



ORDER NUMBER
G-62-17

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*, for permanent approval of the rate design and rates established in the fueling services agreement between FEI and the City of Nanaimo, 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. On January 14, 2016, FEI and the City of Nanaimo entered into a fueling services agreement that establishes the terms, conditions and rates for the City of Nanaimo to receive CNG fueling service from the FEI CNG station located at Mid Island Consumer Services Co-operative, in Nanaimo, British Columbia (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 rate design and rates established in the fueling services agreement between FEI and the City of Nanaimo, effective August 1, 2016. FEI also requests that the Commission keep confidential the live financial model in Confidential Appendix D;

- F. On June 29, 2016, Order G-99-16 approved the rate design and rates established in the fueling services agreement between FEI and the City of Nanaimo on an interim basis, effective 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 permanent rates for CNG service between FEI and the City of Nanaimo 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 rate design and rates established in the fueling services agreement between FortisBC Energy Inc. and the City of Nanaimo are approved on a permanent basis, effective on August 1, 2016.
- 2. FortisBC Energy Inc. is directed to file the fueling services agreement between FortisBC Energy Inc. and the City of Nanaimo 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 2nd day of May 2017.

BY ORDER

Original signed by:

K. A. Keilty
Commissioner