

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER G-53-15

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# IN THE MATTER OF the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

### FortisBC Energy Inc.

Application for Approval of Expenditures for the Expanded Compressed Natural Gas Fueling Station for Waste Management of Canada Corporation

**BEFORE:** K. A. Keilty, Panel Chair/Commissioner April 2, 2015

#### ORDER

#### WHEREAS:

- A. By Order G-128-11 dated July 19, 2011, the British Columbia Utilities Commission (Commission) approved, among other things, a compressed natural gas (CNG) fueling service agreement between FortisBC Energy Inc. (FEI) and Waste Management of Canada Corporation (Waste Management) in final form as a tariff supplement (Waste Management Agreement). By Order G-128-11, the Commission also accepted, pursuant to section 44.2 of the *Utilities Commission Act* (UCA), expenditures of \$775,031 for the CNG fueling station located on Waste Management's premises (Waste Management station) required to provide the fueling service to 20 CNG powered vehicles under the Waste Management Agreement;
- B. On August 19, 2013, FEI applied to the Commission, pursuant to sections 44.2 and 59–61 of the UCA, for approval of expenditures to upgrade the Waste Management station to accommodate CNG fueling service of 10 additional CNG powered vehicles, and for approval of the rate charged to Waste Management to remain unchanged;
- C. On December 23, 2013, by Order G-229-13, the Commission approved expenditures of up to \$112,201 to upgrade the Waste Management station and FEI's request that the rates charged to Waste Management remain unchanged;
- D. On July 11, 2014, FEI applied for approval, pursuant to section 44.2 of the UCA, for expenditures of up to \$560,000 to upgrade the Waste Management station (2014 Upgrade) to accommodate measurement, tracking and invoicing of consumption for eight additional CNG waste hauling trucks allocated to eight owner/operators and, pursuant to sections 59-61 of the UCA, for approval that rates charged to Waste Management remain unchanged;
- E. On November 10, 2014, by Order G-171-14, the Commission denied the 2014 Upgrade;

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- F. In the Reasons for Decision accompanying Order G-171-14, the Commission stated it expects FEI to file a revised application and amended Waste Management Agreement for the 2014 Upgrade. The revised application should either present the project on a stand-alone basis or adopt an inclusive project approach, re-calculating a single, blended new rate considering the original construction and the 2013 and 2014 upgrades;
- G. On March 26, 2015, FEI applied to the Commission, pursuant to sections 44.2 and 59–61 and 89 of the UCA, for approval of expenditures of \$544,855 to complete the three components of the 2014 Upgrade, and for interim and permanent approval of the rate design and rates established in the proposed Waste Management Amending Agreement as just and reasonable, effective February 1, 2015 (Application);
- H. In the Application, FEI proposes a single, blended new rate, using the inclusive project approach and the current parameters; and
- I. The Commission has commenced review of the Application and determines interim rates should be approved.

**NOW THEREFORE** pursuant to sections 59-61 and 89 of the *Utilities Commission Act*, the Commission orders as follows:

- 1. The rate design and rates established in the proposed Waste Management Amending Agreement for the CNG Fueling Service are approved on an interim basis, effective on February 1, 2015.
- 2. Any variance between the interim rates and the permanent rates as determined by the Commission following final disposition of the Application are subject to refund/recovery, with interest at the average prime rate of FEI's principal bank for its most recent year.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 2<sup>nd</sup> day of April 2015.

BY ORDER

Original signed by:

K. A. Keilty
Panel Chair/Commissioner