



**ORDER NUMBER**  
**G-234-23**

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

FortisBC Energy Inc.  
Section 71 Filing of Amending Agreement No. 1 to the Biomethane Purchase Agreement  
between FEI and Archaea Energy Marketing

**BEFORE:**

D. M. Morton, Panel Chair  
D. A. Cote, Commissioner  
R. I. Mason, Commissioner

on August 31, 2023

**ORDER**

**WHEREAS:**

- A. On August 24, 2023, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (BCUC) an application for acceptance of an amending agreement dated August 18, 2023 (Amending Agreement No. 1) to the original Biomethane Purchase Agreement (BPA) between FEI and Archaea Energy Marketing (AEM) pursuant to section 71 of the *Utilities Commission Act* (UCA) and BCUC Rules for Natural Gas Energy Supply Contracts (Application);
- B. By Order E-4-22 dated March 15, 2022, the BCUC accepted the BPA between FEI and AEM, with a Transaction Confirmation effective date of January 14, 2022;
- C. Section 18(1) of the *Clean Energy Act* (CEA) defines a prescribed undertaking as “...a project, program, contract or expenditure that is in a class of projects, programs, contracts or expenditures prescribed for the purpose of reducing greenhouse gas emissions in British Columbia”;
- D. Section 18(3) of the CEA states that “the commission must not exercise a power under the UCA in a way that would directly or indirectly prevent a public utility...from carrying out a prescribed undertaking”;
- E. On May 25, 2021, the Lieutenant Governor in Council, by Order in Council 306/2021, approved an amendment to the Greenhouse Gas Reduction (Clean Energy) Regulation (GGRR), which among other things, repealed and replaced section 2 (3.8) to state:

(3.8) The public utility acquires renewable natural gas

- a) at costs that meet the following criteria, as applicable:

- i. if the public utility acquires renewable natural gas by purchasing it, the price of the renewable natural gas does not exceed the maximum amount, determined in accordance with section 9, in effect in the fiscal year in which the contract for purchase is signed;
    - ii. if the public utility acquires renewable natural gas by producing it, the levelized cost of production reasonably expected by the public utility does not exceed the maximum amount, determined in accordance with section 9, in effect in the fiscal year in which the public utility decides to construct or purchase the production facility, and
  - b) that, in a calendar year, does not exceed 15% of the total amount, in GJ, of natural gas provided by the public utility to its non-bypass customers in 2019, subject to subsection (3.9) and section 10;
- F. FEI requests that the redacted portions of the Application including appendices be kept confidential due to their commercial sensitive nature; and
- G. The BCUC determines that the establishment of a hearing process and regulatory timetable for the review of the Application is warranted.

**NOW THEREFORE** the BCUC orders as follows:

1. A regulatory timetable for the review of the Application is established as set out in Appendix A to this order.
2. The BCUC will hold the unredacted version of the Application, including Appendices, confidential, pending a final determination in this proceeding on the status of the confidential information.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 31<sup>st</sup> day of August 2023.

BY ORDER

*Original signed by:*

D. M. Morton  
Commissioner

Attachment

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**REGULATORY TIMETABLE**

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Action	Date (2023)
BCUC Information Requests (IR) No. 1 to FEI	Friday, September 1
FEI Responses to BCUC IR No.1	Friday, September 8
FEI Final Argument	Friday, September 15