

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-82-14**

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

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

and

FortisBC Energy Inc.
Application for Approval of Rates and Contract for Liquefied Natural Gas Supply
from the Vedder Transport Ltd. LNG Fueling Station for Denwill Enterprises Inc.

BEFORE: L.A. O'Hara, Commissioner July 2, 2014

O R D E R

WHEREAS:

- A. On July 13, 2012, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (Commission), pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA), for a Certificate of Public Convenience and Necessity (CPCN) for constructing and operating a Liquefied Natural Gas (LNG) refueling station at the premises of Vedder Transport Ltd. (Vedder) located in Abbotsford, British Columbia (Vedder Fueling Station). The Vedder Fueling Station was constructed under FEI's General Terms and Conditions Section 12B (GT&Cs 12B);
- B. On August 2, 2013, pursuant to sections 59-61 of the UCA, FEI requested interim approval for a rate design and rates established in the LNG Fueling Station Installation and Operation Agreement with Vedder for LNG Service (Permanent Refueling Agreement);
- C. On October 5, 2012, pursuant to Order C-11-12, the Commission granted FEI a CPCN for the construction and operation of the Vedder Fueling Station;
- D. On November 5, 2013, FEI and Vedder amended the Permanent Refueling Agreement (Vedder Amending Agreement) in order to permit Other Users access to receive LNG supply from the Vedder Fueling Station;
- E. On December 20, 2013, pursuant to Order G-228-13, the Commission approved an Amending Agreement to the Permanent Refueling Agreement, including a \$1.50/GJ Host Fee payable to Vedder on a permanent basis effective December 12, 2013;

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-82-14

2

- F. On February 7, 2014, FEI applied for approval of Tariff Supplement J-3, including the rate design and the rates established in the Permanent Refueling Agreement and subsequent Amending Agreements between Vedder and FEI on a permanent basis, effective January 1, 2013. On February 27, 2014, pursuant to Order G-22-14, the Commission approved the Vedder rates on a permanent basis;
- G. On June 6, 2014, FEI and Denwill Enterprises Inc. (Denwill) executed a fueling services agreement whereby Denwill would be permitted to receive LNG from the Vedder Fueling Station (Denwill Agreement);
- H. On June 27, 2014, FEI applied, pursuant to sections 59 to 61 of the UCA, for interim approval of the rates and contract for service established in the Denwill Agreement, effective July 1, 2014, and for permanent approval of the rates and contract for service established in the Denwill Agreement, effective July 1, 2014 (Application); and
- I. The Commission has commenced review of the Application and determines interim rates should be approved.

NOW THEREFORE pursuant to sections 59-61 and 89 of the *Utilities Commission Act*, the British Columbia Utilities Commission orders as follows:

1. The rates established in the Denwill Agreement are approved on an interim basis effective July 1, 2014.
2. Any variance between the interim rates and the permanent rates as determined by the Commission following final disposition of the Application are subject to refund/recovery, with interest at the average prime rate of FEI's principal bank for its most recent year.

DATED at the City of Vancouver, In the Province of British Columbia, this 2nd day of July 2014.

BY ORDER

Original signed by

L.A. O'Hara
Commissioner