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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-26-13**

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

and

**Application by the FortisBC Energy Utilities
(comprising FortisBC Energy Inc., FortisBC Energy Inc. Fort Nelson Service Area,
FortisBC Energy (Whistler) Inc., and FortisBC Energy (Vancouver Island) Inc.)
for Approval of Common Rates, Amalgamation and Rate Design**

BEFORE: A.A. Rhodes, Panel Chair/Commissioner
C.A. Brown, Commissioner
D.A. Cote, Commissioner
L.A. O'Hara, Commissioner
R.D. Revel, Commissioner

February 25, 2013

O R D E R

WHEREAS:

- A. On April 11, 2012, the FortisBC Energy Utilities (FEU or the Companies) filed an Application with the British Columbia Utilities Commission (Commission) seeking, among other things:
- A Commission determination and report pursuant to section 53 of the *Utilities Commission Act* (Act) that the amalgamation of the FEU and Terasen Gas Holdings Inc. into a single entity is beneficial in the public interest;
 - Referral of the Commission report to the Lieutenant Governor in Council in support of an Order for approval to amalgamate effective January 1, 2014; and
 - The necessary approvals pursuant to sections 59 to 61 of the Act to adopt common or "postage stamp" rates for natural gas delivery and gas supply and uniform service offerings across all areas served by the FEU following amalgamation;
- B. The main purpose of the amalgamation application is to allow for the implementation of postage stamp rates across the FEU;
- C. On April 17, 2012, the Commission issued Order G-46-12 establishing a Preliminary Regulatory Timetable for the review of the Application;

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- D. A Procedural Conference was held on Friday, June 15, 2012, after which Commission Order G-83-12 was issued to establish a further Regulatory Timetable;
- E. A second Procedural Conference was held August 2, 2012, after which Commission Order G-106-12 was issued to establish a further Regulatory Timetable and a Written Hearing Process;
- F. The Written Hearing Process concluded with the filing of the FEU reply submission on October 12, 2012; and
- G. The Commission has considered the Application, evidence and submissions received.

NOW THEREFORE the Commission determines as follows:

- 1. The Commission denies the Application by the FEU to adopt common rates for natural gas delivery for the reasons set out in the attached Decision.
- 2. Consequently, the Commission also declines to find that amalgamation of the FEU and Terasen Gas Holdings Inc. is beneficial in the public interest.

DATED at the City of Vancouver, In the Province of British Columbia, this 25th day of February 2013.

BY ORDER

Original signed by:

A.A. Rhodes
Panel Chair/Commissioner