



ORDER NUMBER
G-254-18

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

and

FortisBC Energy Inc.

Application for Approval of Rates Established in an Agreement for the Sale and Purchase of Natural Gas Liquids
between Pembina Infrastructure & Logistics LP and FortisBC Energy Inc.
under a Tariff Supplement

BEFORE:

D. M. Morton, Commissioner
D. J. Enns, Commissioner
B. A. Magnan, Commissioner
R. I. Mason, Commissioner

on December 27, 2018

ORDER

WHEREAS:

- A. On September 25, 2018, FortisBC Energy Inc. (FEI) and Pembina Infrastructure & Logistics LP (Pembina) entered into an agreement for the sale and purchase of Natural Gas Liquids (NGL), a waste by-product of the liquefaction process, executed on September 27, 2018, with an initial term from October 1, 2018 to December 31, 2018 (the Agreement);
- B. On October 25, 2018, FEI applied to the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 and 89 of the *Utilities Commission Act*, for the approval of rates established in the Agreement on an interim and permanent basis, effective November 1, 2018 (the Application). Terms and conditions of the Agreement were also filed with the BCUC on December 12, 2018, as part of FEI's response to staff information requests;
- C. The Agreement was included as a confidential appendix in the Application;
- D. By Order G-217-18 dated November 15, 2018, the BCUC approved the rates established in the Agreement on an interim basis, effective November 1, 2018 for the initial term of October 1 to December 31, 2018;
- E. On December 23, 2018, FEI filed with the BCUC an unexecuted Amending Agreement to NGL Purchase Agreement (Amending Agreement) extending the end date of the Agreement to March 31, 2019. All other terms and conditions of the Agreement remained unchanged; and
- F. The BCUC has completed its review of the Application, including the Amending Agreement, and considers that approval of the permanent rate is warranted.

NOW THEREFORE pursuant to section 59 to 61 of the *Utilities Commission Act*, the BCUC orders as follows:

1. The rates established in the Agreement between FEI and Pembina are approved on a permanent basis, effective November 1, 2018 for the term ending March 31, 2019.
2. FEI is to file the Agreement including the terms and conditions, in tariff supplement form for endorsement by the BCUC within 30 days of the issuance of this order.
3. FEI must file with the BCUC the executed Amending Agreement within 30 days of the issuance of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 27th day of December 2018.

BY ORDER

Original signed by:

D. M. Morton
Commissioner