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ORDER NUMBER G-317-19

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

and

FortisBC Energy Inc.

Application for Approval of an Operating Agreement between the Corporation of the City of Vernon and FortisBC Energy Inc.

BEFORE:

R. I. Mason, Commissioner

on December 6, 2019

ORDER

WHEREAS:

- A. On November 28, 2019, FortisBC Energy Inc. (FEI) filed an application with the British Columbia Utilities Commission (BCUC) for approval of an operating agreement dated November 25, 2019 between the Corporation of the City of Vernon (City of Vernon) and FEI (FEI-City of Vernon Operating Agreement or Application), pursuant to section 23(1)(g) and section 89 of the *Utilities Commission Act*;
- B. FEI (through its predecessor company Inland Natural Gas Co. Ltd.) and the City of Vernon entered into a franchise agreement (Franchise Agreement) dated January 8, 1978, for a period of 21 years to April 2, 2000, which was extended by means of a number of short term extensions. The existing Franchise Agreement, which expired on November 30, 2019, was approved by BCUC Order C-12-03, dated November 13, 2003;
- C. Given the expiry of the Franchise Agreement, FEI requests approval of the Operating Agreement on an interim basis until a final determination on this Application is made by the BCUC; and
- D. The BCUC has reviewed the Application and considers that the following determinations are warranted.

NOW THEREFORE, pursuant to section 23(1)(g) and section 89 of the *Utilities Commission Act*, the BCUC orders as follows:

- 1. Interim approval of the FEI-City of Vernon Operating Agreement and the collection of operating fees, effective December 1, 2019, is granted until the Panel reaches a final determination on the Application.
- 2. A public hearing process and a regulatory timetable is established, as set out in Appendix A to this order.
- 3. FEI must publish, no later than Friday, January 3, 2020, on its website and in display-ad format, the Public Notice attached as Appendix B to this order. Publication should be in such appropriate news publications as may properly provide adequate notice to FEI customers in the City of Vernon.

DATED at the City of Vancouver, in the Province of British Columbia, this 6th day of December 2019.

BY ORDER

Original signed by:

R. I. Mason Commissioner

Attachment

FortisBC Energy Inc. Application for Approval of an Operating Agreement Between the Corporation of the City of Vernon and FortisBC Energy Inc.

REGULATORY TIMETABLE

Action	Date (2020)
FEI notice to the City of Vernon customers	Friday, January 3
Intervener registration and letters of comment deadline	Friday, January 17
Further process	To be determined



Public Notice

OPERATING AGREEMENT BETWEEN THE CITY OF VERNON AND FORTISBC ENERGY INC.

On November 28, 2019, FortisBC Energy Inc. (FEI) applied to the BCUC for approval of a revised operating agreement with the City of Vernon. The operating agreement between both parties outlines the terms of administering and operating gas distribution facilities within the City of Vernon.

More information on the application can be found at <u>bcuc.com</u> on our "Current Proceedings" page, a hard copy of the application is also available for review at the BCUC's office and FEI's head office

HOW TO PARTICIPATE

- Submit a letter of comment
- Request intervener status

IMPORTANT DATES

 Friday, January 17, 2020 – Deadline to register as an intervener or file a letter of comment with the BCUC.

For more information on getting involved, please visit our website (<u>www.bcuc.com/get-involved</u>) or contact us at the information below.

GET MORE INFORMATION

FortisBC Energy Inc. Regulatory Affairs



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