



**ORDER NUMBER
G-136-19**

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

and

Ridley Terminals Inc.
Application for Exemptions under
Section 88(3) of the *Utilities Commission Act*

BEFORE:

B. A. Magnan, Commissioner

on June 20, 2019

ORDER

WHEREAS:

- A. On May 15, 2019, Ridley Terminal Inc. (RTI) filed an exemption application with the British Columbia Utilities Commission (BCUC) from Part 3 of the *Utilities Commission Act* (UCA), pursuant to section 88(3) of the UCA, regarding indirectly connecting Ridley Island LPG (RILE LP) to British Columbia Hydro and Power Authority's (BC Hydro) bulk transmission system through RTI's electrical infrastructure (Application). RILE LP has also entered into a Facilities Agreement, Monitoring Agreement and an Electricity Supply Agreement with BC Hydro for the provision of transmission voltage service via the indirect interconnection;
- B. RTI is a federal crown corporation that supports coal developments in northeastern British Columbia. RILE LP is a limited partnership formed between AltaGas LPG Limited Partnership (AltaGas LPG) and Vopak Development Canada Inc. (Vopak Canada);
- C. RILE LP requires electricity from BC Hydro to be provided through RTI's electrical infrastructure to develop and operate a facility for the export of natural gas condensates, propane (C3H8) and butane (C4H10);
- D. RTI and RILE LP have entered into a Wheeling Agreement, which governs the commercial arrangements for the electricity wheeling services that RTI will provide to RILE LP. As detailed in the Wheeling Agreement, RTI has agreed to provide wheeling services to RILE LP up to a maximum of five (5) megawatts, in exchange for RILE LP paying RTI (a) an annual fee of \$1 during each year of the term of the Wheeling Agreement and (b) for RILE LP's proportionate share of the maintenance costs to be equal to the quotient of the Wheeling Demand divided by the Substation Megawatt Rating. Given that the relevant infrastructure is rated for twenty (20) megawatts, and assuming RILE LP will need the full five (5) megawatts for its operations, RILE LP will pay for 25 percent of such maintenance costs;
- E. The Wheeling Agreement is a long-term agreement; barring any events of default or any termination notice, RTI and RILE LP expect the term of the Wheeling Agreement to last at least until March 31, 2039;

- F. In a letter dated April 30, 2019, BC Hydro submits support for the Application and the letter is attached as Schedule B in the Application;
- G. In a letter dated February 14, 2019, RILE LP submits support for the Application and the letter is attached as Schedule C in the Application;
- H. Section 88(3) of the UCA provides that the BCUC may, on conditions it considers advisable and with the advance approval of the Minister responsible for the administration of the *Hydro and Power Authority Act*, exempt a person, equipment or facilities from the application of all or any of the provisions of the UCA; and
- I. The BCUC acknowledges the potential effects of RTI's exemption application and, as such, finds that establishing further regulatory process to review the Application is warranted.

NOW THEREFORE the BCUC orders as follows:

- 1. The regulatory timetable for the review of the RTI's Application for an exemption pursuant to section 88(3) of the UCA is established as set out in Appendix A to this order.
- 2. RTI is to provide a copy of this order to affected parties, including BC Hydro and RILE LP, by June 28, 2019.
- 3. BC Hydro, RILE LP and any other affected parties are invited to provide comments on the Application directly to the BCUC with a copy to RTI on or before July 6, 2019.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of June 2019.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner

Attachment

Ridley Terminal Inc.
Application for Exemption under
Section 88(3) of the Utilities Commission Act

REGULATORY TIMETABLE

Action	Date (2019)
RTI is to provide a copy of this order to affected parties	Friday, June 28
BC Hydro, RILE LP and any other affected parties are to provide submissions on the Application	Thursday, July 11
BCUC Information Request No. 1 to RTI	Thursday, August 1
Further Process	To be determined