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**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER G-158-13**

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

**and**

**An Application by FortisBC Energy Inc. for Approval of Rate Design and Rates for Constructing and Operating a Compressed Natural Gas Refueling Station under their General Terms and Conditions Section 12B for the Central Okanagan School District No. 23.**

**BEFORE:** L.A. O'Hara, Commissioner

September 30, 2013

**ORDER**

**WHEREAS:**

- A. On July 19, 2011, Order G-128-11 approved, among other items, an ongoing rate base deferral account to capture incremental Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG) recoveries received from actual volumes purchased in excess of minimum contract take or pay commitments to be refunded to all non-bypass customers by amortizing the balance through delivery rates over a one year period, commencing the following year, to be effective as of January 1, 2012;
- B. On February 7, 2012, by Order G-14-12, the Commission approved Revised General Terms and Conditions (GT&C) 12B as filed by FortisBC Energy Inc. (FEI);
- C. On July 12, 2013, FEI applied to the Commission, pursuant to sections 59 to 61 of the *Utilities Commission Act*, for Approval of Rate Design and Rates for Constructing and Operating a CNG Refueling Station under Section 12B of FEI's General Terms and Conditions for the Central Okanagan School District No. 23 (Kelowna School District);
- D. The FEI CNG and LNG Applications request a rate design methodology for a multi-year rate process, with annual adjustments of two percent for the capital rate and by the British Columbia Consumer Price Index for the operating and maintenance rate, such that, once the methodology is approved by the Commission, FEI will not be applying for approval of the annual rate changes over the term of the agreement with the specific customer; and
- E. The Commission has reviewed and considered the Application and responses to staff Information Request No. 1.

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**NOW THEREFORE**, pursuant to Sections 59 to 61 of the *Utilities Commission Act*, the Commission orders as follows:

1. The rate design and rates established in the Fueling Station Licence and Use Agreement (Agreement) with the Kelowna School District for Compressed Natural Gas (CNG) Service are approved, as amended by the responses to the Information Request process and by this Order, effective September 1, 2013.
2. FortisBC Energy Inc. (FEI) must capture incremental CNG recoveries received from actual volumes in excess of the Kelowna School District Agreement minimum contract take or pay commitments to be refunded to all non-bypass customers as per Order G-128-11.
3. FEI must file on a timely basis the revised Agreement in tariff supplement form for endorsement by the Commission.
4. FEI must submit a compliance filing to the Commission by March 1 each year until the end of the CNG and Liquefied Natural Gas (LNG) Agreements. The compliance filing must report, for each Greenhouse Gas Reduction Regulation (GGRR) and non-GGRR CNG or LNG Agreement, the in-service anniversary date, the previous rates, the revised rates for the following year, and the details of the calculation which changed the rates on the respective in-service anniversary dates. Each annual compliance filing must be filed in the FEI Tariff binder.

**DATED** at the City of Vancouver, in the Province of British Columbia, this    30<sup>th</sup>        day of September, 2013.

BY ORDER

*Original signed by*

L.A. O'Hara  
Commissioner