

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER G-130-13

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

SIXTH FLOOR, 900 HOWE STREET, BOX 250 VANCOUVER, BC V6Z2N3 CANADA web site: http://www.bcuc.com

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

and

an Application by FortisBC Energy Inc. (FEI)
for Approval of the Biomethane Purchase Agreement Between
FEI and Greater Vancouver Sewerage and Drainage District and
Acceptance of FEI Capital Expenditures for Related Interconnection Facilities

BEFORE: L.A. O'Hara, Panel Chair/Commissioner August 23, 2013

ORDER

WHEREAS:

- A. On December 19, 2012, FortisBC Energy Inc. (FEI) filed an application with the British Columbia Utilities Commission (Commission) seeking approval for the continuation of the Biomethane Program on a permanent basis with certain modifications (2012 Biomethane Application). In addition, FEI sought specific acceptance of four Biomethane Purchase Agreements, including one between FEI and the Greater Vancouver Sewerage and Drainage District (GVS&DD, part of Metro Vancouver) and capital costs for related interconnection facilities pursuant to sections 71 and 44.2 of the *Utilities Commission Act* (UCA), respectively;
- B. On February 5, 2013, the Commission issued Order G-18-13, stating that the 2012 Biomethane Application will be examined by way of a written public hearing process and that the four supply contracts, including all directly related requests under the UCA, will be reviewed in (a) separate process(es) and seeking submissions from the parties on whether there is evidence on the record of sufficient demand required by 2015 to justify raising the pilot program supply cap, and on the review process for the related issues under sections 44.2, 59-61 and 71(1) of the UCA;
- C. Order G-18-13, dated February 5, 2013, also required a Certificate of Public Convenience and Necessity for the GVS&DD project unless it is exempt;
- D. By Order G-29-13, dated February 28, 2013, and Order G-45-13, dated March 28, 2013, the Commission increased the supply cap set by Order G-194-10 (Pilot Supply Cap) by an amount sufficient to accommodate up to an additional 280,000 GJ of supply from the four biomethane suppliers, including 40,000 GJ per year for the GVSⅅ

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- E. Order G-29-13 further directed that the review of the applications for rates by the four biomethane suppliers, including GVS&DD, and the applications by FEI for acceptance of expenditures under section 44.2 of the UCA and the supply contracts under section 71 of the UCA will be heard in (a) separate Streamlined Review Process(es);
- F. By Order in Council No. 347, dated August 1, 2013, the Lieutenant Governor in Council granted advance approval to the Commission to exempt biogas and biomethane suppliers selling to a public utility from certain provisions of the UCA where the Commission can review the supply contract under section 71 of the UCA;
- G. On August 16, 2013, FEI filed with the Commission an application (the Application), pursuant to section 71 of the UCA, for acceptance of an executed Biomethane Purchase Agreement between FEI and GVS&DD dated October 16, 2012 (the Agreement) and acceptance of related interconnection facilities pursuant to section 44.2 (b);
- H. In the Application, FEI submits that the Agreement complies with the criteria for new biomethane purchase agreements set out in Order G-194-10 and related decision (Pilot Project) as well as the conditions in Order G-45-13 where the Pilot Supply Cap was increased to specifically include the volume of biomethane contemplated in the Agreement;
- I. FEI further requests that the Agreement and the financial model, appended to the Application as Appendices A and B respectively, be held confidential due to their commercially sensitive nature;
- J. On August 20, 2013, the Commission issued Order G-126-13 exempting biomethane suppliers selling biogas and biomethane to a public utility from certain sections of the UCA where the Commission can review the supply contract under section 71 of the UCA.

NOW THEREFORE the Commission orders as follows:

- 1. The regulatory review of the Application will proceed by way of a Streamlined Review Process (SRP).
- 2. The SRP methodology is set out in the Commission's "Streamlined Review process Policy, Guidelines and Procedures," which is available on the Commission's website.
- 3. The Regulatory Timetable for Intervener registration, Information Request (IR) process, and Streamlined Review Oral Proceeding is attached as Appendix A to this Order.

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- 4. Information filed confidentially by FEI will continue to be treated in confidence. Intervener counseland Interveners who represent FEI customer groups will be provided access to confidential information, subject to filing an Undertaking of Confidentiality in satisfactory form with FEI with a copy to the Commission.
- 5. Interveners registering by August 30, 2013, are also asked to indicate whether they plan to attend the SRP, intend to ask any IR's and initiate the process for receiving confidential documents, if so required.
- 6. The Streamlined Review Oral Proceeding is to take place at 9:00 a.m. on Wednesday, September 25, 2013 at the Commission Hearing Room located on the 12th Floor, 1125 Howe Street, Vancouver, BC.

DATED at the City of Vancouver, in the Province of British Columbia, this

23rd

day of August 2013.

BY ORDER

Original signed by:

L.A. O'Hara Panel Chair/Commissioner

Attachment

A Filing by FortisBC Energy Inc. For Approval of the Biomethane Purchase Agreement Between FortisBC Energy Inc. and Greater Vancouver Sewerage and Drainage District

REGULATORY TIMETABLE

ACTION	DATE (2013)
Intervener Registration Deadline	Friday, August 30
Commission & Intervener Information Requests	Friday, September 13
FEI responses to Information Requests	Thursday, September 19
Streamlined Review Oral Proceeding Commission Hearing Room 12 th Floor, 1125 Howe Street, Vancouver, BC	Wednesday, September 25 commencing at 9:00 a.m.