

REQUESTOR NAME: **BC Sustainable Energy Association**

INFORMATION REQUEST ROUND NO: **2**

TO: **FortisBC Energy Inc.**

DATE: **April 12, 2021**

PROJECT NO: **1599152**

APPLICATION NAME: **FortisBC Energy Inc. (FEI) - Application for a Certificate of Public Convenience and Necessity (CPCN) for the Okanagan Capacity Upgrade Project**

---

**26.0 Topic: Peak demand estimates**

**Reference: Exhibit B-2, FEI Response to BCUC IR1 8.4, pdf p.47**

“FEI’s peak demand forecast does not directly consider the potential impact of climate change on the DDD. FEI is not aware of a reliable method to forecast future changes in extreme weather either in severity or frequency (especially in the cold temperatures which set FEI’s peak demand).

However, FEI does apply trends in recent weather history (that may reflect climate change impacts) by periodically re-adjusting the DDD temperature used to estimate peak demand. FEI last updated the DDD for each of the 22 weather zones in its operating territory in 2017. These updates examined the weather history in each weather zone over the preceding 60 years. The last update resulted in a warming in the DDD temperature in most weather zones. For example, in the case of the north and central Okanagan, the DDD changed from a 45.0 degree day to a 43.9 degree day. This represented a warming of 1.1°C in the design temperature. The Thompson region DDD warmed by 2.2°C and the South Okanagan by 0.9°C. This results in lower peak demand estimates for customers in these regions than would have been calculated using the DDD values in use prior to 2017.” [underline added]

26.1 Are the adjustments in 2017 for Design Day Demand (DDD) reflected in the forecast shown in Figure 3-6: ITS Historical and Forecast Peak Demand?

**27.0 Topic: Kelowna population growth forecast**

**Reference: Exhibit B-9, FEI Response to BCSEA IR1, Attachment 3.9**

On page 16 of the Updated Application, FEI states that Kelowna’s average annual growth rate of 1.6 percent is forecast to continue for the next 20-year period. The reference is Footnote 9, which states “Population projections prepared for FBC by BC Stats.” BCSEA asked for a copy of the reference. In Exhibit B-9, Attachment 3.9 FEI provided a “copy of the fully functional Excel spreadsheet containing the source data referenced in footnote 9 on page 16 of the Updated Application.”

The Excel spreadsheet provides numbers, but no formulas or a key to the Region codes.

27.1 Can FEI please explain the basis for the forecast that Kelowna’s average annual growth rate of 1.6 percent will continue for the next 20-year period? Is this forecast simply the result of extrapolating the Kelowna’s historical average annual growth rate of 1.6 percent? Did BC Stats

provide FEI with an analysis of Kelowna's prospects for future population growth?

**28.0 Topic: Peak demand forecast**  
**Reference: Exhibit B-9, FEI Response to BCSEA IR1 3.10**

FEI states:

"FEI calculates the peak demand for each customer relative to the design temperature calculated for their associated regional index weather station. For peak demand forecasting of the ITS, FEI assumes all four regions are at their design temperature coincidentally. Consequently, all customers across the ITS would be consuming their design day peak demand coincidentally." [underline added]

28.1 Is the assumption of coincidental design temperatures conservative, directionally? If so, please discuss the quantitative impact of this assumption on the timing of the need for the proposed Project.

**29.0 Topic: Capacity-focused DSM**  
**Reference: Exhibit B-9, FEI Response to BCSEA IR1 7.2**

Regarding the potential need for enhanced compression on the Southern Crossing Pipeline to address future capacity needs in the Okanagan (subsequent to implementation of the Project), FEI says capacity-focused demand-side management measures currently have too much uncertainty to be incorporated into peak demand forecasting. FEI says, "As FEI gathers more data over the following years, it may become apparent that the future compression upgrade could be deferred based on a lowering of the peak demand due to DSM."

29.1 Is FEI committed to examining the potential of capacity-focused DSM to defer future supply-side investments to meet peak demand?

**30.0 Topic: Environmental Management Plan**  
**Reference: Exhibit B-9, FEI Response to BCSEA IR1 19.2**

"19.2 What steps will FEI take to prevent damage to the three community watersheds intersected by the proposed OLI PEN 406 Extension during and after construction?

Response:

FEI, in collaboration with its environmental consultant, the Penticton Indian Band, and the Westbank First Nation, are currently developing the Environmental Management Plan (EMP) for the Project. The EMP will prescribe the requirements needed to mitigate environmental impacts within the Project area, including the three community watersheds ... "

30.1 Please describe the current status of the development of the Environmental Management Plan, in general and specifically regarding the three community watersheds intersected by the proposed OLI PEN 406 Extension.