



**ORDER NUMBER**  
**G-211-19**

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

and

FortisBC Energy Inc.  
Application for Approval of an Operating Agreement  
between the Corporation of the Township of Spallumcheen and FortisBC Energy Inc.

**BEFORE:**

R. I. Mason, Panel Chair

on September 6, 2019

**ORDER**

**WHEREAS:**

- A. On May 10, 2019, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC) for approval of an operating agreement (FEI-Spallumcheen Operating Agreement) dated May 7, 2019, between the Corporation of the Township of Spallumcheen (Spallumcheen) and FEI (Application), pursuant to section 23(1)(g) of the *Utilities Commission Act* (UCA);
- B. On December 17, 1997, Spallumcheen and FEI (through its predecessor company BC Gas Utility Ltd.) entered into a franchise agreement, approved by Order C-5-98, which expired on May 15, 2019;
- C. By Order G-104-19 dated May 14, 2019, the BCUC issued interim approval of the FEI-Spallumcheen Operating Agreement;
- D. By Order G-131-19 dated June 14, 2019, the BCUC established a public hearing process for the review of the Application, which included a public notice, intervener registration, deadline for letters of comments and further process to be determined. No applications to intervene were received by the registration deadline of July 19, 2019;
- E. On June 3, 2019, FEI sought BCUC approval to use the FEI-Kamloops Operating Agreement as the basis for comparison in subsequent operating agreement applications with Interior municipalities, and by Order G-176-19 dated July 31, 2019, the BCUC established a public hearing process to address FEI's request;
- F. By Order G-179-19 dated August 2, 2019, the BCUC deferred making a final determination on the approval of the FEI-Spallumcheen Operating Agreement until the conclusion of the public hearing process on the use of the FEI-Kamloops Operating Agreement as the basis for comparison in subsequent operating agreements with Interior municipalities;
- G. On August 6, 2019, FEI filed a letter withdrawing the request for approval to use the FEI-Kamloops Operating Agreement as a basis for comparison for operating agreements with Interior municipalities;

- H. By Order G-207-19, dated August 29, 2019, the BCUC dismissed FEI's application to use the FEI-Kamloops Operating Agreement as a basis for comparison in subsequent operating agreements with Interior municipalities, and rescinded the associated regulatory timetable; and
- I. The Panel has reviewed the Application and considers the following determinations are warranted.

**NOW THEREFORE**, pursuant to section 23(1)(g) of the UCA, the BCUC orders the FEI-Spallumcheen Operating Agreement, dated May 7, 2019 between FEI and Spallumcheen, is approved on a permanent basis.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 6<sup>th</sup> day of September 2019.

BY ORDER

*Original signed by:*

R. I. Mason  
Commissioner