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| BRITISH COLUMBIA UTILITIES COMMISSION | | |
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| Order Number | G-210-11 | |

TELEPHONE: (604) 660-4700 BC TOLL FREE: 1-800-663-1385 FACSIMILE: (604) 660-1102

and

IN THE MATTER OF the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

Filing by FortisBC Energy Inc. regarding its Biomethane Variance Account and the Biomethane Energy Recovery Charge Rate effective January 1, 2012 for the Lower Mainland, Inland, Columbia Service Areas

BEFORE: L.F. Kelsey, Commissioner N.E. MacMurchy, Commissioner D. Morton, Commissioner R.D. Revel, Commissioner

December 8, 2011

ORDER

WHEREAS:

SIXTH FLOOR, 900 HOWE STREET, BOX 250

VANCOUVER. BC V6Z 2N3 CANADA

web site: http://www.bcuc.com

- A. By Order G-194-10, and the Biomethane Application Decision issued concurrently, both dated December 14, 2010, the British Columbia Utilities Commission (the Commission) approved for FortisBC Energy Inc. (FEI), then called Terasen Gas Inc., the new Rate Schedules 1B, 11B, the amended Rate Schedule 30, and the amendments to the General Terms and Conditions effective October 1, 2010. New Rate Schedules 2B and 3B were also approved, subject to Commission review of the filed tariffs, to be effective on or after January 1, 2012;
- B. On November 18, 2011, FEI filed its 2011 Fourth Quarter Report on Commodity Cost Reconciliation Account (CCRA) and Midstream Cost Reconciliation Account (MCRA) balances (the 2011 Fourth Quarter Report), which also included a review of the Biomethane Variance Account (BVA) and the appropriateness of the current Biomethane Energy Recovery Charge (BERC) of \$9.904/GJ;
- C. The BERC rate, as approved pursuant to Order G-194-10, was intended to be a single variable per gigajoule rate applicable to all biomethane sales by FEI under any of the applicable rate schedules;
- D. FEI's review of the BVA and the BERC within its 2011 Fourth Quarter Report were appropriately based on the existing and the proposed BERC rate, effective January 1, 2012, being applicable to all forecast biomethane sales, however FEI inadvertently requested Commission approval to increase the BERC rate, effective January 1, 2012, to only Rate Schedule 1B;

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- E. By Order G-195-11 dated November 25, 2011, the Commission approved the BERC rate of \$11.696/GJ for Rate Schedule 1B, effective January 1, 2012;
- F. On December 2, 2011, FEI filed a letter requesting Commission approval to increase the BERC rate from \$9.904/GJ to \$11.696/GJ, effective January 1, 2012, for all affected rate schedules;
- G. The Commission has determined that the request is consistent with the intent that the BERC rate be a single variable per gigajoule rate and that the changes requested in the FEI letter dated December 2, 2011 should be approved.

NOW THEREFORE pursuant to section 61(4) of the *Utilities Commission Act*, the Commission approves the Biomethane Energy Recovery Charge, effective January 1, 2012, be increased to a rate of \$11.696/GJ for all affected rate schedules within the Lower Mainland, Inland, and Columbia Service Areas, as calculated in the 2011 Fourth Quarter Report.

DATED at the City of Vancouver, in the Province of British Columbia, this 8th day of December 2011.

BY ORDER

Original signed by:

L.F. Kelsey Commissioner