



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

**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER G-154-12**

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

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 Rate Treatment of Expenditures  
under the Greenhouse Gas Reductions (Clean Energy) Regulation and  
Prudency Review of Incentives under the 2010 – 2011 Commercial NGV Demonstration Program

**BEFORE:** L.F. Kelsey, Commissioner

October 18, 2012

## **O R D E R**

### **WHEREAS:**

- A. On May 14, 2012, the Lieutenant Governor In Council approved the Greenhouse Gas Reduction (Clean Energy) Regulation, B.C. Reg. 102/2012 (the GGRR);
- B. On August 21, 2012, FortisBC Energy Inc. (FEI) applied (the Application) to the British Columbia Utilities Commission (the Commission), pursuant to sections 59 to 61, and 90 of the *Utilities Commission Act* (the Act), for approval of deferral accounts and the accounting and rate treatment methodology for the three prescribed undertakings established by the GGRR;
- C. FEI also seeks an order from the Commission that past natural gas vehicle (NGV) incentive expenditures totaling \$5.6 million (the 2010-2011 Incentives), as described in Section 7 of the Application were prudently incurred and can be recovered through rates from FEI's non-bypass natural gas customers;
- D. In the Application, FEI proposes that the 2010-2011 Incentives be considered within the \$62 million expenditure cap that is established in section 2(1)(c) of the GGRR;
- E. The Commission has determined that the Application should be reviewed in three phases:

Phase 1 – "Prescribed undertaking 1: Vehicle Incentives or Zero Interest Loans";

Phase 2 – "Prescribed Undertaking 2: CNG Stations & Prescribed Undertaking 3: LNG Stations";

Phase 3 – "Prudence of Past Incentives" and associated cost recovery.

**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER** G-154-12

2

F. Commission Orders G-125-12 and G-127-12 established a Streamlined Review Process to hear Phase 1 and Phase 2 matters. A Regulatory Timetable is necessary to review Phase 3 of the Application.

**NOW THEREFORE** the Commission orders Phase 3 of the Application review will proceed by way of a written hearing following the Regulatory Timetable attached as Appendix A to this Order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 18<sup>th</sup> day of October.

BY ORDER

*Original signed by:*

L.F. Kelsey  
Commissioner

Attachment

FortisBC Energy Inc.  
Application for Approval of Rate Treatment of Expenditures  
under the Greenhouse Gas Reductions (Clean Energy) Regulation and  
Prudency Review of Incentives under the 2010 – 2011 Commercial NGV Demonstration Program

**PRELIMINARY  
REGULATORY TIMETABLE**

<b>ACTION</b>	<b>DATE (2012)</b>
Commission and Intervener Information Requests – Phase 3	Wednesday, November 7
FEI Response to Information Requests – Phase 3	Friday, November 23
FEI Final Submission – Phase 3	Friday, November 30
Intervener Final Submission – Phase 3	Friday, December 14
FEI Reply Submission – Phase 3	Friday, December 21