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May 7, 2019

Sent via email/eFile

**FEI CPCN FOR INLAND GAS UPGRADE PROJECT
EXHIBIT A-9**

Doug Slater
Director, Regulatory Affairs
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Re: FortisBC Energy Inc. – Certificate of Public Convenience and Necessity Application for the Inland Gas Upgrade Project – Project No. 1598988 – Information Request No. 2

Dear Mr. Slater:

Further to your December 17, 2018 application of the above noted matter, enclosed please find British Columbia Utilities Commission Information Request No. 2. Please file your responses by Friday, June 7, 2019.

Sincerely,

Original signed by:

Patrick Wruck
Commission Secretary

/aci
Enclosure



FortisBC Energy Inc.
Application for a Certificate of Public Convenience and Necessity
for the Inland Gas Upgrade Project

INFORMATION REQUEST NO. 2 TO FORTISBC ENERGY INC.

| Table of Contents | Page no. |
|---|-----------------|
| A. Project Need And Justification | 1 |
| B. Project Description | 7 |
| C. Description And Evaluation Of Alternatives | 9 |
| D. Project Costs, Accounting Treatment And Rate Impact | 12 |
| E. Environment and Archaeology | 12 |
| F. Consultation | 14 |
| | |
| A. PROJECT NEED AND JUSTIFICATION | |
| 35.0 Reference: PROJECT JUSTIFICATION | |
| Exhibit B-2, BCUC 1.3.1 & Attachment 6.5, pp. 2, 3 | |
| Risk Analysis and Evaluation | |

In response to British Columbia Utilities Commission (BCUC) IR 1.3.1, FortisBC Energy Inc. (FEI) states:

Based on FEI’s existing methods and the information available on the 29 Transmission Laterals, FEI’s assessment is that there is not a material difference in the integrity risk level of the laterals. All of the 29 Transmission Laterals are subject to the same potential for rupture due to external corrosion that may go undetected by FEI’s current integrity management techniques. FEI’s ability to prioritize amongst the Transmission Laterals based on risk level is limited because the available condition information is comprised of limited quantities of integrity digs and failure records (rather than in-line inspection), and this information does not provide any indication of systemic issues on any particular lateral.

On page 2 of Attachment 6.5, the BC Oil and Gas Commission (OGC) states:

The risk associated with gas pipelines owned and operated by FortisBC can vary according to location, material type, pressure, current condition, and age. FortisBC has shown no systematic process to determine risk (i.e., the likelihood of failure resulting from hazards and severity of such events or failures) and no process to analyse the hazards, their potential interactions, and overall impact on risk...the Commission requires FortisBC to commit, develop and implement a risk management process for operating pipelines. This must be carried out to fully meet the requirements of the risk assessment non-compliance and meet CSA Z662-15 Clause 3.4.

Further, on page 3 of Attachment 6.5, the BC OGC states: “The Commission [BC OGC] requires a quarterly update in the progress toward completing this corrective action until completed and an estimated completion date.”

- 35.1 Please confirm, otherwise explain, whether FEI agrees with the BC OGC finding that risk associated with FEI’s pipelines can vary according to location, material type, pressure, current condition and age.
- 35.2 Please confirm, otherwise explain, whether FEI agrees with the BC OGC finding that FEI has shown no systematic process to determine risk and no process to analyse the hazards, their potential interactions and overall impact on risk.
- 35.3 Please discuss in detail FEI’s response to the BC OGC letter, including the planned activities to address the risk assessment non-compliance and the estimated completion date communicated to the BC OGC.
 - 35.3.1 Please provide a copy of any correspondence between FEI and BC OGC regarding plans and progress to address the risk assessment non-compliance.
 - 35.3.2 Please describe, with rationale, any changes to the initial planned activities to address the risk assessment non-compliance or the estimated completion date.
- 35.4 Please discuss any risk assessment activities FEI has completed since the BC OGC letter.
 - 35.4.1 If planned risk assessment activities have not been completed, please explain why not.
- 35.5 Please provide a summary of any additional risk assessment activities that would need to be carried out to fully meet the requirements of the risk assessment non-compliance and provide an estimated completion date.
- 35.6 Please provide FEI’s rationale for proposing the Inland Gas Upgrade (IGU) Project prior to completion of the risk assessment activities.
- 35.7 Please discuss whether FEI assessed the likelihood of failure resulting from pipeline hazards including external corrosion, third-party damage, geotechnical, seismic and human error.
 - 35.7.1 If so, please provide any assessment of the potential hazards.
 - 35.7.2 If not, why not?
- 35.8 Please discuss whether FEI assessed the potential location-specific consequences (safety and security of supply) for each potential failure type (leak and rupture).
 - 35.8.1 If so, please provide the potential consequences of a pipeline failure (leak and rupture) for all laterals and all lateral segments.
 - 35.8.2 If not, why not?
- 35.9 Please discuss whether there are different regulatory or technical requirements for gas transmission pipelines in areas of higher population density.
 - 35.9.1 If so, please provide details of the different requirements.
- 35.10 Please discuss whether FEI identified any additional integrity assessment actions that could refine/validate the condition of the laterals such as tethered in-line inspection and integrity digs.
 - 35.10.1 If so, please explain FEI’s method for determining the additional integrity assessment actions needed to assess the condition of the laterals.
 - 35.10.2 If so, please compare the cost and benefits of additional integrity assessment actions to FEI’s proposed alternatives (in-line inspection [ILI], Pipeline Replacement [PLR] and Pressure Regulating Station [PRS]).

35.10.3 If not, why not?

35.11 Please explain how long it would take FEI to perform a qualitative risk assessment based on findings from historical digs on similar pipelines and the known hazards and consequences on the 29 laterals.

35.11.1 Please explain the implications for the Inland Gas Upgrade (IGU) Project (e.g. cost, timing, scope) and how FEI would adjust its approach to the upgrades.

36.0 **Reference: PROJECT JUSTIFICATION**
Exhibit B-2, BCUC 1.3.1, p. 10 & Attachment 6.5
Quantitative Risk Assessment

In response to BCUC IR 1.3.1, FEI states:

FEI is currently responding to direction from the BC OGC to develop a method to conduct **quantitative** risk assessments, as discussed in response to BCUC IR 1.6.5. FEI is undertaking the first iteration of a quantitative risk assessment (QRA) of its transmission pipelines as part of Phase 1 of its Transmission Integrity Management Capabilities (TIMC) CPCN development. This QRA is required for the purposes of that project, as described in Section 12.4.1.1 of FEI's Annual Review of 2019 Rates application. However, this QRA is not required to justify the need for the IGU Project and, given FEI's limited condition assessment information on the 29 Transmission Laterals due to lack of ILI data, FEI's ability to prioritize amongst the laterals is expected to remain limited. (Emphasis added)

- 36.1 Please elaborate on the direction from the BC OGC to develop a method to conduct quantitative risk assessments (QRA) for operating pipelines.
- 36.1.1 Was the direction given subsequent to the BC OGC letter dated November 16, 2017?
- 36.1.2 Did FEI provide the BC OGC with progress reports towards completing a QRA and an estimated completion date? If not, why not?
- 36.2 Please explain why the QRA is required for the purpose of the TIMC Project but is not required to justify the need for the IGU Project.
- 36.3 Please discuss the potential additional information that the QRA could provide regarding the 29 Transmission Laterals and how this information could be used in the development of the IGU Project in terms of refinement of the cost, scope and timing of the project.
- 36.4 Please explain how long it would take to complete a QRA for the 29 Transmission Laterals and provide a detailed cost estimate for that work.

37.0 **Reference: PROJECT JUSTIFICATION**
Exhibit B-1, Section 3.3.3, p. 19
Potential Failure by Rupture

On page 19 of the Application for a Certificate of Public Convenience and Necessity (CPCN) for the Inland Gas Upgrade Project (Application), FEI states:

It is generally accepted by FEI and the Canadian pipeline industry that a pipeline operating at or above 30 percent SMYS has a potential to fail by rupture, whereas a pipeline operating below 30 percent SMYS would have a potential to leak. The CSA Z662 delineation is supported by a 2004 ASME International Pipeline Conference Paper entitled "A Review of the Time Dependent Behaviour of Line Pipe Steel" by Andrew Cosham and Phil Hopkins, which indicates that full scale tests on part-wall (e.g., a corrosion defect that has not penetrated through the full thickness of the pipe) and through-wall defects (e.g. a corrosion defect that has penetrated through the full thickness of the pipe) showed that it is very unlikely that a part-wall defect will fail as a rupture at a stress level less than 30 percent.

- 37.1 Please confirm, or otherwise explain, that the generally accepted practice of operating pipelines at or below 30 percent specified minimum yield strength (SMYS) to prevent rupture is based specifically on the potential for rupture due to time based plastic deformation of defects such as

cracks or notches in the pipe wall, not specifically corrosion.

- 37.2 Please discuss whether the referenced paper entitled “A Review of the Time Dependent Behaviour of Line Pipe Steel” concludes that 30 percent SMYS is an acceptable stress level to avoid risk of rupture in all cases, including corrosion.
- 37.3 Please provide any supporting studies that apply the 30 percent SMYS to the prevention of ruptures due to general corrosion.
- 37.4 Please confirm, otherwise explain, whether FEI is confident that there will not be a rupture scenario at an operating pressure below 30 percent SMYS where there is significant or extensive corrosion.

**38.0 Reference: PROJECT JUSTIFICATION
Exhibit B-2, BCUC IR 11.1; Exhibit B-1, p. 23
Transmission Pipeline Integrity Program**

On page 23 of the Application, FEI states that it “expanded its ILI program during this period through a five-year program to retrofit its Coastal Transmission System mainline pipelines for ILI. This retrofit program and other supporting integrity management activities were referred to as the Transmission Pipeline Integrity Program (TPIP).”

In response to BCUC IR 11.1, FEI provided the following table summarizing the TPIP expenditures:

| Year | Order C-15-01 | | Order C-3-02 | | Order C-4-03 | | Order C-5-04 | |
|-----------------|---------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|
| | Plan (\$000) | Actual (\$000) | Plan (\$000) | Actual (\$000) | Plan (\$000) | Actual (\$000) | Plan (\$000) | Actual (\$000) |
| 2001 | 9,692 | 9,174 | | | | | | |
| 2002 | 5,397 | 4,593 | 3,766 | 3,636 | | | | |
| 2003 | | 273 | 3,703 | 1,644 | 8,742 | 8,870 | | |
| 2004 | | (52) | | 2,663 | | | 60 | 40 |
| 2005/06 | | | | | | | 3,672 | 3,725 |
| Totals | 15,089 | 13,988 | 7,469 | 7,943 | 8,742 | 8,870 | 3,732 | 3,765 |
| Variance | | (7.3%) | | 6.3% | | 1.5% | | 0.9% |

Order C-15-01 states the following in Recitals E, F and G, respectively:

On October 17, 2001, BC Gas met with Commission staff and staff of the Oil and Gas Commission to discuss the TPIP;

Oil and Gas Commission staff support the TPIP;

The Commission considers that the Integrity Management Program is generally necessary and in the public interest, but is only prepared to approve a CPCN for those expenditures that are reasonably well defined at this time.

- 38.1 Please compare the current IGU Project and the TPIP, including the project scope, project plan and timeline, project risks, and regulatory process.
- 38.2 Please explain if FEI considers the project expenditures for the IGU project to be better defined than at the time of the TPIP program review process.

39.0 **Reference: PROJECT JUSTIFICATION**
Exhibit B-2, BCUC 1.8.2, pp. 75 to 85; Exhibit B-5, CEC 1.30.2, p.81
General Description of Transmission Laterals on FEI’s System

In response to BCUC 1.8.2, FEI provided tables for transmission pipeline information including the dimensions and material characteristics of the pipe, age, type of coating, leak history and location of the pipeline, as related to population density and whether the pipeline is equipped for ILI.

These tables show the recorded failure caused by external corrosion, the number of recorded failures caused by other than external corrosion for each of the 29 laterals, as well as other transmission pipelines on FEI’s system.

In response to CEC 1.30.2, FEI identified ten recorded incidents involving release of gas from its operating history of the 29 Transmission Laterals that may have impacted their reliability. The ten incidents occurred between 1973 and 1996.

- 39.1 Please provide the total number of transmission pipelines (including the 29 Transmission Laterals) that are not in-line inspection capable.
- 39.2 Please provide the total number of transmission pipelines, in addition to the 29 Transmission Laterals, which are operating at pressures above 30 percent SMYS and are not in-line inspection capable.
- 39.3 Please provide details for the one recorded failure on the 29 Transmission Laterals caused by external corrosion (Fording Lateral 219/168)
 - 39.3.1 Please describe the routine leak survey method used to detect the leak.
 - 39.3.2 Please explain whether any supplemental integrity digs were performed to assess the condition of the pipeline after the leak was identified.
 - 39.3.2.1 If not, why not?
- 39.4 Please confirm that since 1996 there has been no recorded incident involving release of gas from FEI’s operating history of the 29 Transmission Laterals that may have impacted reliability or safety.
- 39.5 Please identify any recorded failures on FEI’s system that resulted in pipeline rupture.
 - 39.5.1 Please explain whether the rupture was caused by external corrosion or another hazard.
 - 39.5.2 Please provide the pipeline operating pressure as a percentage of SMYS at the time of failure.
- 39.6 Please discuss whether any of the transmission pipelines, including the 29 laterals, will be reclassified as distribution pipelines.

40.0 **Reference: PROJECT JUSTIFICATION**
Exhibit B-5, CEC IR 17.1, p. 52
Modified External Corrosion Direct Assessment (ECDA)

In response to CEC 1.17.1, FEI states that it “is already taking steps to *monitor* and mitigate hazards on the 29 Transmission Laterals in accordance with BC OGC requirements, including by advancing the IGU Project.” [emphasis added]

- 40.1 Please describe, other than the IGU Project, FEI’s *monitoring* program for the 29 Transmission Laterals. Please provide this information by year and by lateral.

41.0 **Reference: PROJECT JUSTIFICATION
Exhibit B-1, Appendix C
BC OGC 2016 Pipeline Performance Annual Report**

The BC OGC 2016 Pipeline Performance Annual Report lists “Incident Causes” of pipeline failures.

- 41.1 With reference to the BC OGC list, but excluding “External Interference”, please identify which “Incident Causes” the IGU Project will address.
- 41.2 Please discuss how FEI plans to address those “Incident Causes” that the IGU program will not address.
- 41.3 With reference to the BC OGC list, but excluding “External Interference”, please identify which “Incident Causes” the TIMC program will address.
- 41.4 Please discuss how FEI plans to address those “Incident Causes” that the TIMC program will not address.

B. PROJECT DESCRIPTION

42.0 **Reference: PROJECT DESCRIPTION
Exhibit B-2, BCUC 1.8.1, pp. 31 to 62, BCUC 1.12.5.2, p.107
List of Integrity Digs Conducted by FEI**

In response to BCUC 1.8.1, FEI provide tables of recorded in-line inspection or Modified ECDA driven integrity digs conducted by FEI on transmission pipelines from 2000 through 2018.

In response to BCUC 1.12.5.2, FEI states:

- The number of digs conducted annually is established based on consideration of many factors, including resource availability. In past years, FEI has prioritized known corrosion locations (i.e. integrity digs identified through in-line inspection) over potential corrosion locations as indicated by above-ground surveys.
- 42.1 Please provide the total number of in-line inspection driven integrity digs and the total number of Modified ECDA driven integrity digs from 2000 to 2018.
 - 42.2 Please compare the average number of integrity digs per pipeline performed on in-line inspected transmission pipelines to the average number of integrity digs performed per pipeline on transmission pipelines not in-line inspected.
 - 42.3 Please elaborate on the factors FEI considers in establishing the number of digs conducted annually.
 - 42.4 Please discuss FEI’s rationale for prioritizing known corrosion locations identified through in-line inspection over potential corrosion locations identified through Modified ECDA.
 - 42.5 Please discuss whether there has been a sufficient number of Modified ECDA driven integrity digs performed to determine the overall effectiveness of the Modified ECDA process.
 - 42.6 Please discuss whether FEI utilizes the findings from in-line inspection driven integrity digs to identify and prioritize potential corrosion locations on transmission pipelines without ILI.
 - 42.6.1 If so, please describe the process.
 - 42.7 Please explain what data informed FEI’s decision to perform each of the Modified ECDA driven integrity digs conducted on transmission pipelines from 2000 to 2018.
 - 42.8 Please describe follow-up investigations or remedial work FEI conducted on Kimberley Lateral

168 since 2010 and Castlegar Nelson 168 Lateral since 2011.

42.8.1 If no follow-up was conducted, please explain why.

43.0 **Reference:** **PROJECT DESCRIPTION**
Exhibit B-1, Section 5.2.3, p. 59
Pipeline Replacement

On page 59 of the Application FEI states, "PLR involves the installation of a new pipeline in parallel to the existing pipeline. The new pipeline would be designed to operate below 30 percent SMYS such that it mitigates the potential for rupture."

43.1 Please discuss FEI's rationale for designing new pipelines to operate below 30 percent SMYS if there is no present threat of rupture due to external corrosion and the pipeline can be monitored for degradation, as it will be in-line inspection capable.

43.2 Please discuss any cost savings if the four PLR projects were designed to operate above 30 percent SMYS. Please discuss any constraints, if any, that would prevent such redesign or operation.

44.0 **Reference:** **PROJECT DESCRIPTION**
Exhibit B-2, BCUC 1.11.4, p. 100
Coastal Transmission System Retrofitted with ILI

In response to BCUC 1.11.4 FEI states:

FEI has experience, and has learned from, operational challenges with running ILI tools in retrofitted pipelines. For example, the TPIP retrofit program did not include removal of bend fittings, large wall thickness transitions, barring of tees and replacement of coupons in stopple fittings. Several of these obstructions preventing the clear passage of ILI tools have since been removed because they have either caused damage to ILI tools, resulted in tools becoming lodged in pipelines requiring them to be cut out, or caused speed excursions that have resulted in degradation or loss of ILI data. The scope of the IGU Project includes addressing and removing all the pipeline features that have resulted in operational challenges for FEI when running ILI tools in the past.

44.1 Please discuss whether specialty ILI tools such as low drag, multi-diameter and /or high internal diameter tolerance tools, which are specifically designed to overcome challenges in retrofitted pipelines, could achieve the objectives of the IGU Project.

44.1.1 If not, please explain.

44.2 Please discuss how the use of these specialty ILI tools could influence the scope, modifications to laterals and cost of the IGU project.

C. DESCRIPTION AND EVALUATION OF ALTERNATIVES

45.0 **Reference: ALTERNATIVES EVALUATION METHODOLOGY**
Exhibit B-2, BCUC IR 1.1, 13.3
Expected Asset Financial Life

In response to BCUC IR 1.1, FEI provided a table showing the expected remaining asset financial life of each of the 29 Transmission Laterals.

FEI further states in response to BCUC IR 1.1:

In the absence of external influences or identified integrity concerns such as corrosion, the physical life of a transmission pipeline can be longer than the financial end of life...FEI believes that in the absence of external interference some pipelines may have much longer lifespans dependent on their design, construction, maintenance, and monitoring...There is no definitive end of physical life based on the information available to FEI.

In response to BCUC IR 13.3, FEI provided a table showing the present value (PV) of the PRS alternative under the assumption that either PLR or ILI will be required as some point during the 66-year analysis period after PRS is implemented.

FEI further stated in response to BCUC IR 13.3, "The comparison showed that PRS would not provide the lowest PV of revenue requirements over a 66-year analysis period for five out of the 14 transmission laterals..."

- 45.1 Please discuss what the likely maximum physical life of a transmission pipeline would be. For instance, in FEI's experience, has any of its transmission pipelines' useful lives exceeded 100 years, 130 years (i.e. double the financial life), or more?
- 45.2 In consideration of the remaining asset financial lives provided in the table in response to BCUC IR 1.1, please identify the transmission laterals which, in all likelihood, would require replacement during the IGU project's 66-year analysis period.
- 45.3 Please further explain why, for the transmission laterals where PRS is the preferred alternative and which have limited remaining financial lives, it would not be more cost effective over the long term to select ILI or PLR as the preferred alternative. Please reference the specific circumstances of the applicable laterals when providing this response, preferably in a table format.
- 45.4 Please discuss whether FEI will re-assess the condition of a lateral if integrity concerns such as external corrosion are confirmed on a PRS or ILI lateral.
- 45.4.1 If so, please outline FEI's approach if it learns, during the re-assessment in 45.4 above, that the condition of a PRS or ILI lateral requires further remediation.
- 45.4.2 If so, please describe FEI's criteria for determining whether a pipeline replacement will be required instead of remediation.
- 45.4.3 If a pipeline replacement is required, will FEI obtain CPCN approval

46.0 **Reference: ALTERNATIVES DESCRIPTION**
Exhibit B-1, Section 1.12.6. pp. 108 to 112
Status Quo: Modified ECDA Alternative

In response to BCUC 1.12.6, FEI provides the number of integrity digs required by ANSI/NACE ECDA and

Modified ECDA for each of the 29 Transmission Laterals.

- 46.1 Please confirm, otherwise explain, that the table shows the number of integrity digs required annually.
- 46.2 Please explain why zero values were provided for certain laterals.
- 46.3 Please explain whether the “n/a” abbreviation represents not applicable or information not available.
 - 46.3.1 If information is not available, please explain why not.
- 46.4 Please identify in table form any high or medium priority integrity digs identified by Modified ECDA in the past 19 years that were not performed.
 - 46.4.1 Please explain FEI’s rationale for not performing any medium or high priority integrity digs identified by Modified ECDA.
 - 46.4.2 Please discuss FEI’s progress towards completing any outstanding Modified ECDA driven integrity digs and provide an estimated completion date.

47.0 **Reference:** **ALTERNATIVES DESCRIPTION**
Exhibit B-1, Section 4.4.4.2. p. 42; Exhibit B-2, BCUC 15.2, p.146
Hydrostatic Testing Program (HSTP)

On page 42 of the Application, FEI states:

Because HSTP requires the line to be shut-down, consideration of this alternative was limited to laterals with redundant looping or laterals with practical means of supporting downstream customers.

In response to BCUC 1.15.3.1, FEI states:

Hydrostatic testing was ruled out for reasons of cost, significant operational complexity, and higher risk of outages into colder weather with associated increasing supply requirements should the testing result in pipeline failure.

- 47.1 Please discuss whether FEI considered scheduling hydrostatic testing to coincide with large industrial customer’s planned shutdowns and facility maintenance.
 - 47.1.1 If so, please provide FEI’s assessment of supply requirements on each lateral during customer planned shut-downs.
 - 47.1.2 If so, please compare the costs and benefits of conducting hydrostatic testing using compressed natural gas (CNG) as a means of supporting downstream customers.
 - 47.1.3 If not, why not
- 47.2 Please discuss whether FEI considered tethered in-line inspection rather than hydrostatic testing to eliminate the risk of pressure testing resulting in pipeline failure.
 - 47.2.1 If so, please explain how FEI would conduct the tethered ILI.
 - 47.2.2 If not, why not

48.0 **Reference:** **ALTERNATIVES EVALUATION METHODOLOGY**
Exhibit B-2, BCUC IR 18.4, 18.5
Elkview Lateral 168

In response to BCUC IR 18.5, FEI provided the following table summarizing the individual category

rankings for the Elkview Lateral:

| | ILI | PRS | PLR |
|---|-----|-----|-----|
| <i>Integrity and Asset Management Capabilities</i> | | | |
| Prevention of Ruptures | 5 | 5 | 5 |
| Prevention of Leaks | 5 | 0 | 4 |
| Proactive Asset Management | 5 | 0 | 4 |
| Technical Certainty | 4 | 3 | 5 |
| <i>Project Execution & Lifecycle Operation</i> | | | |
| Environmental | 3 | 4 | 2 |
| Lands & ROW | 3 | 4 | 1 |
| Consultation and Engagement Complexity | 3 | 3 | 2 |
| Operational Complexity | 4 | 3 | 5 |
| System Capacity & Customer Impacts | 4 | 5 | 5 |
| Project Execution Certainty | 3 | 4 | 3 |
| <i>Financial</i> | | | |
| PV of Incremental Annual Revenue Requirement | 2 | 5 | 5 |

In response to BCUC IR 18.4, FEI stated:

...FEI also considered that the ground disturbance over the construction footprint for the PRS would be significantly less than would be required to replace a 1.5 kilometres lateral. The PRS option also requires less coordination over Teck Coal lands and will have less archaeological and environmental impacts.

As a result, FEI selected PRS as the preferred alternative for Elkview since it has a smaller immediate delivery rate impact, a comparable revenue requirement over the 66-year analysis period, less ground disturbance over a smaller construction footprint than PLR, and less archaeological and environmental impacts.

- 48.1 Please confirm, or explain otherwise, that based on the rankings in the table provided in response to BCUC IR 18.5, FEI has prioritized the “Project Execution & Lifecycle Operation” category over “Integrity and Asset Management Capabilities.”
- 48.2 Please confirm, or explain otherwise, that given FEI’s limited information on the Elkview Lateral’s condition, FEI cannot determine the probability that the pipeline will need to be replaced within the 66-year analysis period.
- 48.3 Please compare the coordination required over Teck Coal lands between the PRS and PLR alternatives.
- 48.4 Please explain if FEI has had any discussions with Teck Coal regarding the IGU project. If yes, please explain the nature of the discussions and whether more than one project alternative was discussed (i.e. alternatives beyond PRS).
 - 48.4.1 If FEI has had discussions with Teck Coal, please explain whether Teck Coal has expressed any opposition or support towards any project alternative.
- 48.5 Please explain if FEI will be required to engage/consult with other parties beyond Teck Coal as part of the Elkview Lateral project. If yes, please describe these other parties and the number of

parties likely to be impacted by the project.

D. PROJECT COSTS, ACCOUNTING TREATMENT AND RATE IMPACT

- 49.0 **Reference:** **PROJECT COST ESTIMATE DETAILS**
Exhibit B-2, BCUC IR 23.1; Exhibit B-1, p. 68, Footnotes 31, 32
Contingency and Management Reserve

In response to BCUC IR 23.1, FEI stated that it “has not previously included a management reserve in addition to contingency. However, FortisBC Inc. included a management reserve in the CPCN Application for the Replacement of the Corra Linn Dam Spillway Gates project...The Corra Linn project was the only project where a management reserve was applied.”

Footnotes 31 and 32 on page 68 of the Application provide the AACE International Recommended Practices’ definitions for Contingency and Management Reserve as follows:

- **Contingency** – An amount added to an estimate to allow for items, conditions, or events for which the state, occurrence, and/or effect is uncertain and that experience shows will likely result, in aggregate, in additional costs...
- **Management Reserve** – An amount added to an estimate to allow for discretionary management purposes outside of the defined scope of the project, as otherwise estimated. May include amounts that are within the defined scope, but for which management does not want to fund as contingency or that cannot be effectively managed using contingency.

- 49.1 Please explain why FEI is now including a management reserve in addition to contingency for this project, given that FEI has not previously included a management reserve.
- 49.2 Please compare FEI’s contingency percentage (both including and excluding the management reserve) to its previously approved projects’ contingencies, including all CPCNs approved in the past 20 years with a project cost of \$15 million or greater.
- 49.2.1 Please discuss whether the proposed contingency for the IGU Project is considered high compared to previous projects, particularly when factoring in the management reserve. If so, please provide the necessary justification.
- 49.3 Please explain in detail how the management reserve will be handled, including who will have access to it, how access to it would be approved, and how funds would be accessed.
- 49.4 Please describe in detail the difference in treatment, application and accounting/reporting between the contingency and the management reserve, using a hypothetical scenario related to the IGU Project.

E. ENVIRONMENT AND ARCHAEOLOGY

- 50.0 **Reference:** **ENVIRONMENT AND ARCHAEOLOGY**
Exhibit B-1, p. 76; Exhibit B-2, BCUC IR 26.3
Environmental Permitting

In response to BCUC IR 26.3, FEI confirms that the best management practices and mitigation measures described in Section 6 of the Environmental Overview Assessment (EOA) report are sufficient to ensure that any concerns regarding terrestrial resources, aquatic resources and species at risk are sufficiently addressed.

On page 96 of the Application, Table 7-2 shows the expected environmental permits by lateral for the

preferred engineering options.

50.1 Please confirm if the best management practices and mitigation measures described are requirements for the permit approvals as identified in Table 7-2 of the Application.

51.0 **Reference: CONSULTATION**
Exhibit B-1, pp. 98, 129; Exhibit B-2, BCUC IR 33.6, 33.7, 33.9
Archeological Overview Assessment

On page 98 of the Application, FEI states

The AOA [Archaeology Overview Assessment] concluded that the majority of the expected Project footprint is considered to have low archaeological potential due to the amount of previous disturbance. AIA has been recommended for ground disturbance activities in areas identified as moderate or high potential through the AOA process. Where the AOA identified potential for deeply buried cultural deposits, construction monitoring will be applied. Potential for deeply buried cultural deposits is present at specific sites along 13 of the laterals.

On page 129 of the Application, FEI states:

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.

In response to BCUC IR 33.6, FEI states:

FEI notified Indigenous communities about the IGU Project, outlined the intended field work, and requested participation to provide information and comment. Indigenous communities were then contacted by the Project's Archaeological consultants and provided with an opportunity to participate in the AOA preliminary field reconnaissance (PFR) program.

In response to BCUC IR 33.7, FEI states:

FEI has not had discussions with Indigenous communities specific to deeply buried cultural deposits to date. The Archaeological Overview Assessment (AOA) reports, as filed in Appendix P, identify areas with potential for deeply buried cultural deposits along the existing laterals. The AOA is based on preliminary engineering design; however, further design is required to identify if areas with potential for deeply buried deposits are within the expected Project footprint.

In response to BCUC IR 33.9, FEI states:

Based on the AOA information and discussions with Indigenous groups to date, FEI has not identified any notable risks or issues related to sensitive areas that will require resolution.

51.1 Please explain what is meant by "construction monitoring", in the context of areas with potential for deeply buried cultural deposits.

51.1.1 Please discuss if and how construction monitoring is intended to mitigate any potential concerns of Indigenous communities with respect to deeply buried cultural deposits.

- 51.2 Please confirm if FEI's Archaeological consultants have contacted all Indigenous communities identified in Table 8-3 of the Application at all, and also since the filing of this Application.
- 51.2.1 If not confirmed, please explain.
- 51.3 Please explain why FEI has not had discussions with Indigenous communities specific to deeply buried cultural deposits to date.
- 51.3.1 Please explain if FEI considers that such discussions are necessary to determine whether or not there may be risks related to culturally sensitive areas and if so, the appropriate mitigation strategies.
- 51.3.2 Please discuss if FEI believes there would be benefits from sharing information from the Archaeological Overview Assessment (AOA) reports with potentially affected communities.
- 51.4 Please confirm whether FEI will share information with indigenous communities regarding the results of the AOA? If not, why not?

F. CONSULTATION

- 52.0 **Reference: CONSULTATION
Exhibit B-1, p. 76; Exhibit B-2, BCUC IR 28.1, 28.2
Landowners**

On page 76 of the Application, FEI states:

The Project will require fee-simple land acquisition, expanded ROW, temporary construction working space and access rights (Land Rights). FEI will develop a land management plan to assess the required properties and prioritize the acquisitions based on risk and impacts to the schedule.

In response to BCUC IR 28.1, FEI states:

Where fee simple purchases are expected, potentially affected landowners have not provided a response or feedback to FEI's initial notification.

In response to BCUC IR 28.2, FEI states:

Possible risks associated with the completion of fee simple land acquisition include:

- The landowner not wishing to sell the property; or
- The land owner having unreasonable expectations for compensation.

FEI will follow its standard practices with respect to the acquisition of fee-simple land and will seek to negotiate land acquisition agreements with each landowner at an appropriate compensation level. While FEI's objective is to reach mutually acceptable negotiated agreements with landowners, should an agreement not be reached, and the IGU Project construction could be delayed, FEI will take steps to expropriate the required land rights.

...

In terms of schedule impact related to expropriation, it is estimated to take between 6 weeks to 6 months depending on size and complexity to compile appropriate

application documentation such as survey and appraisal. Early consideration of land acquisition difficulties will assist in commencing the expropriation process timeline as soon as possible to avoid construction schedule impacts.

- 52.1 Please discuss the extent to which FEI considers that early discussions with landowners is required to understand where land acquisition difficulties may arise, or to reduce the likelihood of the risks identified in the response to BCUC IR 28.2.
 - 52.1.1 Please discuss whether the lack of response to FEI's early notification increases the risks identified in the response to BCUC IR 28.2.
 - 52.1.2 Please describe additional consultation efforts that FEI plans to undertake with landowners, including timelines.
- 52.2 Please briefly explain FEI's standard practices with respect to the acquisition of fee-simple land
- 52.3 Aside from risks to project schedule, please describe any other potentially negative consequences associated with the expropriation of land.

53.0 **Reference: CONSULTATION
Exhibit B-1, p. 109; Exhibit B-2, BCUC IR 31.1, 31.2
Industrial Customer Consultation**

On page 109, in section 8.2.4.2 of the Application, FEI outlines its industrial customer consultation to date. FEI states that the impacts upon industrial customers include minor traffic delays on construction routes and the potential for restricted access to peak demand gas use.

In response to BCUC IR 31.1, FEI states:

The notification letters sent to industrial customers did not provide specific information regarding potential impacts. Instead, the letters indicated the potential for impacts. FEI received written responses from some industrial customers in regards to the letters and these written responses are included in the Application. FEI also conducted one-on-one discussions with industrial customers that are served directly from the impacted transmission laterals. The discussions focussed on explaining the proposed work, the possible options and the preferred solution for the transmission lateral from which that customer is served. FEI discussed the proposed work and the potential impacts at a high level. However, FEI believes there should be limited impacts to industrial customers both during and as a result of the work, which was also discussed during the calls. FEI committed to further dialogue and effort to align work during periods of the customers' scheduled maintenance where possible. Customer feedback was supportive and customers had no concerns as the potential work should have minimal impacts to their businesses. The customers requested that FEI remain in communication with respect to schedules of the proposed work and any potential impacts to their daily operations.

In its response to BCUC 31.2, FEI states:

FEI has not received a response from all industrial customers that received the notification letter. However, FEI has spoken directly with all industrial customers that are served directly from the impacted transmission laterals, as discussed in BCUC IR 1.31.1.

- 53.1 Please confirm whether FEI was aware of the potential high-level impacts upon industrial customers at the time of sending the notification letters.
 - 53.1.1 If confirmed, please discuss why FEI did not decide to include this information in the

letters.

- 53.2 Please identify where in the Application the written responses received from industrial customers are contained.
- 53.3 Please discuss if and when FEI plans to follow up with industrial customers that have not responded to FEI's initial notification letter or participated in one-on-one meetings.
 - 53.3.1 Please discuss whether FEI considers that this approach will allow FEI to identify any potential concerns or issues from such customers.

54.0 **Reference: CONSULTATION
Exhibit B-2, BCUC IR 27.1, 32.1
High Impact Potential Laterals**

In response to BCUC IR 27.1, FEI describes the consultation strategy for laterals with high impact potential, which includes the addition of an opportunity for community information sessions. FEI states, "At this time, only two local governments have requested public information sessions."

In addition, FEI states:

For all laterals (including lower impact laterals), FEI will continue to communicate directly with impacted stakeholders, and will comply with all BC OGC permitting requirements, where applicable, which includes additional notifications specific to each lateral to key stakeholders prior to construction.

- 54.1 Please discuss whether to date, all local governments that are located near laterals with high impact potential have been explicitly offered the opportunity for community information sessions by FEI.
 - 54.1.1 If not, please explain and provide details of when FEI will offer the opportunity for community information sessions.

In its response to BCUC IR 32.2, FEI provides an updated version of Table 8-2 that is contained in the Application. In its response to BCUC IR 32.1, FEI states:

Some communities were not listed in Table 8-2 because responses were not received from those communities.

...

Tier One communities not listed in the updated Table 8-2 include Spallumcheen, Armstrong, Enderby, Salmon Arm as well as Columbia Shuswap Regional District. These communities are in close proximity to SAL LOP 168. They are not noted in Table 8-2 because FEI has not received a response from these communities. FEI considers the SAL LOP 168 to be classified as higher impact due to the number of potentially affected land owners, environmental factors including the route falling within critical habitat for the Great Basin Spadefoot, some species at risk occurrences, some locations with moderate to high archaeological potential and several sites are located in the Agricultural Land Reserve. While FEI has not received a response from the communities noted above, FEI intends to continue to engage closely with these municipal and regional governments and will address risk should they arise.

- 54.2 For the potential impacts identified above for SAL LOP 168, please discuss if FEI considers that these impacts may cause concerns or issues with the nearby communities.
 - 54.2.1 Please explain whether any concerns or issues raised by these communities at a later

date would likely be more challenging for FEI to address, or present any risks to the project timeline and budget.

54.3 Please discuss if there are any other “Tier One communities” besides Spallumcheen, Armstrong, Enderby, Salmon Arm and Columbia Shuswap Regional District that are not included in the updated Table 8-2.

54.3.1 For any such communities, please explain the factors that caused FEI to classify the applicable lateral as “high impact potential.”

54.3.1.1 Please discuss whether FEI considers that such impacts may cause concerns or issues in these communities.

54.3.1.2 Please discuss how FEI intends to understand whether there are any concerns or issues from these communities at a sufficiently early stage.

55.0 **Reference: CONSULTATION
Exhibit B-2, BCUC IR 32.2; BCUC CPCN Guidelines,¹ p. 6
Municipal and Regional Government Consultation - General**

In its response to BCUC IR 32.2, FEI provides an updated version of Table 8-2 that is contained in the Application. Under the “Actions since CPCN Application Filing” column, FEI notes that a letter was mailed on January 22, 2019 notifying that the CPCN application has been submitted to the BCUC.

On page 6 of the BCUC CPCN Guidelines, under Public Consultation, section (i) states:

Overview of the community, social and environmental setting in which the project and its feasible alternatives will be constructed and operated, and of the public who may be directly impacted by the project and its feasible alternatives.

55.1 Please provide a copy of the letter mailed to local governments on January 22, 2019, notifying that the CPCN application has been submitted to the BCUC.

55.2 Please explain whether FEI, in its consultation activities documented in the updated Table 8-2, provided information regarding feasible alternatives, other than FEI’s preferred alternative.

55.2.1 Please discuss if any stakeholders expressed interest or requested information regarding other feasible alternatives.

56.0 **Reference: CONSULTATION
Exhibit B-2, BCUC IR 32.2
Municipal and Regional Government Consultation - Fernie**

In its response to BCUC IR 32.2, FEI provides an updated version of Table 8-2 that is contained in the Application. For the meeting with representatives from Fernie, FEI identifies the following stakeholder interests:

Attendees requested detailed maps of pipeline routes, inquired about rate impacts, and local procurement opportunities.

FEI notes the following “Next Steps” with respect to the meeting with Fernie:

¹ BCUC, 2015 Certificate of Public Convenience and Necessity Application Guidelines (February 2015), retrieved from https://www.bcuc.com/Documents/Guidelines/2015/DOC_25326_G-20-15_BCUC-2015-CPCN-Guidelines.pdf

A follow-up meeting will be scheduled to address stakeholder interests as Project information becomes available. No date set at this time.

56.1 Please explain what is meant by “Project information” in this instance.

56.1.1 Please discuss if the level of detail contained in the Application is sufficiently developed to address the stakeholder’s interests identified by Fernie.

56.1.2 Please explain why a follow-up meeting has not been set up at this time.

57.0 **Reference: CONSULTATION
Exhibit B-2, BCUC IR 32.2
Municipal and Regional Government Consultation - Sparwood**

In its response to BCUC IR 32.2, FEI provides an updated version of Table 8-2 that is contained in the Application. For the meeting with the District of Sparwood, FEI notes the following stakeholder interests:

The District requested Archeological and Environmental reports that were completed in the District. The District has requested shape files of the Project for their respective region.

FEI notes the following “Next Steps” with respect to the meeting with District of Sparwood:

FEI provided maps of the Project and will send shape files of the Project a year before the construction date. FEI will also follow up with the environmental and archeological reports once they are complete.

57.1 Please confirm if the “Archeological and Environmental reports” referenced above are the same as the Archeological Overview Assessment and Environmental Overview Assessment, as contained in Appendix P and Appendix O of the Application respectively.

57.1.1 If confirmed, please discuss if FEI has followed up with the District of Sparwood to provide this information.

57.1.1.1 If FEI has not followed up, please explain how it intends to understand any potential issues or concerns that may be raised by the District of Sparwood in a timely manner.

58.0 **Reference: CONSULTATION
Exhibit B-2, BCUC IR
Municipal and Regional Government Consultation - Kamloops**

In its response to BCUC IR 32.4.1, FEI states:

In FEI’s early discussions with the City of Kamloops, the City recognized the need for the gas line upgrade and that FEI has rights and obligations according to the existing ROW agreement. However, the City identified issues with the ROW widening request from 6m to 18m as per current FEI standards. The City has indicated that the widening of the ROW is subject to the approval of the City Council and the request for the 18m width could be denied due to public concerns. FEI will continue negotiating with the City for the ROW widening, temporary workspace, and access routes planning in more detail. FEI will submit additional information for review and approval by the City of Kamloops at the detailed engineering design phase.

- 58.1 Please explain the potential impact upon the IGU Project's cost and timelines if the City of Kamloops were to deny FEI's request to widen the right of way.
- 58.1.1 Please discuss whether FEI considers that community input session(s) would mitigate any public concerns associated with the widening of the right of way.
- 58.1.2 Please confirm by when FEI will need right-of-way approval from the City of Kamloops in order to avoid any delays to the IGU Project timeline.

59.0 **Reference: CONSULTATION**
Exhibit B-2, BCUC IR 32.2, 32.5.1
Municipal and Regional Government Consultation - Kimberley

In its response to BCUC IR 32.2, FEI provides an updated version of Table 8-2 that is contained in the Application. FEI notes:

Before the Project begins, FEI will review impacts to the Rail to Trail nature trail and discuss plans to mitigate impacts with the District of Kimberley.

In response to BCUC IR 32.5.1, with respect to the "Rails to Trails" corridor, FEI states:

If one or more of the lateral excavation sites were in close proximity to the trail, use of the trail may be impacted to ensure the safety of trail users. If this should happen, FEI will implement a safe detour around the construction zone. It may also be necessary to temporarily close a section of the trail should a detour not be possible.

59.1 Please confirm if these potential issues that may affect the trail remaining open have been discussed with the City of Kimberley.

59.1.1 Please briefly outline the City of Kimberley's response to these issues, as applicable.

60.0 **Reference: CONSULTATION**
Exhibit B-2, BCUC IR 33.1.1, 33.2, 33.3, 33.4, 33.4.1
Consultation with Indigenous Communities

In its response to BCUC IR 33.1.1, FEI states:

FEI began engagement with Indigenous communities early to provide information about the project and gain understanding of the unique interests of each community and their traditional territory to identify potential issues around archaeological, historical, cultural and environmental areas that may be affected by the IGU Project. A summary of issues presented to Indigenous communities in meetings to date include:

- potential for archaeological sites;
- stream crossings; and
- sensitive environmental areas.

In its response to BCUC IR 33.2, FEI states:

This initial letter included a general overview of the Project, but did not describe details of the specific impacts by site, as Project details were still being developed at the time of notification. However, maps showing the lateral locations within each Indigenous communities' traditional territory were included. FEI will provide updated site specific Project details to impacted communities, as they become available.

In its response to BCUC IR 33.3, FEI states:

The purpose of FEI's early engagement is to better understand the nature of the interests of the Indigenous communities in the area of each of the 29 Transmission Laterals. FEI's early engagement with Indigenous communities is not defined by high or low potential impact; instead, it seeks to gather feedback from the community knowledge holders on the nature of their interests.

In its response to BCUC IR 33.4, FEI provides a table that summarizes the Indigenous communities that did not respond to FEI's notification letter. In its response to BCUC IR 33.4.1, FEI states:

While FEI has not received responses from all Indigenous communities, it will strive to maintain engagement and dialogue with communities during the application phase as per its Statement of Indigenous Principles. Should FEI receive any concerns from Indigenous communities during this phase, it will work to mitigate those concerns in a respectful manner.

- 60.1 Please discuss whether FEI believes that, for the purposes of its early engagement, sending a notification letter without site specific details is sufficient to achieve a better understanding of the interests of the Indigenous communities in the area of each of the 29 Transmission Laterals.
 - 60.1.1 Please provide further details of how and when FEI intends to gain a better understanding of interests, or confirmation that there are no potential concerns related to the IGU Project, from the Indigenous communities that have not yet responded to FEI's notification letter.
 - 60.1.1.1 For Indigenous communities that did not respond to FEI's notification letter, please explain whether any concerns or issues raised by these communities at a later date would be more challenging for FEI to address, or present any risks to the project timeline and budget.
- 60.2 Please discuss the extent to which FEI considers that the Application contains information regarding the potential site specific impacts of the IGU Project which may be useful to Indigenous communities.
 - 60.2.1 Please confirm and explain whether FEI has shared an update with Indigenous communities of potential site specific IGU Project impacts since the filing of the Application.
 - 60.2.1.1 If not confirmed, please explain at what stage of the IGU Project's development FEI intends to share an update of potential site specific IGU Project impacts with Indigenous communities.
- 60.3 Please explain why the extent of FEI's early engagement with Indigenous communities is not defined by whether the community is located in the area of a lateral with high, medium or low potential impact.
- 60.4 Please discuss if FEI's later planned consultation activities will involve a greater degree of engagement with Indigenous communities in areas of high impact potential.
 - 60.4.1 Please explain if FEI has estimated a higher budget for future consultation activities with Indigenous communities in the area of high impact potential laterals, compared to that of lower impact potential laterals.
 - 60.4.2 Please provide a summary of the additional activities and costs that would have been

(or will need to be) required to ensure feedback from all Indigenous communities in the area of high impact potential laterals prior to the BCUC's decision on the Application.

60.5 Please discuss whether FEI has modified, or intends to modify any aspects of its planning for the IGU Project based upon feedback received from its consultation with Indigenous communities.

61.0 **Reference: CONSULTATION
Exhibit B-1, p. 127; Appendix R-3; Appendix R-4;
Exhibit B-2, BCUC IR 33.1
Consultation with Indigenous Communities - Follow-up Activities**

Table 8-4 on page 127 of the Application provides a summary of FEI's consultation with Indigenous communities. In its response to BCUC IR 33.1, FEI provides an updated version of Table 8-4 that documents consultation actions undertaken with Indigenous communities since the filing of the Application. Under the "Actions since CPCN Application Filing" column, FEI notes that a letter was mailed on January 21, 2019, notifying that the CPCN application has been submitted to the BCUC.

61.1 Please provide a copy of the letter mailed to Indigenous communities on January 21, 2019 notifying that the CPCN application has been submitted to the BCUC.

61.1.1 Please confirm that the letter was also mailed to those Indigenous communities that did not respond to FEI's initial notification letter.

61.2 Please explain whether in its discussions with Indigenous communities, FEI provided information regarding feasible alternatives, other than FEI's preferred alternative.

61.2.1 Please provide details if any Indigenous communities expressed interest or requested information regarding other feasible alternatives.

In Table 8-4, FEI notes that in a meeting with the Splots'in First Nation's Director, Title & Rights, the Director confirmed they would like to be kept informed about work on SAL LTL and SAL LOP as there is potential for impact to known traditional land use areas and unrecorded archaeological areas.

In Table 8-4, FEI also notes that in a meeting, the Osoyoos Indian Band had requested to see the environmental plan "once complete and review dig locations for culturally sensitive areas, not just archeological sites."

Appendix R-4 of the Application contains correspondence from Esh-kn-am Cultural Resources Management Services, which contains the following request:

We do ask, that should any previously unrecorded archaeological sites or heritage sites such as camps, human remains or lithics be encountered during the tenure and development of this project, the following measures should be undertaken: a) Modify or stop any land-altering activities in the immediate vicinity of the previously unidentified site so that it will not be adversely impacted; and b) Promptly inform Esh-kn-am CRMS of the existence and location of the newly discovered site(s) so that an acceptable mitigation strategy or further archaeological investigation may be agreed upon.

61.3 Please confirm and explain that information regarding the EOA and AOA, as included in the Application, have not yet been sent to or discussed with Indigenous communities that have expressed interest in these areas.

61.3.1 Please discuss the extent to which the EOA and AOA contained in the Application would provide potentially useful information to Indigenous communities, particularly those that have expressed an interest in these areas.

- 61.3.1.1 Please discuss how FEI intends to engage with Indigenous communities on these matters to ensure that interests and concerns can be understood and accommodated as necessary, in a timely manner that does not present risks to the IGU Project's timeline or costs.

In Table 8-4, FEI notes that in a meeting with the Westbank First Nation's Intergovernmental Affairs, Rights & Title and Referrals Coordinator, FEI advised that proposed work is for pressure regulating stations and additional land around the existing station will be required. FEI notes in its "next steps":

- FEI to follow up with Westbank First Nation Archaeology to discuss any concerns regarding land requirements.
- 61.4 Please confirm whether a follow-up with Westbank First Nation Archaeology has occurred.
- 61.4.1 If not confirmed, please explain when FEI intends to engage in follow-up discussions.
- 61.5 Please provide a brief description of Westbank First Nation's concerns regarding land requirements and any potential associated issues or risks that FEI may have to accommodate or mitigate.

Appendix R-3 contains a response letter from the Ktunaxa Nation Council (KNC) dated November 15, 2018. KNC states:

In closing, the KNC would like to set up another meeting with FortisBC to discuss our interests and learn more details about the project as it moves forward.

The updated Table 8-4 provided in the response to BCUC IR 33.1 indicates that the last meeting held with the KNC occurred on August, 29, 2018.

- 61.6 Please confirm and explain whether FEI has conducted a meeting with the KNC following its letter dated November 15, 2018.
- 61.6.1 If not confirmed, please explain how FEI intends to engage with the KNC to ensure that its interests are understood and accommodated as necessary, in a timely manner.

In Table 8-4, FEI identifies that Splats'in First Nation, Ktunaxa Nation Council and Neskonlith Indian Band expressed an interest in procurement and employment opportunities associated with the IGU Project. In its response to CEC IR 30.1, FEI states:

At this time, FEI has not quantified the level of additional local employment; however, FEI will procure local materials and services wherever it is possible and economical to do so.

- 61.7 Please provide an estimate of when information regarding procurement and employment opportunities will be available and when this information will be provided to Indigenous communities.

- 62.0 **Reference:** **CONSULTATION**
Exhibit B-1, p. 122; Exhibit B-2, BCUC IR 33.4.1
BC OGC Consultation

On page 122 of the Application, FEI states:

Although the duty to consult rests with the Crown, FEI may be delegated responsibility for certain aspects of the process by the Crown, including by the BC OGC. These aspects include engagement with identified Indigenous communities in a thorough, timely, and meaningful way.

In its response to BCUC IR 33.4.1, FEI states:

The identified Indigenous communities will have a number of additional opportunities to comment on Project-specific impacts. During the BC OGC permitting process that will occur prior to construction, much more detailed Project information will be provided to the Indigenous communities for review and comment including up-to-date shape files, maps and environmental management plans. FEI supports consultation by the BC OGC by responding to technical questions where appropriate and attending meetings if requested.

- 62.1 Please confirm whether the BC OGC or any other agency of the Crown has delegated any aspects of their consultation duty to FEI, with respect to the IGU Project.
- 62.2 Please distinguish the objectives of FEI's early consultation efforts and the requirements of the BC OGC permitting process, with respect to FEI's engagement with Indigenous communities.