

25th Floor
700 W Georgia St

Vancouver, BC
Canada V7Y 1B3

Tel 604 684 9151
Fax 604 661 9349

www.farris.com

Reply Attention of: Nicholas T. Hooge
Direct Dial Number: (604) 661-9391
Email Address: nhooge@farris.com

Our File No.: 05497-0270

December 5, 2018

BY ELECTRONIC FILING

British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

Attention: Patrick Wruck, Commission Secretary and Manager, Regulatory Support

Dear Sirs/Mesdames:

**Re: FortisBC Inc. 2019-2022 Demand Side Management
Expenditures Plan – BCUC Project No. 1598973**

We are counsel for FortisBC Inc. (FBC) in the above noted proceeding. We write to file an erratum to FBC's Reply Argument, dated December 4, 2018. Specifically, the second sentence of paragraph 43 and the associated footnote 45 incorrectly identify Tolko Industries Ltd. as a second customer in FBC's kraft pulp and paper segment. A replacement page 14 of the Reply Argument is attached with revisions to correct the record. This erratum does not result in any impacts to the submissions made in FBC's Reply Argument.

If further information is required please contact the undersigned.

Yours truly,

FARRIS, VAUGHAN, WILLS & MURPHY LLP

Per:



Nicholas T. Hooge

NTH/cn
Enclosure
c.c.: client
All Registered Interveners

42. The foregoing demonstrates that both a plain textual reading and a purposive interpretation of the applicable legislation supports FBC’s “sliding scale mechanism”.

(iv) Kraft Pulp and Paper Energy Savings

43. ICG argues that FBC is missing “significant opportunities” to achieve energy savings in the kraft pulp and paper customer segment because, in ICG’s submission, “FortisBC has in effect excluded Celgar from DSM Programs”.⁴⁴ ICG relies for its argument on the market potential results for the kraft pulp and paper segment provided in Navigant’s report filed with the Application, as well FBC’s response to BCUC IR 1.2.3. While ICG says that this IR response should be “carefully examined”, it selectively quotes from the response in paragraph 15 of its Final Submissions. The full IR response is as follows:

The kraft pulp and paper customer segment typically self-generates nearly all of the electricity it uses except during turn around, maintenance and upset periods. Therefore, any electricity savings achieved as a result of investing in energy efficiency projects accrue nearly 100 percent to the customer and not to FBC’s DSM program. FBC offers the kraft pulp and paper segment access to the Industrial Custom Program; however, the energy savings and capital incentives are prorated by the estimated amount of electricity savings FBC expects to realize from the project.⁴⁶

44. Regarding the kraft pulp and paper market potential that ICG relies upon, FBC noted in response to an ICG IR that the scope of the BC CPR potential study included self-generated loads (such as in the kraft pulp and paper segment) to ensure the provincial report, provided as a deliverable by the participating BC utilities, was comprehensive; however, this did not obligate FBC to incent any and all energy savings for which market potential was identified.⁴⁷ The Navigant report itself highlights that market potential is not the same as

Deleted: ICG incorrectly describes Celgar as FBC’s “only” customer in this sector.⁴⁵

⁴⁴ Final Submissions of ICG, para. 16

⁴⁶ Ex. B-2, p. 9-10

⁴⁷ Ex. B-5 (Response to ICG IR 1.5.3), p. 9-10