



**ORDER NUMBER**  
**G-99-16**

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

and

FortisBC Energy Inc.

Application for Approval of Rates for Constructing and Operating a Compressed Natural Gas Fueling Station  
under the Province's Greenhouse Gas Reduction (Clean Energy) Regulation for Nanaimo  
Cold Storage and Trucking Ltd. and for the City of Nanaimo at Mid Island  
Consumer Services Co-operative

**BEFORE:**

K. A. Keilty, Commissioner

on June 29, 2016

**ORDER**

**WHEREAS:**

- A. On April 22, 2016, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (Commission), pursuant to sections 59 to 61 and 89 of the *Utilities Commission Act*, for among other things, interim and permanent approval of the rate design and rates established in the fueling services agreement between FEI and the City of Nanaimo, effective August 1, 2016 (Application). FEI also requests that the Commission keep confidential the live financial model in Confidential Appendix D;
- B. On April 11, 2013, the Commission issued Order G-56-13 accepting that the Greenhouse Gas Reduction Regulation (GGRR) established the need for Compressed Natural Gas (CNG) and Liquefied Natural Gas fueling stations that are undertaken by FEI as prescribed undertakings as defined by the GGRR, and that these prescribed undertaking projects are exempt from the Certificate of Public Convenience and Necessity requirements for the term of the GGRR;
- C. On November 27, 2013, the Lieutenant Governor in Council issued Order in Council No. 556 amending the GGRR. The GGRR was further amended by Order in Council No. 297, dated June 3, 2015;
- D. On January 14, 2016, FEI and the City of Nanaimo entered into a fueling services agreement that establishes the terms, conditions and rates for the City of Nanaimo to receive CNG fueling service from the FEI CNG station located at Mid Island Consumer Services Co-operative, in Nanaimo, British Columbia (Mid Island Fueling Station);
- E. The expected in-service date of the Mid Island Fueling Station is anticipated to be August 1, 2016; and
- F. The Commission has commenced review of the Application and determines interim rates should be approved.

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

1. The rate design and rates established in the proposed fueling services agreement between FortisBC Energy Inc. and the City of Nanaimo are approved on an interim basis, effective on August 1, 2016.
2. The live financial model provided in Confidential Appendix D of the Application will be kept confidential due to its commercially sensitive nature.
3. FortisBC Energy Inc. must file an application seeking permanent rates, effective on August 1, 2016, upon the determination of the actual capital expenditures for the Compressed Natural Gas Station located at Mid Island Consumer Services Co-operative, in Nanaimo, British Columbia.
4. 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 FortisBC Energy Inc.'s principal bank for its most recent year.
5. FortisBC Energy Inc. is to file the fueling services agreement between FortisBC Energy Inc. and the City of Nanaimo in tariff supplement form for endorsement by the Commission within 30 days of the date of this order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 29<sup>th</sup> day of June 2016.

BY ORDER

*Original signed by:*

K. A. Keilty  
Commissioner