



ORDER NUMBER
G-325-24A

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

and

FortisBC Energy Inc.
RNG Blend, Storage and Transportation RNG Rider, RNG Charges, and
2024 Q4 Gas Cost Report for the Mainland and Vancouver Island,
and the Fort Nelson Service Areas Effective January 1, 2025

BEFORE:

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

on December 5, 2024

ORDER

WHEREAS:

- A. On November 19, 2024, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC) pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA) for approval to set the Renewable Natural Gas (RNG) Blend Percent, Storage & Transportation (S&T) RNG Rider, and RNG Charges effective January 1, 2025 (2025 RNG Application);
- B. On November 22, 2024, FEI filed its 2024 Fourth Quarter Report (Fourth Quarter Gas Cost Report) regarding the following:
 - i. the Commodity Cost Reconciliation Account (CCRA),
 - ii. Midstream Cost Reconciliation Account (MCRA), and
 - iii. Review of the RNG Charge for Voluntary RNG Service to Non-Natural Gas Vehicle (Non-NGV) sales customers for the Mainland and Vancouver Island Service Area, and the Fort Nelson Service Area based on the five-day average of November 1, 4, 5, 6, and 7, 2024 forward gas prices;
- C. The BCUC established guidelines for gas cost rate setting in Letter L-5-01 dated February 5, 2001, then modified the guidelines in Letter L-40-11 dated May 19, 2011, and L-15-16 dated June 17, 2016 (together the Guidelines);

- D. By Order G-244-23 dated September 14, 2023, the BCUC approved the current Commodity Cost Recovery Charge (CCRC) for the Mainland and Vancouver Island Service Area, and the Fort Nelson Service Area at \$2.230 per gigajoule (\$/GJ) effective October 1, 2023;
- E. By Order G-327-23 dated November 30, 2023, the BCUC established the current midstream-related charges and biomethane-related charges for the Mainland and Vancouver Island Service Area, and the Fort Nelson Service Area effective January 1, 2024;
- F. By Decision and Order G-77-24 (RNG Decision) dated March 20, 2024, the BCUC directed FEI, among other things, to set the S&T RNG Rider and RNG Charge annually;
- G. By Order G-242-24 dated September 11, 2024, the BCUC approved, among other things, FEI's application to set the RNG Blend percent at one percent, the S&T RNG Rider at \$0.181 per gigajoule (GJ), and various Voluntary RNG Charges, effective July 1, 2024, and directed FEI to include as part of future applications to set the S&T RNG Rider, annual forecast information pertaining to the RNG Blend service for a minimum of five years following the effective date of the S&T RNG Rider, with consideration given to whether a rate smoothing mechanism may be appropriate for the S&T RNG Rider in light of the forecast information;
- H. In the 2025 RNG Application, FEI seeks approval of the following, effective January 1, 2025:
- to set the RNG Blend at two percent, resulting in an RNG volume of 3,383 terajoules (TJ) that FEI plans to deliver through the RNG Blend service, commencing January 1, 2025;
 - to deliver, on a forecast basis, 2,013 TJ of RNG to Voluntary RNG customers from January 1 to December 31, 2025;
 - to set the S&T RNG Rider (Rider 8) equal to \$0.301 per GJ;
 - to set the RNG Charge for the RNG offerings in certain rate schedules under the Voluntary RNG program as follows:
 - RS 3VRNG, 5VRNG equal to \$23.346 per GJ;
 - RS 11RNG equal to \$23.647 per GJ; and
 - RS 46 for Natural Gas Vehicle (NGV) equal to \$23.346 per GJ.
- I. In the Fourth Quarter Gas Cost Report, FEI seeks approval of the following, effective January 1, 2025:
- to maintain the CCRC at the current rate of \$2.230/GJ;
 - to set the Storage and Transport Charges, on an interim basis, as set out in Appendix A of this Order; and
 - to set MCRA Rate Rider 6 as set out in Appendix A of this Order;
- J. In the 2025 RNG Application and the Fourth Quarter Gas Cost Report, FEI requests the RNG Charge for Voluntary RNG service to non-NGV Sales customers applicable to Rate Schedules 1RNG, 2RNG, 3RNG, 5RNG, 7RNG, and 46, within the Mainland and Vancouver Island Service Area and the Fort Nelson Service Area to remain unchanged from the current \$13.216/GJ effective January 1, 2025 in accordance with Order G-242-24;

- K. FEI submits that the combined effects of the proposed interim delivery rates and delivery rate riders (including the changes pursuant to BCUC Order and Decision G-144-24 for FEI's 2023 Cost of Service Allocation and Revenue Rebalancing Application) and the rate requests within the 2024 Fourth Quarter Gas Cost Report and the 2025 RNG Application would result in the following estimated bill impacts:
- i. Increase the total annual bill for a typical Mainland and Vancouver Island residential customer with an average annual consumption of 90 gigajoules by approximately \$171 or 17.5 percent;
 - ii. Increase the total annual bill for a typical Mainland and Vancouver Island Voluntary RNG Service Rate Schedule 1RNG residential customer with an average annual consumption of 90 GJ, based on a defined ratio of 10 percent RNG, by approximately \$161 or 15.1 percent; and
 - iii. Increase the total annual bill for a typical Fort Nelson residential customer with an average consumption of 125 gigajoules by approximately \$168 or 14.4 percent.
- L. FEI requests that the redacted version of the 2025 RNG Application and Tabs 4 and 5 of the Fourth Quarter Gas Report be kept confidential as they contain market-sensitive information; and
- M. The BCUC has reviewed the 2025 RNG Application and the Fourth Quarter Gas Report and considers that the following determinations are warranted.

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

1. The CCRC applicable to the Sales Rate Classes and Rate Schedule 46 Liquefied Natural Gas (LNG) Service within the Mainland and Vancouver Island Service Area, and the Fort Nelson Service Area is approved to remain unchanged at \$2.230/GJ, effective January 1, 2025, on an interim and refundable or recoverable basis.
2. The Storage and Transport Charges applicable to the Sales Rate Classes and Rate Schedule 46 LNG Service within the Mainland and Vancouver Island Service Area, and the Fort Nelson Service Area, are approved effective January 1, 2025, as set out in Appendix A of this order, on an interim and refundable or recoverable basis.
3. The MCRA Rate Rider 6 applicable to the Sales Rate Classes and Rate Schedule 46 LNG Service within the Mainland and Vancouver Island Service Area, and the Fort Nelson Service Area, is approved effective January 1, 2025, as set out in Appendix A of this order, on an interim and refundable or recoverable basis.
4. The RNG Blend at 2 percent and delivery, on a forecast basis, of 3,383 TJ of RNG through the RNG Blend service, is approved effective January 1, 2025.
5. FEI is approved to deliver, on a forecast basis, 2,013 TJ of RNG to Voluntary RNG customers from January 1 to December 31, 2025.
6. The S&T RNG Rider (Rider 8) equal to \$0.301 per GJ, is approved effective January 1, 2025.
7. The RNG Charge as set out below, is approved on a permanent basis effective January 1, 2025:
 - Rate Schedules 3VRNG and 5VRNG equal to \$23.346 per GJ;
 - Rate Schedule 11RNG equal to \$23.647 per GJ; and
 - Rate Schedule 46 for NGV equal to \$23.346 per GJ.

8. The RNG Charge for non-NGV Voluntary customers as set out below, is approved effective January 1, 2025, on an interim and refundable or recoverable basis:
 - Rate Schedules 1RNG, 2RNG, 3RNG, 5RNG, and 7RNG equal to \$13.216 per GJ; and
 - Rate Schedule 46 for non-NGV equal to \$13.216 per GJ.
9. FEI is directed to notify all customers who are affected by the rate changes resulting from this order with a bill insert or bill message to be included with the next monthly gas billing.
10. The unredacted version of and the information in Appendix B of the 2025 RNG Application and Tab 4 and Tab 5 of the Fourth Quarter Gas Cost Report will be held confidential unless the BCUC determines otherwise.
11. FEI is directed to file with the BCUC, on or before December 15, 2024, amended tariff pages reflecting the rates approved in accordance with the terms of this order effective January 1, 2025.

DATED at the City of Vancouver, in the Province of British Columbia, this 6th day of December 2024.

BY ORDER

Electronically signed by Bernard Magnan

B. A. Magnan
Commissioner

Attachment

FortisBC Energy Inc.
RNG Blend, Storage and Transportation RNG Rider, RNG Charges, and
2024 Q4 Gas Cost Report for the Mainland and Vancouver Island,
and the Fort Nelson Service Areas Effective January 1, 2025

		RS1/ 1U/ 1RNG	FEFN RS1/ 1RNG	RS2/ 2U/ 2RNG	FEFN RS2/ 2RNG	RS3/ 3U/ 3RNG / 3VRNG	FEFN RS3/ 3RNG / 3VRNG	Seasonal RS4	General Firm Service RS5/ 5RNG/ 5VRNG	NGV RS-6P Fueling Stations	General Interruptible RS6/ RS6P- Surrey	RS7/ 7RNG	LNG Service RS46
Storage and Transport Charges													
Effective January 1, 2024	\$	1.102	\$ 0.055	\$ 1.134	\$ 0.057	\$ 0.957	\$ 0.048	\$ 0.643	\$ 0.643	\$ 0.643	\$ 0.345	\$ 0.643	\$ 0.643
Flow-through changes		0.158	0.008	0.155	0.008	0.142	0.007	0.090	0.090	0.090	0.046	0.090	0.090
Proposed for January 1, 2025 (\$/GJ)	\$	1.260	\$ 0.063	\$ 1.289	\$ 0.065	\$ 1.099	\$ 0.055	\$ 0.733	\$ 0.733	\$ 0.733	\$ 0.391	\$ 0.733	\$ 0.733
MCRA Rate Rider 6													
Effective January 1, 2024	\$	(0.863)	\$ (0.043)	\$ (0.889)	\$ (0.044)	\$ (0.749)	\$ (0.037)	\$ (0.504)	\$ (0.504)	\$ (0.504)	\$ (0.270)	\$ (0.504)	\$ (0.504)
Flow-through changes		0.699	0.035	0.721	0.036	0.606	0.030	0.409	0.409	0.409	0.219	0.409	0.409
Proposed for January 1, 2025 (\$/GJ)	\$	(0.164)	\$ (0.008)	\$ (0.168)	\$ (0.008)	\$ (0.143)	\$ (0.007)	\$ (0.095)	\$ (0.095)	\$ (0.095)	\$ (0.051)	\$ (0.095)	\$ (0.095)