



**ORDER NUMBER  
G-15-20**

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 Vernon and FortisBC Energy Inc.

**BEFORE:**

R. I. Mason, Panel Chair  
B. A. Magnan, Commissioner

on January 28, 2020

**ORDER**

**WHEREAS:**

- A. On November 28, 2019, FortisBC Energy Inc. (FEI) filed an application with the British Columbia Utilities Commission (BCUC) for approval of an operating agreement dated November 25, 2019 between the Corporation of the City of Vernon (City of Vernon) and FEI (FEI-City of Vernon Operating Agreement or Application), pursuant to section 23(1)(g) and section 89 of the *Utilities Commission Act*;
- B. FEI (through its predecessor company Inland Natural Gas Co. Ltd.) and the City of Vernon entered into a franchise agreement (Franchise Agreement) dated January 8, 1978, for a period of 21 years to April 2, 2000, which was extended by means of a number of short-term extensions. The existing Franchise Agreement, which expired on November 30, 2019, was approved by BCUC Order C-12-03, dated November 13, 2003;
- C. By Order G-317-19, dated December 6, 2019, the BCUC granted interim approval of the FEI-City of Vernon Operating Agreement, pending a final determination by the BCUC on the Application. Order G-317-19 also 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
- D. The Panel has reviewed the Application and considers the following determination is warranted.

**NOW THEREFORE** pursuant to section 23(1)(g) of the *Utilities Commission* Act, the BCUC orders that the FEI-City of Vernon Operating Agreement, dated November 25, 2019, between FEI and the City of Vernon, is approved on a permanent basis.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 28<sup>th</sup> day of January 2020.

BY ORDER

*Original signed by:*

R. I. Mason  
Commissioner