



**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER G-70-12**

TELEPHONE: (604) 660-4700  
BC TOLL FREE: 1-800-663-1385  
FACSIMILE: (604) 660-1102

SIXTH FLOOR, 900 HOWE STREET, BOX 250  
VANCOUVER, BC V6Z 2N3 CANADA  
web site: <http://www.bcuc.com>

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

and

An Application by FortisBC Energy Inc.  
for Approval of a Temporary Service Agreement for Liquefied Natural Gas (LNG) Service,  
for Approval of a Service Agreement for LNG Delivery, for Approval of a Daily Charge for the Use of a LNG Tanker  
and for Approval of a Daily Charge for the Use of a Mobile LNG Refueling Station

**BEFORE:** A.A. Rhodes, Panel Chair/Commissioner  
D.A. Cote, Commissioner May 29, 2012  
D.M. Morton, Commissioner

**ORDER**

**WHEREAS:**

- A. On July 12, 2011 FortisBC Energy Inc. (FEI) filed an application (Vedder Application) with the British Columbia Utilities Commission (Commission), pursuant to sections 59-61 and 89 of the *Utilities Commission Act* (Act), for approval of a Temporary Liquefied Natural Gas (LNG) Station Installation and Operation Agreement dated May 12, 2011 between FEI and Vedder Transport Ltd. (Vedder) (Temporary Refueling Agreement) and for approval of a Transportation Services Agreement dated May 12, 2011 between FEI and Vedder (Delivery Agreement);
- B. On August 8, 2011 FEI filed an amendment to the Vedder Application (Amended Application) revising the proposed charge for the mobile LNG refuelling unit (IMC 6000 Charge) and the proposed charge for the use of FEI's LNG tankers (LNG Tanker Charge) and requesting permanent approval of the Temporary Refueling Agreement, the Delivery Agreement, the revised LNG Tanker Charge and the revised IMC 6000 Charge, and requesting approval to incorporate the LNG Tanker Charge into Rate Schedule 16 and to incorporate the IMC 6000 Charge into FEI's General Terms and Conditions;
- C. On August 10, 2011 FEI filed a letter requesting interim approval of both the Temporary Refueling Agreement and the Delivery Agreement in the event the Commission was unable to render a decision on permanent rates prior to August 15, 2011;
- D. On August 12, 2011 the Commission issued Order G-144-11 granting interim approval of the Temporary Refueling Agreement and the Delivery Agreement, subject to certain conditions and pending a more complete review of the Amended Application;

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- E. On August 31, 2011 the Commission issued Letter L-68-11 suspending the regulatory review process for the Amended Application pending completion of the FortisBC Energy Utilities 2012-2013 Revenue Requirements and Natural Gas Rates Application (FEU RRA) which was to address, among other issues, the treatment of FEI's LNG tanker and IMC 6000 assets;
- F. On April 12, 2012 the Commission issued Order G-44-12 and the related Decision regarding the FEU RRA in which it determined that the LNG tanker was approved to be included in rate base and that the IMC 6000 was not an asset that is to be included in rate base;
- G. On April 26, 2012 FEI requested that the Commission resume the regulatory review of the Amended Application and approve on a permanent basis the LNG Tanker Charge specific to the transportation service to Vedder. FEI also confirmed that a final determination on the IMC 6000 Charge is no longer required as this asset will not be included in rate base and will not impact FEI ratepayers;
- H. The Commission has determined that the regulatory review of the Amended Application should now resume pursuant to a written public hearing process.

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

1. A Written Hearing Process for review of the Amended Application is established and is to be conducted in accordance with the Regulatory Timetable attached as Appendix A to this Order.
2. By copy of this Order, all registered participants in the FEI CNG LNG Service application that resulted in Commission Order G-128-11 dated July 19, 2011 and related Decision, and all registered participants in the FEU RRA are to be invited to participate in the Written Hearing Process.
3. Persons wishing to participate as Interveners or as Interested Parties should register with the Commission by Thursday June 7, 2012.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 29<sup>th</sup> day of May 2012.

BY ORDER

*Original signed by:*

A.A. Rhodes  
Commissioner

Attachment

Orders/G-70-12\_FEI\_Temp LNG Svc Agrmnt

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**REGULATORY TIMETABLE**

<b>ACTION</b>	<b>DATE (2012)</b>
Commission Information Request No. 1	Thursday June 7
Intervener Registration	Monday June 11
Participant Assistance/Cost Award Budget Submissions	Monday June 18
Intervener Information Request No.1	Monday June 18
FEI Response to Commission Information Request No. 1	Thursday June 21
FEI Response to Intervener Information Request No. 1	Tuesday July 3
Commission Information Request No.2	Thursday July 12
Intervener Information Request No. 2	Tuesday July 17
FEI Response to Commission Information Request No. 2 and to Intervener Information Request No. 2	Tuesday July 31
FEI Final Submission	Wednesday August 8
Intervener Final Submission	Wednesday August 15
FEI Reply Submission	Wednesday August 22