and Necessity for its Okanagan Capacity Upgrade Project. In the Application, FEI seeks approval to construct and operate a new gas line extension and associated facilities to increase its Interior Transmission System capacity for expected load growth so that FEI can continue to provide long-term safe and reliable gas service to customers in the Okanagan region.

More information on the application can be found at [bcuc.com](http://bcuc.com) on our “Current Proceedings” page.

### HOW TO PARTICIPATE

- **Submit a letter of comment**
- **Register as an interested party**
- **Request intervener status**

### IMPORTANT DATES

- **Thursday, February 4, 2021** – Deadline to register as an intervener with the BCUC
- **Thursday, February 11, 2021** – Deadline for interveners to submit information requests No.1

For more information on getting involved, please visit our website ([www.bcuc.com/get-involved](http://www.bcuc.com/get-involved)) or contact us at the information below.

### GET MORE INFORMATION

#### FortisBC Energy Inc. Regulatory Affairs



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#### British Columbia Utilities Commission



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