



ORDER NUMBER
G-60-16

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

and

an Application by FortisBC Energy Inc.
for Approval of Biomethane Energy Recovery Charge Rate Methodology

BEFORE:

D. M. Morton, Panel Chair/Commissioner
H. G. Harowitz, Commissioner
K. A. Keilty, Commissioner

On May 4, 2016

ORDER

WHEREAS:

- A. By Order G-210-13 and its Decision dated December 11, 2013 (2013 Decision), the British Columbia Utilities Commission (Commission) approved the continuance of the FortisBC Energy Inc. (FEI) biomethane program on a permanent basis with certain modifications as directed in the 2013 Decision. The 2013 Decision set out a cost-based rate methodology for determining the Biomethane Energy Recovery Charge (BERC) that recovers all biomethane program costs;
- B. On August 28, 2015, FEI filed an application for Approval of Biomethane Energy Recovery Charge Rate Methodology (Application), pursuant to sections 59–61 of the *Utilities Commission Act*. In the Application FEI is seeking approval of a non cost-based BERC rate methodology, mechanisms for transferring costs and unsold biomethane volumes out of the Biomethane Variance Account for recovery from FEI's non -bypass ratepayers and revised reporting requirements;
- C. On September 18, 2015, the Commission issued Order G-147-15 establishing the initial regulatory timetable for the review of the Application, which included one round of written information requests followed by a procedural conference to determine the remaining regulatory process;
- D. The following parties registered as interveners in the proceeding:
 - (i) British Columbia Old Age Pensioners' Organization *et al* (BCOAPO)
 - (ii) B.C. Sustainable Energy Association and the Sierra Club B.C., jointly (BCSEA); and
 - (iii) Commercial Energy Consumers Association of British Columbia (CEC);
- E. At the procedural conference the Commission determined that additional regulatory process is required and that it should be a Streamlined Review Process (SRP);
- F. Following the procedural conference, the Commission issued Order G-181-15 dated November 19, 2015, establishing a regulatory timetable for written final argument;

- G. By February 23, 2016, the Commission received final argument from FEI and registered interveners on the Application;
- H. On April 22, 2016, the Commission issued a letter to FEI and registered interveners indicating the Panel is considering whether it would be appropriate to establish floor prices and ceiling prices for each of the two proposed BERC rate offerings. In the letter the Commission asked parties if they wished to file evidence on this matter;
- I. FEI, BCSEA, CEC and BCOAPO each made submissions indicating that they did not wish to file further evidence; and
- J. The Commission determines that supplemental argument is warranted in regard to potential floor and ceiling prices.

NOW THEREFORE the British Columbia Utilities Commission orders that the regulatory process for the review of the FortisBC Energy Inc. Application for Approval of Biomethane Energy Recovery Charge (BERC) Rate Methodology proceed to supplemental argument in accordance with the regulatory timetable set out in Appendix A to this order. The scope of the parties' argument is limited to the appropriateness of and need for the application of floor and/or ceiling prices to a market based BERC rate methodology, and if appropriate or needed, what should be the quantum of floor and/or ceiling prices.

DATED at the City of Vancouver, In the Province of British Columbia, this 4th day of May 2016.

BY ORDER

Original signed by:

D. M. Morton
Commissioner

Attachment

An Application by FortisBC Energy Inc.
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REGULATORY TIMETABLE

ACTION	DATE (year)
FEI Supplemental Argument	Monday, May 9
Intervener Supplemental Argument	Friday, May 13
FEI Supplemental Reply Argument	Wednesday, May 18

Parties are to limit argument to the appropriateness of and need for the application of floor and/or ceiling prices to a market based BEREC rate methodology, and if appropriate or needed, what should be the quantum of floor and/or ceiling prices.