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## ORDER NUMBER G-138-22

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

and

Pacific Northern Gas Ltd. and
Pacific Northern Gas (N.E.) Ltd.
Application for Approval of a Low Carbon Energy Cost Recovery Mechanism and
Biomethane Purchase Agreements

### **BEFORE:**

R. I. Mason, Panel Chair A. C. Dennier, Commissioner M. Kresivo, QC, Commissioner

on May 19, 2022

## **ORDER**

#### WHEREAS:

- A. On November 17, 2021, Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd. (collectively, PNG) submitted an application to the British Columbia Utilities Commission (BCUC) pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA) seeking approval of a Low Carbon Energy (LCE) Cost Recovery Mechanism, and pursuant to section 71 of the UCA and the BCUC Rules for Natural Gas Energy Supply Contracts, seeking approval of Biomethane Purchase Agreements (BPAs) with ATCO Future Fuel RNG Limited Partnership (ATCO) and Tidal Energy Marketing Inc. (Tidal) (Application);
- B. PNG requests, among other things, to establish an LCE rate of \$27.50/Gigajoule and to recover LCE-related costs through sales to voluntary LCE customers, PNG's own company-use gas, and off-system sales. PNG seeks approval to capture unrecovered LCE-related costs in a new deferral account to be recovered from customers through an LCE cost recovery rate rider;
- C. By Order G-6-22 dated January 11, 2022, the BCUC established a written hearing process to review the Application. The regulatory timetable was further amended by Order G-90-22 dated March 31, 2022, to provide for a second round of Information Requests (IR No. 2) with further process to be determined;
- D. BC Sustainable Energy Association (BCSEA), FortisBC Energy Inc., and the Residential Consumer Intervener Association (RCIA) registered as interveners;
- E. By March 28, 2022, PNG, BCSEA, and RCIA had made submissions on further process and PNG had submitted its reply, all of which recommended that the proceeding move to final arguments;

- F. By Order E-7-22 dated April 1, 2022, the BCUC accepted the BPAs for filing;
- G. In accordance with the regulatory timetable set out in Order G-90-22, PNG submitted responses to BCUC and intervener IR No. 2 regarding the LCE cost recovery portion of the Application on May 10, 2022; and
- H. The Panel has reviewed the evidence to-date and determines that the proceeding should progress to final arguments.

**NOW THEREFORE** the BCUC establishes a further regulatory timetable as set out in Appendix A to this order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 19<sup>th</sup> day of May 2022.

BY ORDER

Original signed by:

R. I. Mason Commissioner

**Attachment** 

# Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd. Application for Approval of a Low Carbon Energy Cost Recovery Mechanism and Biomethane Purchase Agreements

# **REGULATORY TIMETABLE**

Action	Date (2022)
PNG Final Written Submission	Tuesday, June 7
Intervener Final Written Submissions	Tuesday, June 21
PNG Written Reply Submission	Tuesday, July 5