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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-34-14**

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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 Approval of Rate Design and Rates for providing and operating a Liquefied Natural
Gas Mobile Refueling Station under the Province's Greenhouse Gas Reduction Regulation
for Denwill Enterprises Inc.**

BEFORE: L. A. O'Hara, Commissioner March 11, 2014

O R D E R

WHEREAS:

- A. On April 11, 2013, the British Columbia Utilities Commission (Commission) issued Order G-56-13 accepting that the Greenhouse Gas Reduction Regulation (GGRR) established the need for Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG) fueling stations that are undertaken by FortisBC Energy Inc. (FEI) as prescribed undertakings as defined by the GGRR, and that these prescribed undertaking projects are exempt from the Certification of Public Convenience and Necessity (CPCN) requirements for the term of the GGRR;
- B. Order G-56-13 also confirmed that the Commission will set rates considering FEI's total expenditures on the prescribed undertakings, but will not consider whether FEI ought to have negotiated different terms and conditions for those agreements with CNG or LNG fueling station customers;
- C. On October 15, 2013, FEI and Denwill Enterprises Inc. (Denwill) entered into a Mobile Re-Fueling Equipment Agreement (Agreement) that establishes terms and conditions for FEI's provision of the LNG fueling service (LNG Fueling Service);
- D. The Agreement also contemplates that FEI is to provide the transport of the Mobile Re-Fueling Equipment or the use and transport of a LNG tanker, as and when required by Denwill (Transportation Service);
- E. On November 27, 2013, FEI applied to the Commission, pursuant to sections 59 to 61 of the *Utilities Commission Act* (Act), for approval of rate design and rates established in the Agreement (Application);

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- F. On December 12, 2013, the Commission issued Order G-211-13 in response to OIC 557 which directed the Commission to set Rate Schedule 46 – LNG Sales, Dispensing and Transportation Service as a rate for FEI. Rate 46 contains the definition of “Tanker – means a cryogenic receptacle used for receiving, storing and transporting LNG, including without limitation, portable tankers, ISO containers, or other similar equipment”;
- G. On January 24, 2014, the Commission issued BCUC Information Request No. 1 to FEI, and on February 5, 2014, FEI provided responses to BCUC Information Request No. 1;
- H. The Commission reviewed and considered the Application and determines the rate design and rates should be approved.

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

- 1. The rate design and rates established in the Mobile Re-Fueling Equipment Agreement with Denwill for LNG Fueling Service, including the Host Fee of \$1.50/GJ, are approved effective October 15, 2013.
- 2. Approval is also granted for charges for the Transportation Service as proposed in the Agreement on an interim basis from October 15, 2013 until December 12, 2013 when Rate 46 will apply.
- 3. The FortisBC Energy Inc. Rate 46 is varied to eliminate the “LNG Tanker Charge per Day or Partial Day” as related to transportation of the “Fueling Equipment” of the Denwill Agreement.
- 4. FEI is to file the Denwill Agreement in tariff supplement form on a timely basis for endorsement by the Commission.

DATED at the City of Vancouver, In the Province of British Columbia, this 11th day of March, 2014.

BY ORDER

Original signed by:

L.A. O’Hara
Commissioner