

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER G-102-12

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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 a Certificate of Public Convenience and Necessity for Construction and Operation of a Liquefied Natural Gas Refueling Station at Vedder Transport Ltd.

BEFORE: D.M. Morton, Commissioner

B. Magnan, Commissioner July 24, 2012

ORDER

WHEREAS:

- A. On July 13, 2012, FortisBC Energy Inc. (FEI) submitted an Application for a Certificate of Public Convenience and Necessity (CPCN) to the British Columbia Utilities Commission (Commission) under sections 45 and 46 of the Utilities Commission Act (*Act*) for the construction and operation of a Liquefied Natural Gas (LNG) Refueling Station at Vedder Transport Ltd. (Vedder) and also under sections 59, 60 and 61 of the *Act* that the proposed rate design and rates are just and reasonable (the Application);
- B. FEI and Vedder has entered into an agreement which provides for FEI to supply, install and maintain an LNG refuelling Station on Vedder's premises and to charge Vedder for its LNG service (the Project);
- C. Vedder has been receiving LNG service from FEI under a temporary service agreement pursuant to Commission Order G-144-11 and will continue to take service under this agreement until the permanent refuelling station proposed in this Application has been granted Commission approval. FEI indicates that the proposed Project should be ready for operation by November 1, 2012;
- D. FEI submits that the proposed rate design is in accordance with Section 12B of FEI's General Term and Conditions approved by Commission Order G-14-12;
- E. The capital cost estimate for this Project is \$2.4 million and FEI has already ordered major equipment and began construction of this project in May 2012.

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- F. FEI is proposing to charge Vedder a refuelling charge of \$2.650 per GJ, which consists of a capital rate, and O&M rate and an overhead and marketing charge. This rate will be in addition to any fees or charges for the delivery of LNG under FEI's Rate Schedule 16;
- G. On July 20, 2012, FEI confirmed that this Application was distributed to registered interveners of various other relevant current and past proceedings before the Commission (The Alternative Energy Services Inquiry, FEI's Compressed Natural Gas and Liquefied Natural Gas (LNG) proceedings, and FortisBC Energy Utilities 2012-2013 Revenue Requirement Application and Natural Gas Rate proceeding);
- H. The Commission has determined that an appropriate regulatory process is necessary to review the Application.

NOW THEREFORE the Commission orders as follows:

- 1. A Preliminary Regulatory Timetable is attached as Appendix A to this Order.
- 2. Persons wishing to participate as Interveners or as Interested Parties should register with the Commission by Friday, August 3, 2012. By the same date, Interveners should also make submissions on whether the Commission's new review process, the Streamlined Review Process, would be appropriate to review this Application.

DATED at the City of Vancouver, in the Province of British Columbia, this 24th day of July 2012.

BY ORDER

Original signed by:

D.M. Morton Commissioner

Attachment

FORTISBC ENERGY INC.

An Application by FortisBC Energy Inc. (FEI) for a Certificate of Public Convenience and Necessity for Construction and Operation of a Liquefied Natural Gas Refueling Station at Vedder Transport Ltd.

PRELIMINARY REGULATORY TIMETABLE

| ACTION | DATE (2012) |
|--|---------------------|
| Intervener/Interested Party Registration and Submissions on Review Process | Friday, August 3 |
| Commission Information Request No. 1 | Thursday, August 9 |
| Intervener Information Request No. 1 | Thursday, August 16 |
| Participant Assistance Budget Submission | Monday, August 20 |
| FEI Responds to Information Request No.1 | Friday, August 31 |
| Final Submissions / Streamlined Review Process | To be determined |