

February 28, 2019

VIA E-FILING

Patrick Wruck
Commission Secretary
BC Utilities Commission
6th Floor 900 Howe Street
Vancouver, BC V6Z 2N3
7310.2290



Reply to: Leigha Worth
lworth@bcpiac.com
Ph: 604-687-3034
Our File:

Dear Mr. Wruck,

**Re: FortisBC Energy Inc. – Certificate of Public Convenience and Necessity
Application for the Inland Gas Upgrade Project – Project No. 1598988 –
Information Request No. 1**

We represent British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, BC Poverty Reduction Coalition, Council of Senior Citizens' Organizations of BC, Disability Alliance BC, Together Against Poverty Society, and Tenant Resource & Advisory Centre ("BCOAPO et al." or "BCOAPO").

Enclosed please find the BCOAPO's Information Requests No. 1 with respect to the above-noted matter.

If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,
BC PUBLIC INTEREST ADVOCACY CENTRE

Original on file signed by:

Leigha L. Worth
Barrister & Solicitor
Executive Director

encl.

REQUESTOR NAME: BCOAPO *et al.*
INFORMATION REQUEST ROUND NO: #1
TO: FortisBC Energy Inc. (FEI)
DATE: February 28, 2019
APPLICATION NAME: Certificate of Public Convenience and Necessity (CPCN) Application for the Inland Gas Upgrade Project (IGU)

1.0 Reference: Exhibit B-1, page 1 and page 4, Fig. 1-1, and page 73, Table 5-13, General

The referenced page states:

1.1.1 CPCN for IGU Project

The IGU Project is needed to mitigate the potential for rupture failure due to corrosion on 29 transmission pipeline laterals on FEI's system that were constructed between 1957 and 1998, have a nominal pipe size (NPS) 6 or greater, operate as transmission pipelines and are not capable of being in-line inspected (referred to in this Application as the 29 Transmission Laterals). FEI owns and operates approximately 3 thousand kilometres of transmission pressure (TP) pipelines in the province of British Columbia. The 29 Transmission Laterals collectively make up approximately 410 kilometres of pipe length. Because the 29 Transmission Laterals operate at transmission operating stress levels, there is a potential that corrosion in these pipelines, if left undetected, could result in rupture.

- 1.1 Can FEI confirm that the 29 transmission pipeline laterals were the only transmission pipeline laterals constructed between 1957 and 1998? If not, please explain why other transmission pipelines laterals constructed during this period do not require attention at this time.
- 1.2 Has FEI constructed or had constructed any other transmission pipeline laterals after the period 1957-1998? If so, is it reasonable to assume that any such laterals constructed soon after 1998 are likely to require similar attention in the near future?
- 1.3 On what (starting) date did FEI begin incurring costs for the subject project?
- 1.4 Please provide the actual costs, by month, incurred to date on this project.
- 1.5 On what date did FEI first identify the need for this project? That is, please provide the date on which FEI first became aware of the corrosion-rupture possibility on the subject transmission pipeline laterals.

- 1.6 Prior to the instant application, did FEI specifically mention the need to address transmission pipe lateral integrity in any previous filing to the BCUC? If so, please provide details.
- 1.7 Please provide a copy of any capital spending plan(s) or other documentation or references to such filed with the BCUC within the last five years.
- 1.8 Please provide any previous filings to the BCUC that refer to or mention the transmission pipeline lateral issue that is the subject of the instant application. In the alternative, please provide specific references that detail the filing of such information with the BCUC.
- 1.9 Are the subject laterals currently in compliance with all applicable safety and integrity standards (e.g., CSA, BC OGC etc.)?
- 1.10 To FEI's knowledge, are FEI's other transmission and distribution pipe infrastructure fully in compliance with all applicable safety and integrity standards (e.g., CSA, BC OGC etc.)?
- 1.11 To FEI's knowledge, are there other projects, similar in nature (pipeline integrity/safety) and in rate impact, upcoming in the near to medium future?

2.0 Reference: Exhibit B-1, Project Justification and Exhibit A-4, BCUC IR 3.0 preamble

- 2.1 Please provide either (i) references in the evidence or, otherwise, (ii) a table listing the relevant sections of safety/integrity rules, regulations, laws, and subsequent revisions/amendments that are applicable to the subject laterals of the instant application.

3.0 Reference: Exhibit B-1, pages 10 and 129 - 130, and Exhibit A-4, BCUC IR 33.x series, Indigenous Consultation and Engagement

The second referenced page (129) states:

8.3.5 Outstanding Issues or Concerns

A number of Indigenous communities expressed interest in working on the Project in some capacity. Follow up meetings will be scheduled with these communities as additional information around contracting and procurement becomes available.

Some concerns such as those related to sensitive areas require additional, site specific information that is not available at this early Project stage. FEI will continue to engage with those communities that have requested additional information with follow up meetings as the Project design becomes more certain.

- 3.1 Can FEI confirm that no issues of law or jurisdiction – which could impact the project or its timing – have been raised by Indigenous communities thus far?

3.2 Does FEI expect that there will be no material objections forthcoming from Indigenous communities with respect to this project? If so, please explain fully. The page 130 states:

All Indigenous communities will be sent a follow up letter advising them of the filing of this CPCN application.

3.3 Please confirm whether FEI has informed affected Indigenous communities that the Application has been filed and how to raise concerns with the BCUC.

3.3.1 If confirmed, please reference when this occurred.

3.3.2 If not confirmed, please explain why this has not happened.

4.0 Reference: Exhibit A-4, BCUC IRs 7.1, 7.11, and 7.12, FEI's 2014-2019 PBR Plan

4.1 In FEI's view, did FEI have a financial incentive to either (i) defer or (ii) not defer the bulk of the spending on or associated with the subject project until the end of the approved PBR plan? Please explain why or why not.

5.0 Reference: Exhibit B-1, Section 4, Description and Evaluation of Alternatives

5.1 For the subject 29 transmission pipeline laterals, can FEI confirm that had it chosen – in each case – the lowest cost alternative that would “meet code” the overall cost of the project would not be significantly lower?