



**ORDER NUMBER
G-11-19**

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 Inland Gas Upgrade Project

BEFORE:

A. K. Fung, QC, Panel Chair/Commissioner
R. D. Revel, Commissioner
T. Loski, Commissioner
B. Lockhart, Commissioner

on January 17, 2019

ORDER

WHEREAS:

- A. On December 17, 2018, FortisBC Energy Inc. (FEI) submitted an Application for a Certificate of Public Convenience and Necessity (CPCN) to the British Columbia Utilities Commission (BCUC) under sections 45 and 46 of the Utilities Commission Act (UCA) for the Inland Gas Upgrade (IGU) Project (Application);
- B. FEI proposes to implement integrity management measures to mitigate the potential for rupture failure due to corrosion on 29 transmission laterals in the interior of British Columbia constructed between 1957 and 1998;
- C. The scope of the IGU Project consists of:
 - Retrofitting 11 transmission laterals to provide in-line-inspection (ILI) capability;
 - Constructing pressure regulating stations on 14 transmission laterals to reduce the maximum operating pressure and resulting operating stress to below 30 percent of the specified minimum yield strength (SMYS) of the pipe; and
 - Replacing 4 transmission laterals with new pipe designed to operate at a stress below 30 percent of the SMYS of the pipe.
- D. FEI also seeks approval under sections 59–61 of the UCA for deferral account treatment of costs for preparing the Application and for evaluating the feasibility and preliminary stage development of the IGU Project;

- E. The proposed IGU Project has an estimated capital cost of \$363.895 million and the total delivery rate impact is estimated to be 4.31 percent over six years from 2020 to 2025;
- F. FEI proposes construction to begin in early Q2 2020, and expects to have the work on all of the 29 transmission laterals completed by Q3 2024 with contractor demobilization and restoration to occur in late 2024;
- G. FEI requests that certain appendices to the Application be treated as confidential due to commercial sensitivity and to maintain public safety; and
- H. The BCUC considers the establishment of a regulatory timetable for the review of the Application to be warranted.

NOW THEREFORE pursuant to section 46.2 and 89 of the UCA, the BCUC orders as follows:

1. A public hearing process is established for the review of the Application, in accordance with the regulatory timetable set out in Appendix A to this order.
2. FEI is to publish the Public Notice, attached as Appendix B to this order, in appropriate local newspapers to provide adequate notice to the public in the affected service areas and surrounding communities by Friday, February 1, 2019.
3. As soon as practicable, FEI is directed to publish, together with any supporting materials, the Application, this order and the Regulatory Timetable by using appropriate communication methods, including FEI's website and social media.
4. FEI is directed to notify all stakeholders listed on page 12 and 13 of Appendix Q of the Application, regarding the review of the Application.
5. Interveners who wish to participate in this regulatory proceeding are to register with the BCUC by completing a Request to Intervene Form, available on the BCUC's website at <http://www.bcuc.com/get-involved/get-involved-proceeding.html>, by the date established in the Regulatory Timetable, and in accordance with the BCUC's Rules of Practice attached to Order G-1-16.

DATED at the City of Vancouver, in the Province of British Columbia, this 17th day of January 2019.

BY ORDER

Original Signed by:

A. K. Fung, QC
Commissioner

Attachment

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

REGULATORY TIMETABLE

Action	Date (2019)
FEI publishes Notice	Friday, February 1
Intervener registration	Thursday, February 14
BCUC Information Request (IR) No. 1 to FEI	Thursday, February 21
Intervener IR No. 1 to FEI	Thursday, February 28
FEI response to IR No. 1	Thursday, March 28
Submissions on further process	Thursday, April 4



bcuc
British Columbia
Utilities Commission

PUBLIC NOTICE

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

On December 17 2018, FortisBC Energy Inc. (FEI) filed an Application for a Certificate of Public Convenience and Necessity for the Inland Gas Upgrade (IGU) Project. FEI is requesting approval to implement integrity management upgrades and retrofits on 29 existing transmission pressure natural gas pipelines in the interior of British Columbia. FEI identified the IGU Project as part of its ongoing system integrity program and states it is needed to ensure continued safe and reliable service to its interior customers. The estimated total cost of the IGU Project is \$363.895 million and the total delivery rate impact is estimated to be 4.31 percent over six years from 2020 to 2025.

HOW TO PARTICIPATE

There are a number of ways to participate in a matter before the BCUC:

- **Submit a letter of comment**
- **Register as an interested party**
- **Request intervener status**

For more information, or to find the forms for any of the options above, please visit our website or contact us at the information below.

<https://www.bcuc.com/get-involved/get-involved-proceeding.html>

All submissions received, including letters of comment, are placed on the public record, posted on the BCUC's website and provided to the Panel and all participants in the proceeding.

NEXT STEPS

1. Persons who are directly or sufficiently affected by the BCUC's decision or have relevant information or expertise and that wish to actively participate in the proceeding can request intervener status by submitting a completed Request to Intervene Form by Thursday, February 14 2019.

GET MORE INFORMATION

All documents filed on the public record are available on the "Current Proceedings" page of the BCUC's website at www.bcuc.com.

If you would like to review the material in hard copy, or if you have any other inquiries, please contact Patrick Wruck, Commission Secretary, at the following contact information.

British Columbia Utilities Commission



Suite 410, 900 Howe Street
Vancouver, BC Canada V6Z 2N3



E: Commission.Secretary@bcuc.com



P: 604.660.4700