



**ORDER NUMBER
G-19-19**

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

and

FortisBC Energy Inc.
Application for the Approval of Tariff Supplement No. K-3 to Rate Schedule 11B
Biomethane Long Term Large Volume Interruptible Sales Agreement between
South Coast British Columbia Transportation Authority and FortisBC Energy Inc.

BEFORE:

K. A. Keilty, Commissioner

on January 31, 2019

ORDER

WHEREAS:

- A. On January 15, 2019, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA), for permanent approval and endorsement of Tariff Supplement No. K-3 to Rate Schedule 11B, a Biomethane Long Term Large Volume Interruptible Sales Agreement between South Coast British Columbia Transportation Authority (Translink) and FEI (Tariff Supplement K-3), effective February 1, 2019 (the 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 dated August 12, 2016 (BERC Methodology Decision), 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. FEI submits that the Translink Biomethane Long Term Service Agreement (LTSA) meets the criteria for a long-term agreement as established by the BCUC in the BERC Methodology Decision and is substantially similar to the Biomethane LTSA with the City of Vancouver approved by the BCUC in Order G-212-18 under Tariff Supplement K-2; and

E. The BCUC has completed its review of the Application and determines that approval is warranted.

NOW THEREFORE, pursuant to sections 59 to 61 of the UCA, the BCUC orders that the Rate Schedule 11B Tariff Supplement K-3 Biomethane Long Term Large Volume Interruptible Sales Agreement between FEI and Translink of \$10.00/GJ is approved on a permanent basis, effective February 1, 2019.

DATED at the City of Vancouver, in the Province of British Columbia, this 31st day of January 2019.

BY ORDER

Original signed by:

K. A. Keilty
Commissioner