



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-151-15**

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IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

FortisBC Energy Inc.
Application for Approval of Rates for Constructing and Operating a Liquefied Natural Gas Fueling Station
under the Province's Greenhouse Gas Reduction (Clean Energy) Regulation
for the Teck Coal Ltd.

BEFORE: K. A. Keilty, Panel Chair/Commissioner September 23, 2015

O R D E R

WHEREAS:

- A. On April 11, 2013, the British Columbia Utilities Commission (Commission) issued Order G-56-13, exempting Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG) fueling stations, undertaken as prescribed undertakings by FortisBC Energy Inc. (FEI) under the Greenhouse Gas Reduction (Clean Energy) Regulation (GGRR) from the Certificate of Public Convenience and Necessity requirements for the term of the GGRR;
- B. Commission Order G-56-13 also states that the Commission will set rates considering FEI's total expenditures on the prescribed undertakings, but confirms that the Commission's role does not include whether FEI ought to have negotiated different terms and conditions for those agreements with CNG or LNG fueling station customers;
- C. On January 26, 2015, FEI and Teck Coal Ltd. (Teck) entered into a Fueling Equipment License and Use Agreement that establishes terms and conditions for FEI's provision of LNG fueling service (LNG Fueling Service Agreement);
- D. On June 24, 2015, FEI and Teck entered into a Fueling Equipment License and Use Agreement Amendment to the LNG Fueling Service Agreement to make certain clarifications to some terms and conditions. Together these two agreements are referred to as "the Teck Agreement" (Teck Agreement);
- E. On August 27, 2015, FEI applied to the Commission, on a confidential basis, for final approval of the rates established in the Teck Agreement (Original Application);

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- F. On September 16, 2015, FEI submitted revised, confidential and redacted, versions of the Original Application and a redacted version of the Teck Agreement to the Commission. FEI applied to the Commission, pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA), for interim and final approval of the rates established in the Teck Agreement, effective on the fueling commencement date (Application). FEI also requests that the Commission hold the redacted portions of the Application and appendices confidential; and
- G. The Commission has commenced review of the Application and determines interim rates should be approved.

NOW THEREFORE pursuant to sections 59-61 and 89 of the *Utilities Commission Act*, the Commission orders as follows:

1. The rates established in the Fueling Equipment License and Use Agreement as amended by the Fueling Equipment License and Use Agreement Amendment (Teck Agreement) for Liquefied Natural Gas (LNG) Fueling Service are approved on an interim basis, effective on the fueling commencement date, currently anticipated to be in October 2015.
2. Any variance between the interim rates and the permanent rates as determined by the Commission following final disposition of the Application are subject to refund/recovery, with interest at the average prime rate of FEI's principal bank for its most recent year.
3. FEI is to file the redacted Teck Agreement in tariff supplement form on a timely basis for endorsement by the Commission.

DATED at the City of Vancouver, in the Province of British Columbia, this 23rd day of September 2015.

BY ORDER

Original signed by:

K. A. Keilty
Panel Chair/Commissioner