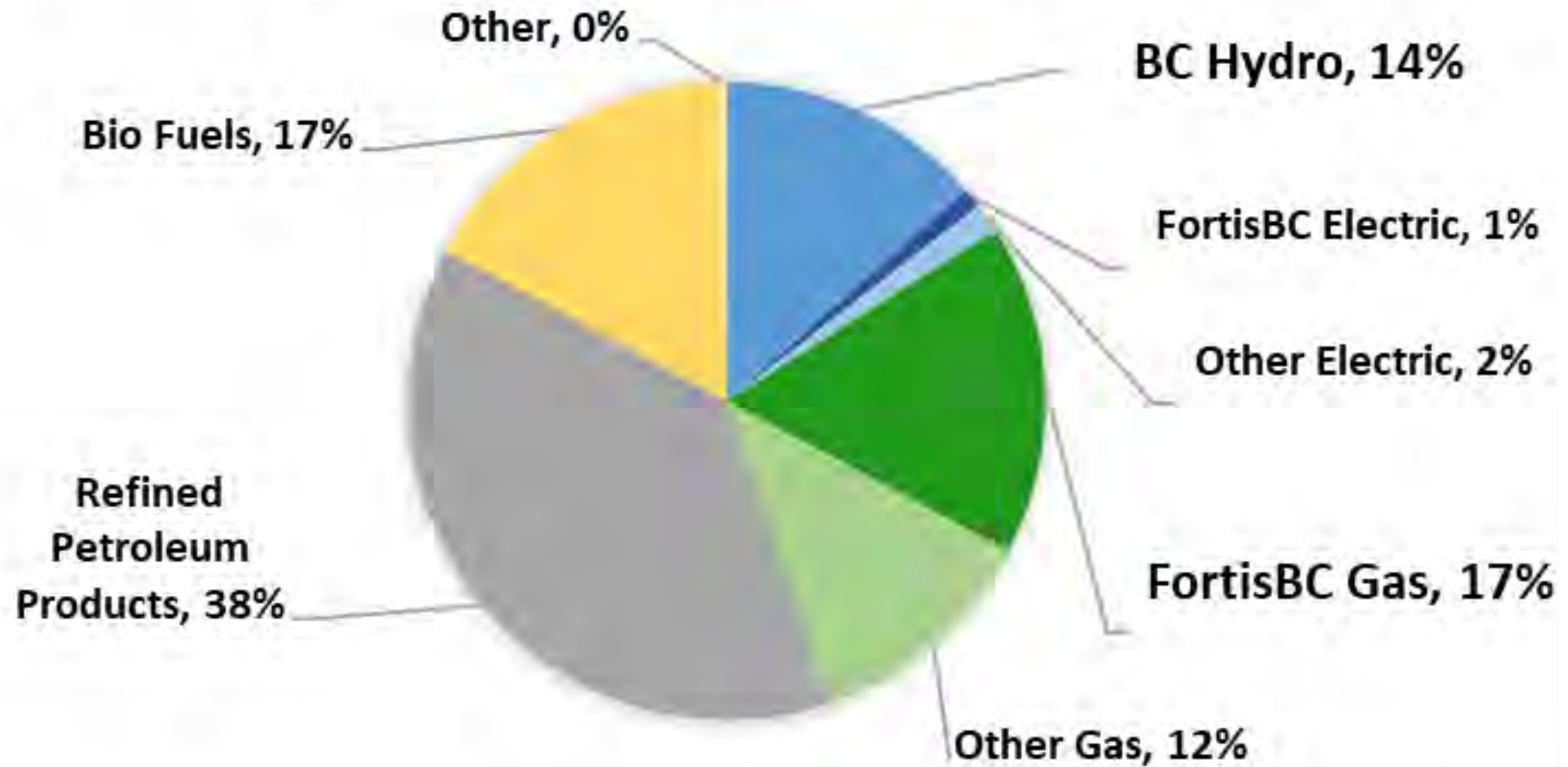




Energy Market Conditions

FortisBC Energy Inc. (FEI)

BC ENERGY DEMAND 2019

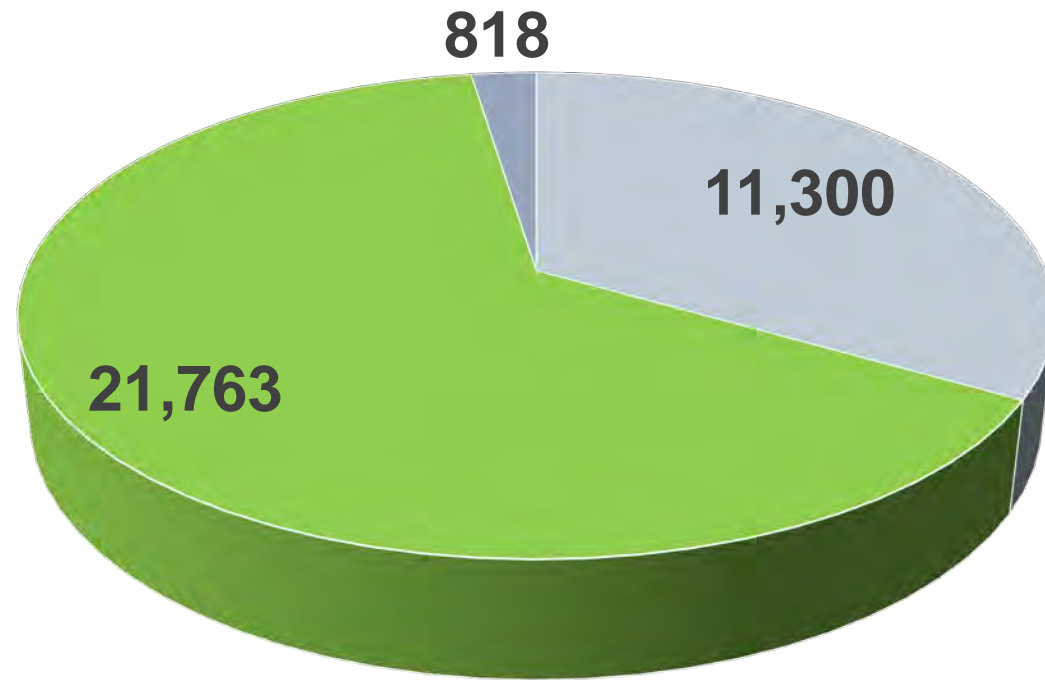


Source: Canadian Energy Regulator, BCUC regulatory filings

Proprietary and Confidential

The Natural Gas System Delivers nearly twice the energy of the electric system during the coldest days

British Columbia Peak Energy Usage (MW)
January 2024



Source: BCHydro, FEI, FBC

Proprietary and Confidential

■ BC Hydro ■ FortisBC Gas ■ FortisBC Electricity

Energy at work  **FORTIS BC™**

Regional Gas Market Resources



Supply Hubs:

- Station 2
- AECO/NIT

Market Hubs:

- Kingsgate
- Sumas

Seasonal Storage:

- Aitken Creek
- Rockpoint

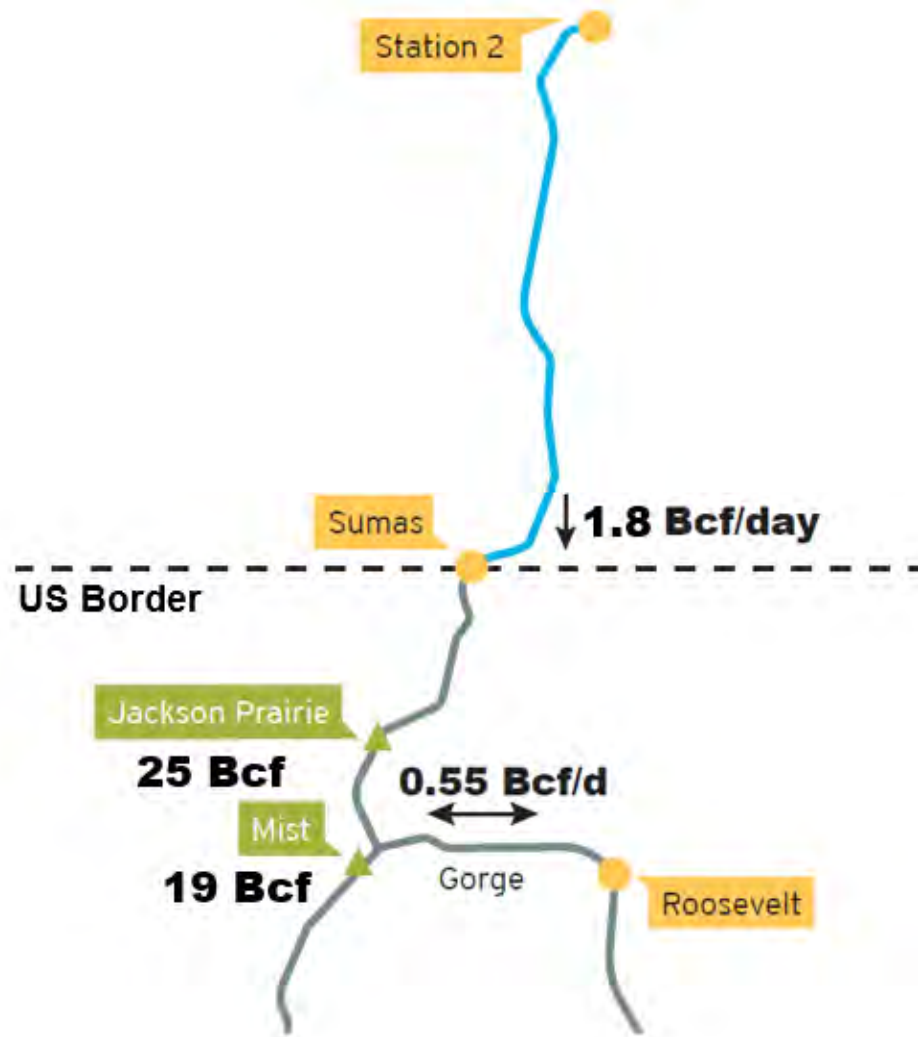
Market Area Storage:

- Jackson Prairie
- Mist

LNG – Peaking Supply:

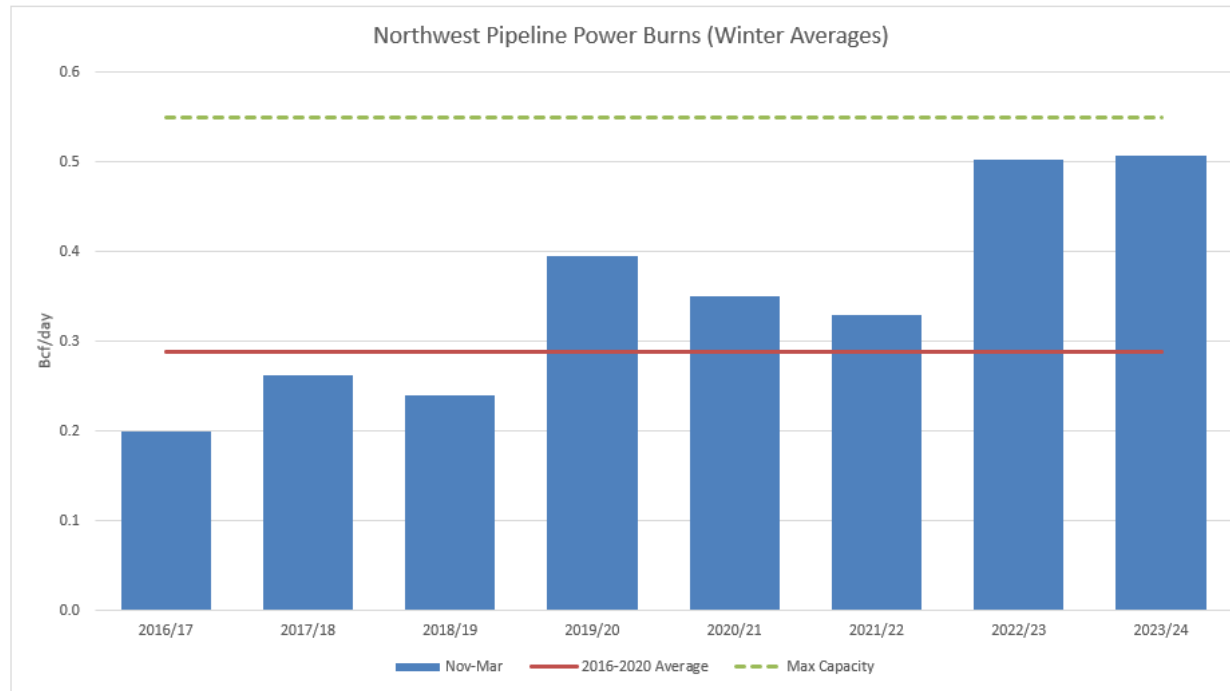
- Tilbury
- Mt. Hayes

Managing Supply Risks Within the I-5



- Limited Resources in the Region
- Baseload Resources - T-South 1.8 Bcf/day and NWP Gorge 0.6 Bcf/day
- Short Term Assets (JPS/Mist) help with colder than normal weather
- Coincidental winter demand on gas and electricity systems served by natural gas infrastructure

Greater Demand from Power Generation within I-5



- Coal Retirements in the Region – No firm resources being added;
- Gas and power becoming interconnected in the region;
- Greater reliance on the natural gas infrastructure;
- Policies impacting future infrastructure (i.e., banning natural gas)

- Power burns increased for Winter 2023/24 compared to previous 7 winters, despite warmer temperatures

WECC Forecasts Energy Shortfall



Energy Shortfalls :

- Fossil fuel-fired resource retirements and rapidly increasing demand threaten to overwhelm capacity;
- The risk of capacity shortfalls is low through 2025, but increases beginning in 2026;
- Could lead to additional Natural Gas fired power plants to meet the shortfall.

7