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Utilities Commission

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October 5, 2017

Sent via eFile

FEI UBC BIOMETHANE TS K-1 LONG TERM LARGE VOLUME INTERRUPTIBLE SALES AGREEMENT EXHIBIT A-3

Ms. Diane Roy
Vice President, Regulatory Affairs
FortisBC Energy Inc.
16705 Fraser Highway
Surrey, BC V4N 0E8
gas.regulatory.affairs@fortisbc.com

Re: FortisBC Energy Inc. – Application for Approval of Tariff Supplement No. K-1 Biomethane Long Term Large Volume Interruptible Sales Agreement between the University of British Columbia and FortisBC Energy Inc. – Project No. 1598930

Dear Ms. Roy:

Further to your September 14, 2017 application on the above noted matter, enclosed please find Commission Order G-154-17, establishing a regulatory timetable for the review of this application.

Sincerely,

Original signed by:

Patrick Wruck
Commission Secretary

/kbb

Attachment



ORDER NUMBER
G-154-17

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

and

FortisBC Energy Inc.
Application for Approval of Tariff Supplement No. K-1
Biomethane Long Term Large Volume Interruptible Sales Agreement between
the University of British Columbia and FortisBC Energy Inc.

BEFORE:

H. G. Harowitz, Commissioner/Panel Chair
B. A. Magnan, Commissioner
W. M. Everett, QC, Commissioner

on October 5, 2017

ORDER

WHEREAS:

- A. On September 14, 2017, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (Commission), pursuant to sections 59 to 61 and 89 of the *Utilities Commission Act* (UCA), for interim and permanent approval and endorsement of Rate Schedule 11B Tariff Supplement No. K-1, a Biomethane Long Term Large Volume Interruptible Sales Agreement (Tariff Supplement No. K-1), effective October 1, 2017 (Application), filed as Appendix A of the Application;
- B. By Order G-133-16 and the accompanying Reasons for Decision regarding the FEI Application for Approval of Biomethane Energy Recovery Charge (BERC) Rate Methodology (BERC Methodology Decision) dated August 12, 2016, the Commission approved the following:
 - i. a premium of \$7 per gigajoule (GJ) above the Conventional Gas Cost (defined as the sum of the Commodity Cost Recovery Charge, the carbon tax and any other taxes applicable to conventional natural gas sales) as the Short Term BERC Rate;
 - ii. the Long Term BERC Rate set at the greater of \$10 per GJ, and a \$1 per GJ discount to the Short Term BERC Rate, subject to certain conditions set out in Directive 2 of Order G-133-16;
- C. The BERC Methodology Decision also stipulated that approval of the specific terms will be on a contract-by-contract basis as FEI executes each contract and files it as a tariff supplement for approval as a rate as required under sections 59 to 61 of the UCA;
- D. By Order G-148-17 dated September 28, 2017, the Commission ordered that the rate, established in Rate Schedule 11B Tariff Supplement No. K-1 the Biomethane Long Term Volume Interruptible Sales Agreement

between FEI and the University of British Columbia (UBC), of \$10.00/GJ was approved on an interim basis, effective October 1, 2017, pending the Commission's final decision on the Application; and

- E. The Commission considers that establishing a regulatory timetable for the review of the Application is warranted.

NOW THEREFORE the Commission orders as follows:

1. A regulatory timetable is established for the review of the Application, as set out in Appendix A to this Order.
2. Interveners are to register with the Commission by completing a Request to Intervene Form, available on the Commission's website by Tuesday, October 24, 2017, in accordance with the Commission's Rules of Practice and Procedure.
3. FEI must provide a copy of this order to UBC and all parties who participated in the FEI Application for Approval BERC Rate Methodology proceeding in a timely manner.

DATED at the City of Vancouver, in the Province of British Columbia, this 5th day of October 2017.

BY ORDER

Original signed by:

H. G. Harowitz
Commissioner

Attachment

FortisBC Energy Inc.
Application for Approval of Tariff Supplement No. K-1
Biomethane Long Term Large Volume Interruptible Sales Agreement between
the University of British Columbia and FortisBC Energy Inc.

REGULATORY TIMETABLE

Action	Date (2017)
Intervener registration	Tuesday, October 24
Commission Information Request (IR) No.1	Tuesday, October 31
Intervener IR No. 1	Tuesday, November 7
FEI IR No. 1 response	Tuesday, November 21
Further process	To be determined