



**ORDER NUMBER**  
**G-227-24**

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

and

FortisBC Energy Inc  
Application for a Certificate of Public Convenience and Necessity for the  
Okanagan Capacity Mitigation Project

**BEFORE:**

M. Jaccard, Panel Chair  
T. A. Loski, Commissioner  
W. E. Royle, Commissioner

on August 21, 2024

**ORDER**

**WHEREAS:**

- A. On December 22, 2023, the British Columbia Utilities Commission (BCUC) issued its Decision and Order G-361-23 denying FortisBC Energy Inc.'s (FEI's) application for a Certificate of Public Convenience and Necessity (CPCN) for the Okanagan Capacity Upgrade (OCU) Project in respect of its Interior Transmission System (ITS) and directed FEI to develop and file for BCUC review and approval a mitigation plan to address the projected capacity shortfall on the ITS, and a compliance filing setting out FEI's proposed accounting treatment for the pre-construction development costs;
- B. On July 30, 2024, FEI submitted an application to the BCUC for, among other things, a CPCN pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA) for the Okanagan Capacity Mitigation (OCM) Project (Application);
- C. In the Application, FEI requests BCUC approval to:
  - 1. Construct and operate a liquified natural gas (LNG) storage and regasification facility at FEI's Kelowna Gate Station;
  - 2. Procure equipment to transport LNG by truck from FEI's existing Tilbury LNG facility to the Kelowna Gate Station;
- D. FEI also seeks BCUC approval, pursuant to sections 59 to 61 of the UCA, of the following:
  - 1. A depreciation rate of 3.33 percent and a net salvage rate of 0.5 percent applicable to the new LNG tank and vaporization equipment as well as the LNG transport trailers related to the project;

2. Rename the existing non-rate base OCU Preliminary Stage Development Costs deferral account, which attracts an after-tax weighted average cost of capital return, to the OCMP Application and Preliminary Stage Development Costs deferral account;
  3. Record the Application costs and preliminary stage development costs for the OCMP in the existing (renamed) OCMP Application and Preliminary Stage Development Costs deferral account; and
  4. Transfer the balance in the OCMP Application and Preliminary Stage Development Costs deferral account (which includes the pre-construction development costs for the original OCU CPCN project from the period of 2018 to 2023) to rate base on January 1 of the year following the BCUC's decision on the OCMP Application and amortize the balance over four years;
- E. FEI requests that Appendices A, B-1, B-3, F-1, F-2, G, H, I, and J relating to engineering, cost estimates, and risk assessments be treated as confidential due to their commercially sensitive nature and to maintain the safety and security of FEI assets; and
- F. The BCUC has commenced review of this Application and considers that establishing a regulatory timetable is warranted.

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

1. A public hearing for the review of the Application is established, in accordance with the regulatory timetable as set out in Appendix A to this order.
2. FEI is to provide a copy of this Application and this order, electronically where possible, on or before Friday, August 30, 2024, to all registered interveners in the OCU Project CPCN proceeding.
3. FEI is to publish the Application and a copy of this order on its website at [www.fortisbc.com](http://www.fortisbc.com) as soon as practicable, but no later than Friday, August 30, 2024.
4. FEI is to post notice of the Application and this order on its relevant and existing social media platforms, including but not limited to X (formerly Twitter) and Facebook, beginning as soon as practicable, but no later than Friday August 30, 2024. Weekly reminder posts must be posted on each platform until the conclusion of the intervener registration period on Thursday, September 19, 2024.
5. FEI is to provide confirmation to the BCUC that it has complied with Directives 2, 3, and 4 of this order by Friday, September 6, 2024.
6. Appendices A, B-1, B-3, F-1, F-2, G, H, I, and J attached to the Application will be held confidential unless determined otherwise by the BCUC, due to their commercial sensitive nature and to maintain the safety and security of the FEI assets.
7. In accordance with the BCUC's Rules of Practice and Procedure, parties who wish to actively participate in this proceeding must submit the Request to Intervene Form, available on the BCUC's website at <https://www.bcuc.com/GetInvolved/GetInvolvedProceeding>, by Thursday, September 19, 2024, as established in the regulatory timetable. Parties may also submit letters of comment by completing a Letter of Comment Form, available on the BCUC's website.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 21<sup>st</sup> day of August 2024.

BY ORDER

*Original signed by:*

M. Jaccard  
Commissioner

Attachment

FortisBC Energy Inc.  
Application for a Certificate of Public Convenience and Necessity for the  
Okanagan Capacity Mitigation Project

**REGULATORY TIMETABLE**

| Action  | Date (2024)            |
|---|------------------------|
| FEI provides notice of Application                                      | Friday, August 30      |
| FEI provides confirmation of compliance with public notice requirements | Friday, September 6    |
| Intervener registration deadline  | Thursday, September 19 |
| BCUC Information Request (IR) No. 1                                     | Thursday, September 26 |
| Intervener IR No. 1   | Thursday, October 3    |
| FEI responses to IR No. 1   | Thursday, October 24   |
| Letters of comment deadline   | Thursday, October 31   |
| FEI final argument  | Thursday, November 21  |
| Intervener final argument   | Thursday, December 5   |
| FEI reply argument  | Thursday, December 19  |



# We want to hear from you

## FortisBC Energy Inc.

### Application for Approval of a Certificate of Public Convenience and Necessity for the Okanagan Capacity Mitigation Project

On July 30, 2024, FortisBC Energy Inc (FEI) submitted an application to the British Columbia Utilities Commission (BCUC) to, among other things, seek BCUC approval to construct and operate a new liquified natural gas (LNG) storage and regasification facility at FEI's existing Kelowna Gate Station. The project also involves the transportation of LNG by truck from FEI's existing Tilbury LNG facility to the Kelowna Gate Station. The purpose of the project is to address the projected capacity shortfall of the Interior Transmission System for the winter of 2026/2027.

Please visit the [Proceeding webpage](#) on bcuc.com under "Our Work" to learn more.

To participate in the proceeding, visit [www.bcuc.com/get-involved](http://www.bcuc.com/get-involved).

#### GET INVOLVED

- **Submit a letter of comment**
- **Subscribe to the proceeding**
- **Request intervener status**

#### IMPORTANT DATES

1. **Thursday, September 19, 2024** – Deadline to request intervener status with the BCUC
2. **Thursday, October 31, 2024** – Deadline to submit a letter of comment to share your views, opinions, and insights on the application

**Subscribe to this Proceeding** on bcuc.com under "Get Involved" to receive email notifications when public documents are added to the proceeding.

#### CONTACT INFORMATION

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