

**ORDER NUMBER
G-138-16**

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

and

FortisBC Energy Inc.
Application to Transfer Specific Liquefied Natural Gas Assets to the Natural Gas Rate Base

BEFORE:

D. M. Morton, Commissioner
D. J. Enns, Commissioner
W. M. Everett, Commissioner
H. G. Harowitz, Commissioner
M. Kresivo, Commissioner

on August 25, 2016

ORDER

WHEREAS:

- A. On July 13, 2016, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (Commission), pursuant to sections 59 to 61 of the *Utilities Commission Act*, for approval to transfer the net book value of the IMC 6000 and two Orca Liquefied Natural Gas (LNG) units, estimated at \$907,000 to FEI's general natural gas rate base, Asset Class 476.20 Natural Gas Transportation LNG Dispensing Equipment, effective January 1, 2017 (Application);
- B. On November 28, 2013, the Lieutenant Governor in Council approved Special Direction No. 5 to the Commission, B.C. Reg. 245/2013, relating to FEI's LNG and Compressed Natural Gas (CNG) services. Special Direction No. 5 states, that among other things the Commission must "treat CNG service and LNG service, and all costs and revenues related to those services, as part of the utility's natural gas class of service"; and
- C. The Commission has reviewed Special Direction No. 5 and the Application and finds that the transfer the net book value of the IMC 6000 and two Orca LNG units, estimated at \$907,000 to FEI's general natural gas rate base, Asset Class 476.20 Natural Gas Transportation LNG Dispensing Equipment, effective January 1, 2017 is warranted.

NOW THEREFORE pursuant to sections 3 and 60 of the *Utilities Commission Act*, the British Columbia Utilities Commission orders as follows:

- 1. The transfer by FortisBC Energy Inc. of the net book value of the IMC 6000 and two Orca liquefied natural gas (LNG) units, estimated at \$907,000 to its general natural gas rate base, Asset Class 476.20 Natural Gas Transportation LNG Dispensing Equipment, effective January 1, 2017, is approved.

2. FortisBC Energy Inc. must file an application seeking approval of the rates for using the IMC 6000 and Orca refueling units, effective January 1, 2017, within 90 days of the date of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 26th day of August 2016.

BY ORDER

Original signed by:

D. M. Morton
Commissioner