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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-112-12**

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

and

**Application by FortisBC Energy Inc. for a Certificate of Public Convenience and Necessity
For Constructing and Operating a Compressed Natural Gas Refuelling Station at BFI Canada Inc.; and
Application for Variance and Reconsideration and
Revised Application for Rates for Fuelling Service for BFI Canada Inc.**

BEFORE: A.A. Rhodes, Panel Chair/Commissioner August 21, 2012
D.M. Morton, Commissioner

ORDER

WHEREAS:

- A. By Order G-95-11 dated May 24, 2011, the British Columbia Utilities Commission (Commission) established an Inquiry into FortisBC Energy Inc. (FEI)'s offering of products and services in Alternative Energy Services (AES) and other New Initiatives (AES Inquiry) including the appropriateness of FEI's entry into the competitive domain of compressed natural gas (CNG) and liquefied natural gas (LNG) fuelling;
- B. On February 29, 2012, FEI applied to the Commission for approval for a Certificate of Public Convenience and Necessity (CPCN) to construct and operate a CNG refuelling station at the premises of BFI Canada Inc. (BFI) (CPCN Application);
- C. On April 30, 2012, the Commission issued Order C-6-12 which granted FEI a CPCN for the BFI project but denied the rate and rate design as applied for in the CPCN Application and directed FEI to file an updated rate and rate design within 30 days of the date of Order C-6-12;
- D. On May 15, 2012, the Province of British Columbia passed the Greenhouse Gas Reduction (Clean Energy) Regulation (GHG Regulation) which, through a "prescribed undertaking" under section 18 of the *Clean Energy Act*, contemplates public utility involvement in natural gas transportation programs including the construction and operation of CNG refuelling stations subject to certain conditions;
- E. On May 17, 2012, FEI filed a request to extend the deadline for filing an updated rate and rate design to June 13, 2012 to allow time to consider the implications of the GHG Regulation and to provide additional time to complete discussions with BFI;

- F. On June 13, 2012, FEI filed a further request to extend the deadline for filing the updated rate and rate design for the BFI refuelling station to June 15, 2012;
- G. By Order G-82-12 dated June 14, 2012, the Commission granted an extension to the filing deadline for the updated rate and rate design to June 15, 2012;
- H. On June 16, 2012, FEI submitted an application for Variance and Reconsideration of Order C-6-12 (Reconsideration Application) and a revised application for rates and rate design for CNG Service for BFI (Revised Rates Application);
- I. In the Revised Rates Application, FEI requests interim rate approval pending completion of the Reconsideration Application review;
- J. In the Reconsideration Application, FEI states it is applying for Reconsideration of Items 3, 5(b) and 5(e) of Order C-6-12;
- K. The Commission issued Letter L-38-12 dated June 25, 2012 to Registered Interveners and Interested Parties in the CPCN Application establishing Phase 1 of the Reconsideration as a written comment process on the matter of whether FEI submitted an application with a reasonable basis to allow a reconsideration and requesting Intervener comments by July 4, 2012 and reply comments from FEI by July 11, 2012;
- L. The Commission received comments from the BC Sustainable Energy Association (BCSEA) on July 4, 2012 and from the British Columbia Old Age Pensioners' Association, now known as the British Columbia Pensioners' and Seniors' Organization (BCPSO), on July 5, 2012, both of which supported proceeding to Phase 2 of the Reconsideration;
- M. FEI filed a reply submission on July 11, 2012 in which it stated the Reconsideration Application will serve as the FEI submission for Phase 2;
- N. The Commission issued Letter L-42-12 dated July 17, 2012 finding that FEI had established a *prima facie* case to warrant proceeding to Phase 2 of the Reconsideration. The Commission also determined there is potential overlap with issues relevant to the AES Inquiry and invited registered Interveners in the AES Inquiry to register for Phase 2, if interested, by July 11, 2012;
- O. No registered Interveners from the AES Inquiry other than BCSEA and BCPSO indicated they wished to participate in Phase 2 of the Reconsideration;
- P. The Commission has reviewed the Reconsideration Application and the comments on Phase 1 of the Reconsideration and determined that Phase 2 of the Reconsideration shall proceed as a written regulatory process with written submissions from the Interveners and a written reply submission from FEI.

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NOW THEREFORE the Commission orders as follows:

1. The Reconsideration shall proceed to Phase 2 as a written submission process.
2. The Reconsideration Application shall serve as the FEI submission upon which Interveners may provide comment.
3. The scope of the Reconsideration shall be confined to the issues raised in the Reconsideration Application.
4. The evidence and submissions filed in the AES Inquiry shall be included as part of the evidentiary record for the purposes of the Reconsideration.
5. Interveners are to file written submissions, if any, on FEI's Reconsideration Submission by Friday, August 31, 2012 and FEI is to provide its written reply submission by Wednesday, September 12, 2012.
6. The regulatory review of the Revised Rates Application and FEI's request for approval of an interim rate will be the subject of a future Commission Order.

DATED at the City of Vancouver, in the Province of British Columbia, this 21st day of August 2012.

BY ORDER

Original signed by:

A.A. Rhodes
Commissioner