



**ORDER NUMBER**

**G-255-19**

**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 City of Castlegar and FEI

**BEFORE:**

R. I. Mason, Panel Chair  
W. M. Everett, QC, Commissioner  
B. A. Magnan, Commissioner

on October 24, 2019

**ORDER**

**WHEREAS:**

- A. On July 11, 2019, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC) for approval of an operating agreement dated July 5, 2019, entered into between the Corporation of the City of Castlegar (Castlegar) and FEI (the FEI-Castlegar Operating Agreement or Application);
- B. FEI (through predecessor companies Inland Natural Gas Co. Ltd. and BC Gas Utility Ltd.) and the City of Castlegar entered into a franchise agreement, which expired on August 30, 1998;
- C. FEI and Castlegar entered into another franchise agreement dated October 13, 1998, approved by BCUC Order C-17-98, which expired on August 29, 2019;
- D. In the Application, FEI submits that the FEI-Castlegar Operating Agreement is based on the same terms as the FEI-Kamloops Operating Agreement, which was approved on a permanent basis by Order G-207-19, dated August 29, 2010;
- 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 Panel established a public hearing process to address FEI's request;
- F. The BCUC issued interim approval of the FEI-Castlegar Operating Agreement in Order G-170-19, dated July 29, 2019;
- G. On August 6, 2019, FEI filed a letter requesting withdrawal of its application to use the FEI-Kamloops Operating Agreement as a basis for comparison in subsequent 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2019, the BCUC dismissed FEI's application to use the FEI-Kamloops Operating Agreement as a basis for comparison, and rescinded the associated regulatory timetable;
- I. By Order G-212-19 dated September 5, 2019, the BCUC established a public hearing process for the review of the Application, which included public notice, intervener registration and a deadline for letters of comment. No requests to intervene or letters of comment were received by the BCUC; and
- J. The Panel has reviewed the Application and considers the following determination is warranted.

**NOW THEREFORE** pursuant to section 23(1)(g) and section 89 of the UCA, the BCUC orders that the FEI-Castlegar Operating Agreement, dated July 5, 2019 between FEI and Castlegar, be approved on a permanent basis.

**DATED** at the City of Vancouver, in the Province of British Columbia, this        24<sup>th</sup>        day of October 2019.

BY ORDER

*Original signed by:*

R. I. Mason  
Commissioner