



**ORDER NUMBER**  
**G-60-17**

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

and

FortisBC Energy Inc.

Application for Approval of Rates for Constructing and Operating a Compressed Natural Gas Fueling Station  
under the Province's Greenhouse Gas Reduction (Clean Energy) Regulation for  
Nanaimo Cold Storage and Trucking Ltd., the City of Nanaimo, and Coldstar Solutions Inc. at  
Mid Island Consumer Services Co-operative

**BEFORE:**

K. A. Keilty, Commissioner

on May 1, 2017

**ORDER**

**WHEREAS:**

- A. On February 3, 2017, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (Commission), pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA), for permanent approval of the Host Fee rate and the mechanism for adjusting the Host Fee rate as established in sections 7.1 and 7.2 of the fueling equipment licence agreement between FEI and Mid Island Consumer Services Co-operative (Mid Island), effective August 1, 2016 (Application);
- B. On April 11, 2013, the 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 fueling stations that are undertaken by FEI as prescribed undertakings as defined by the GGRR, and that these prescribed undertaking projects are exempt from the Certificate of Public Convenience and Necessity requirements for the term of the GGRR;
- C. On November 27, 2013, the Lieutenant Governor in Council issued Order in Council No. 556 amending the GGRR. The GGRR was further amended by Order in Council No. 297, dated June 3, 2015;
- D. FEI and Mid Island entered into a fueling equipment licence agreement (Host Agreement), effective December 31, 2015, that grants a license to FEI for access over the lands and premises of Mid Island (Lands) and use of a portion of the Lands for the installation and maintenance fueling equipment for the sale of CNG to the customers of FEI (Mid Island Fueling station). The Host Agreement also establishes the terms and conditions for FEI's provision of the CNG fueling service from the Mid Island Fueling station;
- E. On April 22, 2016, FEI applied to the Commission, pursuant to sections 59 to 61 and 89 of the UCA, for among other things, interim and permanent approval of the Host Fee rate and the mechanism for adjusting the Host Fee rate as established in sections 7.1 and 7.2 of the fueling equipment licence agreement between

FEI and Mid Island, effective August 1, 2016. FEI also requested that the Commission keep confidential the live financial model in Confidential Appendix D;

- F. On June 29, 2016, Order G-101-16 approved the Host Fee rate and the mechanism for adjusting the Host Fee rate as established in sections 7.1 and 7.2 of the fueling equipment licence agreement between FEI and Mid Island on an interim basis, effective on August 1, 2016. The order also approved FEI's request to hold confidential the live financial model in Confidential Appendix D and directed FEI to file an application seeking permanent rates, effective on August 1, 2016, upon the determination of the actual capital expenditures for the Mid Island Fueling Station; and
- G. The Commission reviewed the Application and determines that permanent rates should be approved.

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

1. The Host Fee rate and the mechanism for adjusting the Host Fee rate as established in sections 7.1 and 7.2 of the fueling equipment licence agreement between FortisBC Energy Inc. and Mid Island Consumer Services Co-operative are approved on a permanent basis, effective on August 1, 2016.
2. FortisBC Energy Inc. is to file the fueling equipment licence agreement between FortisBC Energy Inc. and the Mid Island Consumer Services Co-operative in tariff supplement form for endorsement by the Commission within 30 days of the date of this order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 2<sup>nd</sup> day of May 2017.

BY ORDER

*Original signed by:*

K. A. Keilty  
Commissioner