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ORDER NUMBER G-91-16

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

and

FortisBC Energy Inc.

Application for Approval of Rates for Constructing and Operating a Compressed Natural Gas Fueling Station under the Province's Greenhouse Gas Reduction (Clean Energy) Regulation for Canadian Linen and Uniform Services Co. and for SF Disposal Queen Ltd. at FEI's Operations Centre in Burnaby

BEFORE:

K. A. Keilty, Commissioner

on June 21, 2016

ORDER

WHEREAS:

- A. On June 3, 2016, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (Commission), pursuant to sections 59 to 61 and 89 of the *Utilities Commission Act* (UCA), for interim and permanent approval of the rate design and rates established in the fueling services agreement between FEI and SF Disposal Queen Ltd. (Disposal Queen), effective July 1, 2016 (Application). FEI also requests that the Commission keep confidential the live financial model in Confidential Appendix C;
- B. On April 11, 2013, the Commission issued Order G-56-13 accepting that the Greenhouse Gas Reduction Regulation (GGRR) established the need for Compressed Natural Gas (CNG) and Liquefied Natural Gas fueling stations that are undertaken by FEI as prescribed undertakings as defined by the GGRR, and that these prescribed undertaking projects are exempt from the Certification of Public Convenience and Necessity requirements for the term of the GGRR;
- C. On November 27, 2013, the Lieutenant Governor in Council issued Order in Council No. 556 amending the GGRR. The GGRR was further amended by Order in Council No. 297, dated June 3, 2015;
- D. On April 5, 2016, FEI and Disposal Queen entered into a fueling services agreement which establishes the terms, conditions and rates for Disposal Queen to receive CNG fueling service from the CNG station located at FEI's Burnaby Operations Centre in Burnaby, British Columbia (Burnaby Operations Fueling Station);
- E. The expected in-service date of the Burnaby Operations Fueling Station is anticipated to be July 1, 2016; and
- F. The Commission has commenced review of the Application and determines interim rates should be approved.

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

- 1. The rate design and rates established in the proposed fueling services agreement between FortisBC Energy Inc. and SF Disposal Queen Ltd. are approved on an interim basis, effective on July 1, 2016.
- 2. The live financial model provided in Confidential Appendix C of the Application will be kept confidential.
- 3. FortisBC Energy Inc. is directed to file an application seeking permanent rates, effective on July 1, 2016, upon the determination of the actual capital expenditures for the Compressed Natural Gas Station located at FEI's Burnaby Operations Centre in Burnaby, British Columbia.
- 4. 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 FortisBC Energy Inc.'s principal bank for its most recent year.
- 5. FortisBC Energy Inc. is to file the fueling services agreement between FortisBC Energy Inc. and SF Disposal Queen Ltd. in tariff supplement form for endorsement by the Commission within 30 days of the date of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 21st day of June 2016.

BY ORDER

Original Signed By:

K. A. Keilty Commissioner