



ORDER NUMBER
G-261-24

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

and

FortisBC Energy Inc.
Permanent Rates and Amending Agreement No. 3 for McRae's Environmental Services Ltd.
for Fuelling Service from the Annacis Island CNG Station in Delta

BEFORE:

B. A. Magnan, Commissioner
W. E. Royle, Commissioner

on October 17, 2024

ORDER

WHEREAS:

- A. On September 25, 2024, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 of the *Utilities Commission Act*, for approval of the rates established in a third amending agreement (Amending Agreement No. 3), to a fuelling services agreement between FEI and McRae's Environmental Services Ltd. (McRae's) (McRae's-Annacis Island Agreement) on a permanent basis, effective October 1, 2024 (Application);
- B. By Order G-56-13, the BCUC accepted that the Greenhouse Gas Reduction (Clean Energy) Regulation (GGRR) established the need for Compressed Natural Gas (CNG) and Liquefied Natural Gas fuelling stations that are undertaken by FEI as prescribed undertakings as defined by the GGRR, and that these prescribed undertakings are exempt from the Certificate of Public Convenience and Necessity requirements for the term of the GGRR;
- C. By Order G-45-22, the BCUC determined, among other things, that the CNG station located at Annacis Island in Delta, BC (Annacis Island Fuelling Station) met the requirements of a prescribed undertaking under the GGRR;
- D. By Order G-344-23, the BCUC approved the rates established in the McRae's-Annacis Island Agreement, as amended by the first and second amending agreements, which established the terms, conditions, and rates for McRae's to receive CNG fuelling services from the Annacis Island Fuelling Station, on a permanent basis, effective March 1, 2022;

- E. In September 2024, FEI and McRae’s entered into Amending Agreement No. 3 to extend the initial term of the agreement from 5 years to 7 years, increase the minimum annual quantity from nil to 9,000 gigajoules (GJ), and amend the spot charge from \$1 per GJ to \$nil given the newly established minimum annual quantity; and
- F. The BCUC has reviewed the Application and determines that approval of the rates and terms established in Amending Agreement No. 3 is warranted.

NOW THEREFORE pursuant to sections 59 to 61 of the *Utilities Commission Act*, the BCUC orders as follows:

1. The rates established in the McRae’s-Annacis Island Agreement as amended by Amending Agreement No. 3 are approved on a permanent basis, effective October 1, 2024.
2. FEI is directed to refund to McRae’s any variance between the permanent rates approved by Order G-344-23 and the permanent rates approved by this order, from the effective date of October 1, 2024, with interest calculated at the average prime rate of FEI’s principal bank for its most recent fiscal year.
3. FEI is to file Amending Agreement No. 3 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 17th day of October 2024.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner