



ORDER NUMBER
G-212-18

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

and

FortisBC Energy Inc.
Application for Approval of Tariff Supplement No. K-2
Biomethane Long Term Large Volume Interruptible Sales Agreement between
the City of Vancouver and FortisBC Energy Inc.

BEFORE:

K. A. Keilty, Commissioner

on November 8, 2018

ORDER

WHEREAS:

- A. On August 10, 2018, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 and section 89 of the *Utilities Commission Act* (UCA), for interim and permanent approval and endorsement of Tariff Supplement No. K-2 to Rate Schedule 11B, a Biomethane Long Term Large Volume Interruptible Sales Agreement between the City of Vancouver and FEI (Tariff Supplement No. K-2), effective October 1, 2018 (Application);
- B. By Order G-133-16 and the accompanying Reasons for Decision regarding the FEI Application for Approval of Biomethane Energy Recovery Charge (BERC) Rate Methodology (BERC Methodology Decision) dated August 12, 2016, the BCUC approved the following:
 - i. a premium of \$7 per gigajoule (GJ) above the Conventional Gas Cost (defined as the sum of the Commodity Cost Recovery Charge, the carbon tax and any other taxes applicable to conventional natural gas sales) as the Short Term BERC Rate;
 - ii. the Long Term BERC Rate set at the greater of \$10 per GJ, and a \$1 per GJ discount to the Short Term BERC Rate, subject to certain conditions set out in Directive 2 of Order G-133-16;
- C. The BERC Methodology Decision also stipulated that approval of the specific terms will be on a contract-by-contract basis as FEI executes each contract and files it as a tariff supplement for approval as a rate, as required under sections 59 to 61 of the UCA;
- D. By Order G-182-18 dated September 26, 2018, the BCUC approved on an interim basis the rates established in Rate Schedule 11B Tariff Supplement No. K-2, of \$10.00/GJ, effective October 1, 2018.
- E. The BCUC has reviewed the Application and determines that approval of the Application is warranted.

NOW THEREFORE pursuant to sections 59 to 61 of the UCA, the BCUC orders that Tariff Supplement No. K-2 to Rate Schedule 11B is approved on a permanent basis, effective October 1, 2018.

DATED at the City of Vancouver, in the Province of British Columbia, this 8th day of November 2018.

BY ORDER

Original signed by:

K. A. Keilty
Commissioner