



**ORDER NUMBER**  
**F-9-16**

IN THE MATTER OF  
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

FortisBC Midstream Inc.  
Application for Approval of the Acquisition of the Shares of Aitken Creek Gas Storage ULC  
Participant Assistance/Cost Awards

**BEFORE:**  
N. E. MacMurchy, Panel Chair/Commissioner

on April 13, 2016

**ORDER**

**WHEREAS:**

- A. On December 3, 2015, FortisBC Midstream Inc. (FMI) and Chevron Canada Properties Limited (CCPL) entered into a share purchase and sale agreement under which all of the issued and outstanding shares of Aitken Creek Gas Storage ULC (ACGS) will be purchased by FMI (Agreement);
- B. On December 17, 2015, FMI applied to the British Columbia Utilities Commission (Commission) pursuant to section 54 of the *Utilities Commission Act* (UCA) for an order approving the acquisition of all of the issued and outstanding shares of ACGS, which would result in ACGS becoming a wholly owned direct subsidiary of FMI (Application);
- C. In the Application, FMI also applied on behalf of ACGS, pursuant to section 54(5) of the UCA, for an order approving the registration of the transfer of shares on the books of ACGS;
- D. By Order G-210-15, the Commission established a written hearing process and regulatory timetable for the Application;
- E. On March 18, 2016, by Order G-39-16 and attached Reasons, the Commission approved the Application;
- F. The following participants filed Participant Assistance/Cost Award (PACA) applications with the Commission with respect to their participation in the Application:

DATE	PARTICIPANT	REQUEST
February 23, 2016	BC Sustainable Energy Association and the Sierra Club of British Columbia	\$3,409.35
March 4, 2016	British Columbia Old Age Pensioners' Organization <i>et al.</i>	\$3,415.96
March 10, 2016	Commercial Energy Consumers Association of British Columbia	\$7,717.50

- G. The Commission has reviewed the PACA applications and the FMI submission with regard to the criteria and rates set out in the PACA Guidelines and conclude that PACA funding should be awarded.

**NOW THEREFORE** pursuant to section 118(1) of the *Utilities Commission Act*, the Commission orders as follows:

- Participant Assistance/Cost Awards are approved in the following amounts with respect to their participation in the FortisBC Midstream Inc. Application for Approval of the Acquisition of the shares of Aitken Creek Gas Storage ULC:

<b>PARTICIPANT</b>	<b>AWARD</b>
BC Sustainable Energy Association and the Sierra Club of British Columbia	\$3,409.35
British Columbia Old Age Pensioners' Organization <i>et al.</i>	\$3,415.96
Commercial Energy Consumers Association of British Columbia	\$6,405.00
<b>TOTAL</b>	<b>\$13,230.31</b>

- FortisBC Midstream Inc. is directed to reimburse the above-noted participants for the awarded amounts in a timely manner.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 13<sup>th</sup> day of April 2016.

BY ORDER

*Original signed by:*

N. E. MacMurchy  
Panel Chair/Commissioner

Attachment

An Application by FortisBC Midstream Inc.  
for Approval of the Acquisition of the Shares of Aitken Creek Gas Storage ULC  
Participant Assistance/Cost Awards

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**REASONS FOR DECISION**

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**1.0 INTRODUCTION**

**1.1 Application and orders sought**

On December 17, 2015, FortisBC Midstream Inc. (FMI) applied to the British Columbia Utilities Commission (Commission) pursuant to section 54 of the *Utilities Commission Act* (UCA), for approval of the acquisition by FMI of the issued and outstanding shares of Aitken Creek Gas Storage ULC (ACGS) from Chevron Canada Properties Limited (the Application). This will result in ACGS becoming a wholly owned direct subsidiary of FMI.

In the Application, FMI requests, pursuant to section 54 of the UCA, Commission approval of the acquisition by FMI of the issued and outstanding shares of ACGS. In addition, FMI requests Commission approval under section 54(5) of the UCA for ACGS to register on its books the transfer of shares to FMI. ACGS has authorized FMI to request on its behalf that such an order be granted in respect of ACGS.

**1.2 Regulatory process**

By Order G-210-15 the Commission established a written hearing process and a regulatory timetable for the Application. The following parties registered as interveners:

- Commercial Energy Consumers Association of British Columbia (CEC);
- British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Council of Senior Citizens Organizations of BC, Disability Alliance BC, and the Tenant Resource and Advisory Centre (BCOAPO);
- FortisBC Energy Inc. (FEI);
- Nova Gas Transmission Ltd. (NGTL);
- BC Sustainable Energy Association and the Sierra Club of British Columbia (BCSEA);
- Tenaska Marketing Canada (TMC);
- TransCanada Gas Storage Partnership (TGSP);
- BP Canada Energy Group ULC (BPCEG);
- Pacific Northern Gas Ltd. (PNG).

On March 18, 2016, by Order G-39-16 and attached Reasons, the Commission approved the Application.

## 2.0 PARTICIPANT ASSISTANCE/COST AWARD APPLICATIONS

The following participants filed Participant Assistance/Cost Award (PACA) applications with the Commission with respect to their participation in the Application:

DATE	PARTICIPANT	REQUEST
February 23, 2016	BC Sustainable Energy Association and the Sierra Club of British Columbia	\$3,409.35
March 4, 2016	British Columbia Old Age Pensioners' Organization <i>et al.</i>	\$3,415.96
March 10, 2016	Commercial Energy Consumers Association of British Columbia	\$7,717.50

On March 18, 2016, the Commission provided FMI with an opportunity to review and comment on the PACA requests. By email dated April 1, 2016, FMI states that so long as the Commission has no concerns with the time identified or the amounts applied for, it has no comment on the amounts BCSEA, BCOAPO and CEC submitted.

The Commission reviewed the PACA requests and considers that the PACA applications by BCSEA and BCOAPO are consistent with the Commission's PACA Guidelines and should be reimbursed.

CEC's PACA application included 3 days of consulting compared to the BCSEA and BCOAPO's request of less than a day for a case manager or consultant. In its review of the PACA application, the Commission referred to CEC's stated position, outlined on page 5 of the Reasons for Decision to Order G-39-16, including the recommendation that the Commission require FMI to develop and file a Long Term Resource Plan (LTRP). In the Reasons, the Panel examined the need for FMI to file a LTRP and determined that the exemption of ACGS from the requirement to file a LTRP remains appropriate and the exemption order should remain as currently specified in this regard.<sup>1</sup>

It appears that CEC did not adequately consider the exemption order when it was pursuing the issue of requiring FMI to file a LTRP. CEC also did not appear to recognize that ongoing Commission regulation applies to ACGS rather than FMI. In the Panel's view if CEC had considered the exemption order and the distinction between the FMI purchase of shares compared to the ongoing regulation of ACGS, the time incurred by the consultant should have been no more than 2.0 days. **The Panel finds that a reduction in an award for consulting time of \$1,250 plus GST, for an award for consulting time of \$2,625.00, is warranted. The Panel approves a total award for CEC of \$6,405.00.**

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<sup>1</sup> Order G-39-16, Reasons for Decision, pp. 18–19.