



ORDER NUMBER
C-1-24

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

and

FortisBC Energy Inc.
Application for a Certificate of Convenience and Necessity
for the Interior Transmission System Transmission Integrity Management Capabilities Project

BEFORE:

C. M. Brewer, Panel Chair
A. C. Dennier, Commissioner
E. B. Lockhart, Commissioner

on January 15, 2024

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

WHEREAS:

- A. On September 20, 2022, FortisBC Energy Inc. (FEI) filed an application with the British Columbia Utilities Commission (BCUC) for a Certificate of Public Convenience and Necessity (CPCN) pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA) for FEI's Interior Transmission System (ITS) Transmission Integrity Management Capabilities (TIMC) Project (ITS TIMC Project) (Application);
- B. The ITS TIMC Project consists of work necessary to prepare eight pipelines on the ITS for the use of in-line inspection tools. The scope of the ITS TIMC Project includes:
 1. Replacement of three heavy wall pipeline segments on two of the ITS pipelines; and
 2. Modification to 13 transmission pressure facilities within the ITS;
- C. FEI also requests approval, pursuant to sections 59 to 61 of the UCA, to transfer the balance of the TIMC Development Cost deferral account associated with the Application, estimated to be a credit of \$0.574 million, from the non-rate base TIMC Development Cost deferral account to the rate base TIMC Development Cost deferral account;
- D. In the Application, FEI requests that certain appendices filed with the Application be held confidential on the basis that these appendices include information that is commercially sensitive, poses a safety risk if disclosed, or may impede FEI's ability to reliably operate its gas system assets (Confidential Information);
- E. By December 8, 2022, British Columbia Old Age Pensioners' Organization et al.; Residential Consumer Intervener Association; and Commercial Energy Consumers Association of BC registered as interveners in the proceeding;

- F. By Orders G-320-22, G-48-23, G-94-23 and G-115-23, the BCUC established and amended the regulatory timetable for the review of the Application. The regulatory process included: two rounds of information requests (IRs); FEI responses to IRs; Panel IRs; intervener evidence; IRs on the intervener evidence; rebuttal evidence; IRs on the rebuttal evidence; final arguments and FEI's reply arguments; and
- G. The BCUC has considered the Application, the evidence and submissions in this proceeding and determines that certain approvals are warranted.

NOW THEREFORE pursuant to sections 45 to 46 and 59 to 61 of the *Utilities Commission Act* and for the reasons set out in the Decision issued concurrently with this order, the BCUC orders the following:

1. FEI is granted a CPCN for the ITS TIMC Project.
2. FEI is approved to transfer the remaining Project costs in the non-rate base TIMC Development Cost deferral account, estimated to be a credit of \$0.574 million at the end of 2023, to the rate base TIMC Development Cost deferral account, effective January 1, 2024.
3. FEI is approved to capitalize the pre-construction development costs related to the Project, estimated to be \$4.108 million at the end of 2023, by transferring to Construction Work in Progress.
4. FEI is directed to file reports as outlined in Appendix A to the Decision.
5. The Confidential Information will be held confidential until the BCUC determines otherwise. Upon completion of the Project, FEI is directed to inform the BCUC which Confidential Information is no longer required to be kept confidential.

DATED at the City of Vancouver, in the Province of British Columbia, this 15th day of January 2024.

BY ORDER

Original signed by:

C. M. Brewer
Commissioner