

Hon. George Heyman
Ministry of Environment and Climate Change Strategy
PO Box 9047 Stn Prov Govt
Victoria, BC V8W 9E2

Re: Comments on professional reliance in natural resources

January 19, 2018

FortisBC delivers approximately 21 per cent of the total energy consumed in British Columbia, the most by any utility in the province. We own and operate two liquefied natural gas (LNG) storage facilities and operate seven hydroelectric generating plants, four of which we own. Our more than 2,200 employees serve approximately 1.1 million customers in 135 communities across BC. In 2016, FortisBC invested over \$407 million in capital expenditures in the province, bringing our gross asset base to \$7.2 billion.

Looking forward, we plan to invest a further \$2.9 billion in capital expenditures over the next five years to help maintain the integrity of our systems and infrastructure and meet customer demand. We are committed to investing in projects that will make life more affordable for British Columbians, improve efficiency, reduce greenhouse gas emissions and drive innovation.

Significant projects included in our capital plan include:

- Lower Mainland Intermediate Pressure System Upgrade (LMIPSU)
- Upper Bonnington and Corra Linn Hydro Facility Upgrades
- Eagle Mountain Pipeline to Wood-fibre LNG
- Pipeline Integrity Management Program

In addition to items included in our capital expenditure plan, there are a number of other projects in the planning phase. These include Tilbury Expansion 1B and 2, natural gas for transportation (NGT), renewable natural gas (RNG), wind and solar power energy pilots, power to gas technology, and gas line expansions. By investing in BC natural gas and electricity, we see a long-term opportunity to create sustainable, well-paying jobs across the province.

We take very seriously our obligation to the public and our responsibility to ensure that all we deliver safe, reliable energy in an environmentally responsible manner to all of the communities that we serve. We recognize that sound safety and environmental practices make good business sense and, it is what our customers expect of FortisBC. Our employees and contractors are expected to work safely and to protect their health — along with the health and safety of others — and the natural environment during the course of their work, by following established policies, rules, and procedures. FortisBC supports the goal of ensuring that the highest professional, technical and ethical standards are being applied to resource management in BC. We also believe that qualified professionals have a role to play in achieving this goal.

FortisBC relies on a diverse group of qualified professionals both as employees and as external third party professionals. Several qualified professionals (Natural Resource Sector) are retained by FortisBC including Professional Engineers, Contaminated Sites Approved Professionals, Professional Geologists, Professional Agrologists, Registered Professional Biologists, Professional Archaeologists and Registered Professional Foresters to assist with our operations and projects. Work undertaken by Qualified Professionals includes environmental impact assessment, engineering design, permitting/approvals, construction inspection/monitoring, restoration and reporting.

Many of our planned capital investments will require FortisBC to utilize qualified professionals to ensure that we are fulfilling our commitment to deliver energy to our customers in an environmentally responsible manner. We believe that the professional reliance model remains an appropriate model to ensure that environmental objectives are met in a transparent, efficient and effective manner while allowing FortisBC to remain competitive and deliver on our business objectives.

We support the BC Business Council's position of maintaining the current arms-length relationships with professional reliance organizations and the use of independent audits as the means for measuring performance. Any changes contemplated for the professional reliance model must maintain clear lines of accountability and oversight by qualified and experienced professionals.

FortisBC also supports the position of the BC Business council where they indicate in their submission that there is a lack of awareness among many stakeholders of how these professions function and are governed. As a result, many do not understand how accountability is maintained and enforced. FortisBC supports efforts to promote greater engagement and understanding of the Professional Reliance Model. There would be a benefit in ensuring improved understanding of the roles, responsibilities, legislation, and work of the qualified persons' governing bodies to enhance public understanding and confidence.

Finally, we would also welcome opportunities for further dialogue with government on this important matter.

Yours sincerely,



Douglas Stout,
Vice President, Market Development & External Relations