

Suite 410, 900 Howe Street Vancouver, BC Canada V6Z 2N3 bcuc.com **P:** 604.660.4700 **TF:** 1.800.663.1385

ORDER NUMBER G-19-25

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 Tilbury Liquefied Natural Gas Storage Expansion Project

BEFORE:

A. K. Fung, KC, Panel Chair T. A. Loski, Commissioner A. C. Dennier, Commissioner

on January 28, 2025

ORDER

WHEREAS:

- A. On December 29, 2020, FortisBC Energy Inc. (FEI) filed an application with the British Columbia Utilities Commission (BCUC) pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA) for the approval of a Certificate of Public Convenience and Necessity (CPCN) for the Tilbury Liquefied Natural Gas (LNG) Storage Expansion (TLSE) Project (Application);
- B. FEI also requests the following related financial approvals pursuant to sections 59 to 61 of the UCA:
 - A depreciation rate of 1.67 percent and a net salvage rate of 0.67 percent applicable to the new 3 Bcf LNG tank;
 - A new non-rate base deferral account: the "TLSE Application and Preliminary Stage Development Costs" deferral account; and
 - A deferral account, the "TLSE FX Mark to Market deferral account", to capture the mark-to-market valuation of any foreign currency forward contracts entered into related to construction of the TLSE Project;
- C. By Order G-62-23 dated March 23, 2023, the BCUC adjourned the proceeding and invited FEI to file a resiliency plan and additional evidence described in Order G-62-23;
- D. On October 24, 2024, FEI filed a resiliency plan (2024 Resiliency Plan) and additional evidence (Supplemental Evidence);

- E. FEI requests that certain information contained within the 2024 Resiliency Plan and the Supplemental Evidence be held confidential by the BCUC in perpetuity, pursuant to Rule 18 of the BCUC's Rules of Practice and Procedure (Rules) established by Order G-296-24. Specifically, FEI requests the following:
 - 1. Appendices D, E, G, I, J and K to the Supplemental Evidence relating to engineering and cost estimate matters be held confidential due to the operationally sensitive and commercially sensitive nature of the information;
 - Redacted information in the 2024 Resiliency Plan and associated Appendices RP 1, RP 2, and RP 4
 relating to specific details of FEI's gas system assessed vulnerabilities be held confidential on a
 restricted basis due to the highly sensitive security related information and that it be available only
 to the BCUC; and
 - 3. Redacted information in the 2024 Resiliency Plan relating to FEI's gas supply portfolio be held confidential on a restricted basis and be available only to the BCUC due to the commercially sensitive nature of the information (Items 2 and 3 collectively known as Restricted Confidential Information);
- F. By Order G-324-24 dated December 4, 2024, the BCUC requested registered interveners to submit comments in response to FEI's request that certain information contained within the 2024 Resiliency Plan and the Supplemental Evidence be held confidential by the BCUC in perpetuity, including information that FEI requests to be held confidential and available only to the BCUC;
- G. By January 3, 2025, the following interveners filed their submissions: Residential Consumer Intervener Association (RCIA); BC Sustainable Energy Association (BCSEA); and Commercial Energy Consumers Association of BC (the CEC). On January 9, 2025, FEI filed its reply submissions; and
- H. The BCUC considers making determinations regarding FEI's request for confidential treatment of certain information, including the treatment of the Restricted Confidential Information, is warranted.

NOW THEREFORE for the reasons outlined in the decision accompanying this order, the BCUC orders as follows:

- 1. The information contained within the 2024 Resiliency Plan and the Supplemental Evidence which FEI has requested be held confidential will be held confidential until the BCUC determines otherwise.
- 2. The Restricted Confidential Information will be held confidential and will be accessible only by the BCUC, until the BCUC determines otherwise.

DATED at the City of Vancouver, in the Province of British Columbia, this 28th day of January 2025.

BY ORDER

Electronically signed by Anna Fung

A. K. Fung, KC Commissioner

FortisBC Energy Inc.

Application for a Certificate of Public Convenience and Necessity for the Tilbury Liquefied Natural Gas Storage Expansion Project

DECISION

1.0 Introduction

On December 29, 2020, FortisBC Energy Inc. (FEI) filed an application with the British Columbia Utilities Commission (BCUC) pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA) for the approval of a Certificate of Public Convenience and Necessity (CPCN) for the Tilbury Liquefied Natural Gas (LNG) Storage Expansion (TLSE) Project (Application).

By Order G-62-23 dated March 23, 2023, the BCUC adjourned the proceeding and invited FEI to file a resiliency plan and additional evidence described in Order G-62-23.

On October 24, 2024, FEI filed a resiliency plan (2024 Resiliency Plan) and additional evidence (Supplemental Evidence). FEI requests that certain information contained within the 2024 Resiliency Plan and the Supplemental Evidence be held confidential by the BCUC in perpetuity, pursuant to Rule 18 of the BCUC's Rules of Practice and Procedure (Rules) established by Order G-296-24. Specifically, FEI requests the following:

- Appendices D, E, G, I, J and K to the Supplemental Evidence relating to engineering and cost estimate matters be held confidential due to the operationally sensitive and commercially sensitive nature of the information;
- Redacted information in the 2024 Resiliency Plan and associated Appendices RP 1, RP 2, and RP 4
 relating to specific details of FEI's gas system assessed vulnerabilities be held confidential on a restricted
 basis due to the highly sensitive security related information and that it be available only to the BCUC;
 and
- Redacted information in the 2024 Resiliency Plan relating to FEI's gas supply portfolio be held confidential on a restricted basis and be available only to the BCUC due to the commercially sensitive nature of the information.

By Order G-324-24 dated December 4, 2024, the BCUC requested registered interveners to submit comments in response to FEI's request that certain information contained within the 2024 Resiliency Plan and the Supplemental Evidence be held confidential by the BCUC in perpetuity, including information that is requested to be held confidential and available only to the BCUC. By January 3, 2025, the following registered interveners filed their submissions with the BCUC: BC Sustainable Energy Association (BCSEA); Commercial Energy Consumers Association of BC (the CEC); and Residential Consumer Intervener Association (RCIA). On January 9, 2025, FEI filed its reply submission.

These reasons for decision summarize parties' submissions and the Panel's determination with respect to FEI's request to keep certain information confidential.

1.1 BCUC Rules of Practice and Procedure

Part IV of the Rules outlines the provisions for requests for confidentiality and the filing of confidential documents.

Order G-19-25 1 of 5

Rule 20.01 outlines the considerations for the BCUC with respect to determinations on confidential information:

In determining whether the nature of the information or documents require a confidentiality direction, the BCUC will have regard to matters that it considers relevant, including:

- (a) whether the disclosure of the information could reasonably be expected to result in:
 - i. undue material financial loss or gain to a person;
 - ii. significant harm or prejudice to that person's competitive or negotiating position; or
 - iii. harm to individual or public safety or to the environment;
- (b) whether the information is personal, financial, commercial, scientific, labour relations or technical information that is confidential and consistently treated as confidential by the person;
- (c) whether the person's interest in confidentiality outweighs the public interest in the disclosure of the information or documents in the hearing;
- (d) whether the person submitting the document has any legal obligation to maintain confidentiality; and
- (e) whether it is practicable to hold the hearing in a manner that is open to the public.

2.0 FEI's Requests for Confidential Treatment of Certain Information

FEI requests certain information contained within the Supplemental Evidence and the 2024 Resiliency Plan be held confidential in perpetuity by the BCUC. The following section describes the nature of the confidential information in both the Supplemental Evidence and the 2024 Resiliency Plan.

Supplemental Evidence

FEI seeks to file the following appendices confidentially and requests that the BCUC hold this information confidential in perpetuity:

- Engineering documents related to Tilbury base plant containing operationally sensitive information:
 - Appendix D CB&I Report
 - Appendix E WSP Report
- Cost estimating documents, which include information which if disclosed may prejudice FEI's negotiating position when securing future construction/material contracts:
 - Appendix G Detailed cost estimate
 - Appendix I Validation Estimating Contingency Report
 - Appendix K Financial Schedules

FEI states that confidentiality undertakings already signed by registered interveners entitles them to have access to these documents.¹

Order G-19-25 2 of 5

_

¹ Exhibit B-60, cover letter, p. 2.

2024 Resiliency Plan

FEI states that the 2024 Resiliency Plan contains certain information which is highly sensitive for security reasons and which FEI requests be kept confidential, and remain accessible only to the BCUC. FEI also states that the 2024 Resiliency Plan contains confidential information relating to FEI's gas supply portfolio, and proposes to similarly limit access to this information to the BCUC only. FEI requests confidential treatment of this gas supply information as it is commercially sensitive. FEI notes that the BCUC, by Order G-241-24, has previously approved this gas supply information as being confidential. Together, this confidential information which FEI proposes can be accessed only by the BCUC is referred to as "Restricted Confidential Information."

FEI identifies the following Restricted Confidential Information:

- A limited amount of data and information contained within Section 3, 4, 5 and 7 of the 2024 Resiliency Plan which can be used to infer an otherwise anonymized assessed gas system vulnerability (AV), and one instance of confidential gas supply portfolio information.
- Appendix RP 1 is a spreadsheet of all vulnerabilities identified by FEI as part of its work on the 2024 Resiliency Plan.
- Appendix RP 2 is a report prepared by FEI's consultant Exponent, Inc. (Exponent) that assesses the 2024
 Resiliency Plan, the risk (probability and consequence) of disruption to FEI's ability to supply gas, and the
 mitigations of such risk. Information contained within the report that identifies an AV has been
 redacted.
- Appendix RP 4 to the 2024 Resiliency Plan includes specific de-anonymized information about each of the 58 AVs, including specific location information, and their respective current risk assessments.

3.0 Intervener Submissions

3.1 BCSEA

BCSEA submits its objection to the BCUC designating information as Restricted Confidential Information that can only be accessed by the BCUC. BCSEA states that such an approach is not mentioned in the Rules. BCSEA submits its concern that excluding interveners from accessing the Restricted Confidential Information risks the BCUC making a decision with respect to the Application on the basis of secret information – a practice which the BCSEA submits should be avoided.²

3.2 The CEC

The CEC submits it has no issue with FEI's proposed confidentiality requests.³

3.3 RCIA

RCIA does not agree with FEI's request to restrict access to the Restricted Confidential Information in the 2024 Resiliency Plan to the BCUC only. RCIA submits that information relating to vulnerabilities of FEI's gas system and FEI's gas supply portfolio are core to the justification for the TLSE Project and that interveners are at a disadvantage if they are excluded from this evidence. RCIA notes that its technical advisors and legal counsel are professionals that have executed a Confidentiality Declaration and Undertaking form for this proceeding and

Order G-19-25 3 of 5

² Exhibit C2-17, p. 2.

³ Exhibit C5-25, p. 1.

that have demonstrated a history of responsible access to confidential information as part of their work. Further, RCIA notes that it intends to provide its analysis of resiliency issues as part of this proceeding, and that this work is made significantly more difficult if RCIA does not have access to FEI's own analysis of resiliency risk factors.⁴ In particular, RCIA states that FEI's redactions of the entire list of assumptions made in the baseline scenario in section 3.4.1.2.2 of the 2024 Resiliency Plan and its entire list of vulnerabilities in section 4.2 of the 2024 Resiliency Plan result in RCIA's inability to provide a meaningful analysis of the 2024 Resiliency Plan.

4.0 FEI Reply Submission

FEI submits that it is in the public interest for the Restricted Confidential Information to remain available to the BCUC only. FEI states that it has taken care to file information most pertinent to the Application publicly and to limit designating information as Restricted Confidential Information to only the most security sensitive information. FEI explains that the Restricted Confidential Information includes de-anonymized details about specific vulnerabilities to FEI's system, such as their locations, and particular modes of failure that pose the most likely and most severe risk of causing significant customer outages. FEI submits that the distribution of this information should be carefully limited.⁵

In response to RCIA, FEI states that the specific Restricted Confidential Information in sections 3.4.1.2.2 and 4.2 of the 2024 Resiliency Plan includes some of the most sensitive types of information related to a gas utility and should be treated accordingly.⁶ Further, FEI notes that its confidentiality requests are not driven by the particular characteristics of the interveners, but rather is based on the principle that limiting circulation of Restricted Confidential Information provides the best security protection.⁷

In response to BCSEA, FEI submits that Rules 19 and 24 provide the BCUC with the authority to approve FEI's proposed treatment of confidential information as currently requested. Further, FEI submits that its proposed treatment of the Restricted Confidential Information is similar to the treatment of security sensitive information related to electric utilities, pursuant to the BCUC's Rules of Procedure for Reliability Standards in British Columbia.⁸

FEI also submits that the majority of the Restricted Confidential Information is not directly relevant to the BCUC's ultimate decision regarding the TLSE Application, but is filed in this proceeding in response to the BCUC's request for a holistic resiliency plan. FEI submits that it has maintained public access to information that directly supports the need for the TLSE Project; for example, interveners and the public have information which demonstrates that the risk posed by a T-South no flow event occurring in the winter is the greatest resiliency risk currently faced by FEI.⁹

FEI further submits that the BCUC should consider the risk of cyber-attack on critical energy assets in making its determination with respect to the treatment of the Restricted Confidential Information. FEI states it is unlikely that the potential recipients of the Restricted Confidential Information have the same level of cyber-threat protection in place as FEI.¹⁰

Order G-19-25 4 of 5

⁴ Exhibit C1-23, p. 1-2.

⁵ Exhibit B-62, p. 2.

⁶ Ibid., p. 2.

⁷ Ibid., p. 3.

⁸ Ibid., p. 2.

⁹ Ibid.

¹⁰ Ibid., p. 3.

Panel Determination

The Panel considers FEI's request to limit access of the Restricted Confidential Information to only the BCUC serves the public interest. The Panel notes that the Restricted Confidential Information contained within the 2024 Resiliency Plan includes analysis of vulnerabilities faced by specific gas system assets and analysis of specific consequences which may result from the occurrence of a failure of those specific gas system assets. The Panel finds that restricting access to this information is reasonably necessary to maintain public and environmental safety. Inadvertent disclosure of the Restricted Confidential Information may be exploited by malicious actors, potentially leading to significant interruptions in gas supply services and damage to the environment or public property. While not determinative, the Panel observes that the BCUC commonly restricts access to security sensitive information with respect to electricity Mandatory Reliability Standards. Therefore, the Panel's determination regarding Restricted Confidential Information is consistent with other BCUC practices with respect to security sensitive information, and is made pursuant to Part IV of the Rules, in particular Rules 19 and 24.

The Panel finds that FEI has provided sufficient information within the 2024 Resiliency Plan that is publicly available so as to allow interveners and the public to assess the merits of the Application. Further, the Panel shares FEI's concerns with respect to the risk of inadvertent disclosure of the Restricted Confidential Information as a result of a recipient of the Restricted Confidential Information falling victim to cyber-attack.

Accordingly, the BCUC orders the information contained within the 2024 Resiliency Plan and the Supplemental Evidence which FEI has requested be held confidential will be held confidential until the BCUC determines otherwise. The BCUC further orders that the Restricted Confidential Information be held confidential and be accessible only to the BCUC until the BCUC determines otherwise.

DATED at the City of Vancouver, in the Province of British Columbia, this 28th day of January 2025.

Electronically signed by Anna Fung
A. K. Fung, KC Panel Chair/Commissioner
Electronically signed by Tom Loski
T. A. Loski Commissioner
Electronically signed by Ana Dennier
A. C. Dennier
Commissioner

Order G-19-25 5 of 5