

Suite 410, 900 Howe Street Vancouver, BC Canada V6Z 2N3 bcuc.com **P:** 604.660.4700 **TF:** 1.800.663.1385 **F:** 604.660.1102

## ORDER NUMBER E-18-19

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

and

FortisBC Energy Inc.
Section 71 Filing of a GasEDI Base Contract with
Painted Pony Energy Ltd.

## **BEFORE:**

B. A. Magnan, Commissioner T. A. Loski, Commissioner R. I. Mason, Commissioner R. D. Revel, Commissioner

on September 19, 2019

## **ORDER**

## WHEREAS:

- A. On September 11, 2019, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (BCUC) a copy of a fully executed GasEDI Base Contract including (i) the cover sheet and (ii) amendments called the "Special Provisions to the GasEDI Contract for Short-Term Sale and Purchase of Natural Gas", negotiated between Painted Pony Energy Ltd. (Painted Pony) and FEI (altogether, the Contract);
- B. By Order G-130-06 dated October 27, 2006, the BCUC approved the Rules for Natural Gas Energy Supply Contracts (Rules). The Rules are intended to facilitate the BCUC's review of natural gas energy supply contracts pursuant to section 71 of the *Utilities Commission Act*;
- C. FEI uses the GasEDI Base Contract (dated October 26, 2000) in addition to its standard provisions as the starting point for negotiations with counterparties with whom FEI wishes to execute off-system sales or purchases agreements. The GasEDI Base Contract and FEI's standard provisions are set out in Rate Schedule 30, as approved by BCUC Order G-197-11 dated November 24, 2011, and subsequently updated through Order G-19-16 dated February 11, 2016. The GasEDI Base Contract and the provisions executed with the counterparty form the underlying basis of the contract with the counterparty. Each gas purchase or sale transaction is then confirmed via a transaction confirmation deal sheet described in Section 9 of the GasEDI Base Contract, and presented on page R-30.19 of FEI's Rate Schedule 30;
- D. By Letter L-32-19 dated June 19, 2019, the BCUC accepted the FEI Annual Contracting Plan (ACP) for the 2019/20 gas year commencing November 1, 2019, and requested FEI to file an updated 2019/20 ACP to address transmission service customers returning to bundled service;
- E. By Letter L-40-19 dated August 8, 2019, the BCUC accepted an update to FEI's 2019/20 ACP;

- F. FEI requests the details of the Contract be kept confidential due to its commercially sensitive nature and to ensure that FEI's ability to obtain favourable commercial terms for future natural gas contracting is not impaired; and
- G. The BCUC has reviewed the filing and is satisfied that the Contract is consistent with FEI's 2019/20 ACP and is in the public interest.

**NOW THEREFORE** pursuant to section 71 of the *Utilities Commission Act* and the Rules for Natural Gas Energy Supply Contracts, the BCUC accepts the GasEDI Base Contract filing between FortisBC Energy Inc. and Painted Pony Energy Ltd. The BCUC will keep the filing confidential as it contains commercially sensitive information.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 19<sup>th</sup> day of September 2019.

**BY ORDER** 

Original signed by:

B. A. Magnan Commissioner