



ORDER NUMBER
G-158-18

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

and

FortisBC Energy Inc.

Application for Use of Lands under Sections 32 and 33 of the *Utilities Commission Act* in the City of Coquitlam for
the Lower Mainland Intermediate Pressure System Upgrade Projects

BEFORE:

D. A. Cote, Commissioner/Panel Chair
W. M. Everett, QC, Commissioner

on August 22, 2018

ORDER

WHEREAS:

- A. On October 16, 2015, the British Columbia Utilities Commission (BCUC) issued Order C-11-15 approving a Certificate of Public Convenience and Necessity (CPCN), which granted FortisBC Energy Inc. (FEI) approval for the Lower Mainland Intermediate Pressure System Upgrade Projects (LMIPSU Project). A component of the LMIPSU Project is a new Nominal Pipe Size (NPS) 30 Intermediate Pressure (IP) gas line, operating at 2070 kilopascals, that starts at the Coquitlam Gate Station and proceeds in a westerly direction through the cities of Coquitlam, Burnaby and Vancouver, and ends at the East 2nd Avenue Woodland Station in Vancouver (Coquitlam Component of the LMIPSU Project);
- B. On June 28, 2018, FEI filed an application with the BCUC pursuant to sections 32 and 33 of the *Utilities Commission Act* (UCA) for orders setting the terms for FEI's use of lands in the City of Coquitlam (City) for the Coquitlam Component of the LMIPSU Project (Application);
- C. In the Application, FEI also states that, despite agreement in principle to the "Terms Agreed To", the traffic management plans and engineering drawings attached thereto as documented in confidential Appendix E-2 to the Application ("Terms Agreed To"), the City has declined to provide formal approval for the Coquitlam Component of the LMIPSU Project's engineering drawings unless FEI first agrees to two conditions:
 - 1. FEI repaves the entire width of a 5.5 kilometre segment of Como Lake Avenue, at an estimated cost of \$5 million, despite FEI's construction only disturbing primarily two out of four lanes; and

2. 2. FEI removes, at its own cost (estimated at \$5.5 million), approximately 380 metre segment of the NPS 20 IP gas line that is authorized to be abandoned in place, despite the operating agreement between the parties dated January 7, 1957;¹
- D. FEI requested that the BCUC establish a two-phase review process for the Application. Phase one addressing the approval to proceed with the Coquitlam Component of the LMIPSU Project in the City, in accordance with the “Terms Agreed To” (Phase One) and phase two addressing the City’s two conditions (Phase Two);
 - E. By Order G-144-18A the BCUC established a two phase review process;
 - F. In BCUC’s Reasons for Decision accompanying Order G-144-18A, the BCUC commented that it strongly encouraged FEI and the City to work toward a mutually acceptable agreement on the “Terms Agreed To” issues before the regulatory process for Phase One concluded;
 - G. By letter to the BCUC dated August 17, 2018, the City advised that:
 1. In accordance with the BCUC’s comment, the City and FEI worked together to develop revised terms and conditions that both parties support for addressing “Terms Agreed To” issues, which are attached to the City’s letter (Final Agreed Terms and Conditions);
 2. Both the City and FEI support the Final Agreed Terms and Conditions; and
 3. The City believes that the BCUC may, by order, specify that the Final Agreed Terms and Conditions apply with respect to FEI’s use of Como Lake Avenue in the City for the purpose of implementing the Coquitlam Component of the LMIPSU Project with the support of both the City and FEI;
 - H. By letter to the BCUC dated August 17, 2018, FEI confirmed its agreement and support for the Final Agreed Terms and Conditions²; and
 - I. The BCUC has reviewed the Application and the evidence submitted through the Phase One review process and concludes that approval to proceed with the Coquitlam Component of the LMIPSU Project according to the Final Agreed Terms and Conditions is warranted.

¹ Exhibit B-1, pp. 2-3.

² Exhibit B-7

NOW THEREFORE pursuant to sections 32 and 33 of the UCA, the BCUC orders as follows:

1. FEI is authorized to proceed with the Coquitlam Component of the LMPSU Project within the City, based on:
 - a. the terms set out in the Final Agreed Terms and Conditions document that is appended to the City's letter dated August 17, 2018; and
 - b. the terms of the documents forming part of the Final Agreed Terms and Conditions, namely:
 - i. the Traffic Management Plans, as may be amended by FEI due to field conditions encountered during construction; and
 - ii. the engineering drawings, as may be amended by FEI due to field conditions encountered during construction.
2. Phase Two of the proceeding will continue in accordance with Order G-144-18A.
3. FEI and the City are to notify the BCUC in writing if there is intent to file additional evidence for Phase Two of the proceeding by Wednesday, September 5, 2018.

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of August 2018.

BY ORDER

Original Signed by:

D. A. Cote
Commissioner