



**ORDER NUMBER
G-153-20**

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

and

FortisBC Energy Inc.

Application for Approval of Rates and Agreement for Compressed Natural Gas (CNG) Fueling Service for Clark Reefer Lines Ltd. from the CNG Fueling Station located at Waste Management of Canada Corporation in Coquitlam, BC

BEFORE:

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

June 15, 2020

ORDER

WHEREAS:

- A. On June 1, 2020, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 and 89 of the *Utilities Commission Act* (UCA), for approval of the rates established in the fueling services agreement between FEI and Clark Reefer Lines Ltd. (Clark) (Clark-Waste Management Agreement), on an interim basis, effective June 7, 2020 (Application);
- B. By Order G-128-11 dated July 19, 2011, the BCUC approved, among other things, a Compressed Natural Gas (CNG) Fueling Station Installation and Operating Agreement between FEI and Waste Management of Canada Corporation (Waste Management) and accepted, pursuant to section 44.2 of the UCA, expenditures for the construction, operation and maintenance of the fueling station located on Waste Management's premises (Waste Management Fueling Station);
- C. By Order G-299-13 dated December 23, 2013, pursuant to section 44.2 of the UCA, the BCUC accepted, expenditures to upgrade the Waste Management Fueling Station and approved FEI's request that the rates charged to Waste Management remain unchanged;
- D. By Order G-64-16 dated May 11, 2016, pursuant to section 44.2 of the UCA, the BCUC accepted expenditures to further upgrade the Waste Management Fueling Station and approved the rate design and rates established in the amending agreement dated October 6, 2015, to the CNG Fueling Station Installation and Operating Agreement between FEI and Waste Management;
- E. On October 11, 2019, FEI and Waste Management entered into an amending agreement to the CNG Fueling Station Installation and Operating Agreement (Amending Agreement No. 2), which among other things, increases the monthly take-or-pay commitment, revises the Capital Rate to take into account an

expansion to the Waste Management Fueling Station, and revises the O&M Rate to reflect the remaining forecasted O&M to the end of the Initial Term of the CNG Fueling Station Installation and Operating Agreement;

- F. By Order G-18-20 dated February 6, 2020, the BCUC approved the rate design and rates established in Amending Agreement No. 2 on an interim and refundable basis, effective February 1, 2020, and directed FEI to file an application seeking permanent rates, upon the determination of the actual capital expenditures for the expansion to the Waste Management Fueling Station. By Order G-77-20 dated April 6, 2020, the BCUC accepted the capital expenditures in the amount of \$265,863 required for FEI to complete the expansion to the Waste Management Fueling Station;
- G. On May 20, 2020, FEI and Clark entered into the Clark-Waste Management Agreement which establishes the terms and conditions for Clark to receive CNG fueling service from the Waste Management Fueling Station, effective June 7, 2020; and
- H. The BCUC has reviewed of the Application and considers that approval of the proposed rates on an interim basis is warranted.

NOW THEREFORE pursuant to sections 59 to 61 and 89 of the UCA, the BCUC orders as follows:

- 1. The rates established in the Clark-Waste Management Agreement are approved, on an interim basis subject to refund or recovery, effective June 7, 2020, pending the finalization of actual capital expenditures and permanent rates for the Waste Management Fueling Station.
- 2. FEI is directed to file an application seeking permanent rates upon the BCUC approval of permanent rates between FEI and Waste Management for CNG fueling service from the Waste Management Fueling Station.
- 3. FEI is directed to refund to/recover from Clark the variance between the interim rates and the permanent rates, as determined by the BCUC following the final determination of the application to be filed by FEI seeking permanent rates for Clark to receive CNG fueling service from the Waste Management Fueling Station, with interest calculated at the average prime rate of FEI's principal bank for its most recent year.
- 4. FEI is to file the Clark-Waste Management Agreement in tariff supplement form for endorsement by the BCUC within 15 days of the date of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 15th day of June 2020.

BY ORDER

Original signed by:

W. M. Everett, QC
Commissioner