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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-228-13**

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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 Design and Rates and Contract for Liquefied Natural Gas Supply
from the Vedder Transport Inc. LNG Fueling Station for Ledcor Resources and Transportation L.P. and Amendment to
the Permanent Refueling Agreement between FEI and Vedder

BEFORE:

L.F. Kelsey, Commissioner

December 20, 2013

O R D E R

WHEREAS:

- A. On July 13, 2012, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (Commission), pursuant to sections 45 and 46 of the *Utilities Commission Act* (Act), for a Certificate of Public Convenience and Necessity (CPCN) for constructing and operating a Liquefied Natural Gas (LNG) refueling station at the premises of Vedder Transport Ltd. (Vedder) located in Abbotsford, British Columbia (Vedder Fueling Station);
- B. On October 5, 2012, pursuant to Order C-11-12, the Commission granted FEI a CPCN for the construction and operation of the Vedder Fueling Station;
- C. The Vedder Fueling Station was constructed under FEI's General Terms and Conditions Section 12B (GT&Cs 12B);
- D. On August 2, 2013, pursuant to sections 59-61 of the Act, FEI requested interim approval for a rate design and rates established in the LNG Fueling Station Installation and Operation Agreement with Vedder for LNG Service (Permanent Refueling Agreement);
- E. On November 5, 2013, FEI and Vedder amended the Permanent Refueling Agreement (Vedder Amending Agreement) in order to permit Other Users access to receive LNG supply from the Vedder Fueling Station;
- F. On December 4, 2013, FEI and Ledcor Resources and Transportation L.P. (Ledcor) executed a fueling services agreement whereby Ledcor would be permitted to receive LNG from the Vedder Fueling Station (Ledcor Agreement);

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- G. On December 13, 2013, FEI applied to the Commission, pursuant to sections 59-61 of the the Act, for:
- interim approval of the Vedder Amending Agreement, including the Host Fee payable to Vedder;
 - final and permanent approval of the Vedder Amending Agreement, including the Host Fee payable to Vedder;
 - interim approval of the rates for service established in the Ledcor Agreement that will apply to Ledcor; and
 - final and permanent approval of the rates for service established in the Ledcor Agreement, that will apply to Ledcor (collectively referred to as the Application);
- H. The proposed capital rate, operating and maintenance rate and the overhead and marketing rate contained in the Ledcor Agreement are to be identical to the rates that are charged to Vedder under the Permanent Refueling Agreement;
- I. The Commission finds the Application meets the requirements as set forth in the GT&Cs 12B and approval is warranted.

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

1. The rates established in the Ledcor Resources and Transportation L.P. Agreement with Ledcor Resources and Transportation L.P. to receive Liquefied Natural Gas supply from the Vedder Transport Ltd. Fueling Station are approved on an interim basis effective December 12, 2013, which is the date Ledcor Resources and Transportation L.P. began receiving Liquefied Natural Gas supply.
2. The Vedder Transport Ltd. Amending Agreement, including the Host Fee, payable by FortisBC Energy Inc. to Vedder Transport Ltd. is approved on a permanent basis effective December 12, 2013.
3. The requested permanent rates contained in the Ledcor Resources and Transportation L.P. Agreement are not approved at this time. Following FortisBC Energy Inc.'s application to establish permanent rates for Vedder Transport Ltd. under the Permanent Refueling Agreement, FortisBC Energy Inc. can apply to establish permanent rates for Ledcor Resources and Transportation L.P. under the Ledcor Resources and Transportation L.P. Agreement.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of December 2013.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner