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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-229-13**

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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 to Expand the Compressed Natural Gas Fueling Station for
Waste Management of Canada Corporation

BEFORE: L.A. O'Hara

December 23, 2013

O R D E R

WHEREAS:

- A. On December 1, 2010, FortisBC Energy Inc. (FEI), formerly Terasen Gas Inc. , applied to the British Columbia Utilities Commission (Commission) for approval of a Service Agreement with Waste Management of Canada Corporation (Waste Management) for compression and dispensing services for Compressed Natural Gas (CNG) (Waste Management Agreement), pursuant to sections 59 to 61 of the *Utilities Commission Act* (Act);
- B. By Order G-6-11 dated January 14, 2011, the Commission approved the Waste Management Agreement on an interim basis, subject to certain changes and an amended version being re-filed with the Commission in standard Tariff Supplement form on a non-confidential basis;
- C. On March 25, 2011, FEI submitted the amended Waste Management Agreement as Tariff Supplement J-1;
- D. By Order G-128-11 dated July 19, 2011, the Commission approved the Waste Management Agreement in final form as a Tariff Supplement. By Order G-128-11, the Commission also accepted, pursuant to section 44.2 of the Act, the expenditures for the CNG fueling station located on Waste Management's premises and required Waste Management to provide the fueling service to 20 CNG powered vehicles under the Waste Management Agreement;
- E. On August 19, 2013, FEI applied to the Commission, pursuant to sections 44.2 and 59-61 of the Act, for approval of capital expenditures to upgrade the Waste Management CNG fueling station to accommodate CNG fueling service of 10 additional CNG powered vehicles;
- F. In response to the Commission's Information Request, FEI amended its request for capital expenditures to \$112,201 to reflect actual construction cost and previous expenditures towards the eventual expansion of the fueling facility;

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- G. In response to the Commission's Information Request, FEI confirmed that, in accordance with section 12B of FEI's General Terms and Conditions, the un-depreciated capital costs that are to be recovered from Waste Management will include the expansion costs;
- H. The August 19, 2013 Application also requested that the rates charged to Waste Management remain unchanged;
- I. Section 12B.3 of FEI's General Terms and Conditions states:
 "**Cost of Service Recovery** - Customers will be charged a "take-or-pay" rate (i.e. minimum contract demand) under the Service Agreement that recovers the present value of the cost of service associated with provision of CNG or LNG Service over the term of the Service Agreement, as calculated pursuant to section 12B.4, where the minimum contract demand stipulated in the Service Agreement is the forecast consumption based on the forecast number of vehicles served by the vehicle fueling station;"
- J. The Commission has reviewed the Application and concludes that the requested capital expenditures as outlined in the Application and revised in the Information Request response are warranted; and
- K. The Commission has reviewed the Application and concludes that the request to maintain existing rates charged to Waste Management is acceptable.

NOW THEREFORE the Commission orders as follows:

- 1. Pursuant to section 44.2 of the *Utilities Commission Act*, the Commission accepts the expenditures of up to \$112,201 to upgrade the Compressed Natural Gas fueling station located on Waste Management of Canada Corporation's premises.
- 2. Pursuant to sections 59-61 of the *Utilities Commission Act*, the Commission approves FortisBC Energy Inc.'s request that the rates charged to Waste Management of Canada Corporation remain unchanged.

DATED at the City of Vancouver, in the Province of British Columbia, this 23rd day of December, 2013.

BY ORDER

Original signed by

L.A. O'Hara
Commissioner