



Diane Roy
Director, Regulatory Affairs - Gas
FortisBC Energy Inc.

16705 Fraser Highway
Surrey, B.C. V4N 0E8
Tel: (604) 576-7349
Cell: (604) 908-2790
Fax: (604) 576-7074
Email: diane.roy@fortisbc.com
www.fortisbc.com

Regulatory Affairs Correspondence
Email: gas.regulatory.affairs@fortisbc.com

May 10, 2011

BC Sustainable Energy Association
5-4217 Glanford Avenue
Victoria, BC
V8Z 4B9

Attention: Thomas Hackney, Director

Dear Mr. Hackney:

Re: FortisBC Energy Inc. ("FEI") and FortisBC Energy (Vancouver Island) Inc. ("FEVI") (collectively the "Companies")
Energy Efficiency and Conservation ("EEC") Natural Gas Vehicle ("NGV") Incentive Review
Response to the BC Sustainable Energy Association ("BCSEA") Information Request ("IR") No. 1

On March 31, 2011, the Companies filed the EEC 2010 Annual Report as referenced above. In accordance with Commission Order No. G-70-11 setting out the Regulatory Timetable for the NGV Incentive Review, the Companies respectfully submit the attached response to BCSEA IR No. 1.

Please note that Attachment 1.1 in response to BCSEA IR 1.1.1 is being filed confidentially under separate cover.

If there are any questions regarding the attached, please contact Mark Grist, Manager, Business Development at (604) 592-7874.

Yours very truly,

FORTISBC ENERGY INC.
FORTISBC ENERGY (VANCOUVER ISLAND) INC.

Original signed by: Shawn Hill

For: Diane Roy

Attachment

cc (e-mail only): Alanna Gillis, Acting Commission Secretary
Registered Parties



FortisBC Energy Inc. ("FEI") and FortisBC Energy (Vancouver Island) Inc. ("FEVI") (the "Companies") Energy Efficiency and Conservation Natural Gas Vehicle Incentive Review	Submission Date: May 10, 2011
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1.0 Reference: Exhibit A-2, Excerpts from the 2010 Energy Efficiency and Conservation Program - 2010 Annual Report, p.19 of 257

"Pursuant to the approved NSAs, the Companies must manage the Innovative Technologies Program Area as a separate segment of the overall portfolio and the TRC ratio for this segment must have a weighted average TRC of 1.0 or more.

The Innovative Technologies Program Area described in this Report has met this threshold with a weighted average TRC of 1.2. As summarized earlier, see Table 10-10 below for the Innovative Technologies Program Area TRC for 2010.

Table 10-10: Innovative Technologies Program Area TRC for 2010

Program	TRC	
	FEI	FEVI
Solar Water Heating PSECA Program	0.2	0.3
Commercial NGV Demonstration Program	1.4	-
Total	1.2	

The Commercial NGV Demonstration program has made a significant contribution to ensuring that the overall TRC for the Innovative Technologies portfolio has exceeded 1.0."

- 1.1 Please provide, or point to in the filed material, documentation of determination of the total resource cost (TRC) ratio of the "Commercial NGV Demonstration Program" within the Innovative Technologies Program Area of the Energy Efficiency and Conservation (EEC) program.

Response:

In Appendix B of the 2010 EEC Annual Report the FEU provided a breakdown of the TRC ratio for the Innovative Technologies Program Area. The FEU have provided the derivation of these TRC ratios in the Confidential Attachment 1.1 as a live spreadsheet. The spreadsheet shows the 2010 Innovative Technologies Program Area which includes the Commercial NGV Demonstration Program.



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The Companies are providing confidential Attachment 1.1 to the BCUC and the BCSEA only. The request for confidentiality is based on the fact that the information contained in the spreadsheet model results from the investment of considerable internal and external expertise and resources including time, effort, and expense, in the development of these financial models on behalf of all rate-paying customers. The models were developed for the Companies and are proprietary to the Companies on behalf of customers. The Companies are concerned that public disclosure and availability could allow others to use or adapt these complex models freely, at the expense of the Companies' customers.

Attachment 1.1

FILED CONFIDENTIALLY

REFER TO LIVE SPREADSHEET

Provided in electronic format only

(accessible by opening the Attachments Tab in Adobe)