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October 27, 2021

British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC
V6Z 2N3

Attention: Mr. Patrick Wruck, Commission Secretary

Dear Mr. Wruck:

Re: FortisBC Energy Inc. (FEI)

Application for Approval of:

- **Rates and Agreements for Constructing and Operating a Compressed Natural Gas (CNG) Fueling Station under the Province's Greenhouse Gas Reduction (Clean Energy) Regulation (GGRR) for GFL Environmental Inc. (GFL) in Abbotsford, BC; and**
- **Amendments to Rate Schedule 6P – Public Service – Natural Gas Refueling Service (RS 6P)**

FEI hereby applies to the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 and 89 of the *Utilities Commission Act* (UCA), for approval for rates for service established in the Fueling Services Agreement and amending agreement to the Fueling Services Agreement (Amending Agreement No. 1), (collectively referred to as the GFL Agreement), between FEI and GFL, on an interim basis effective November 15, 2021, for compressed natural gas (CNG) fueling service in Abbotsford (the GFL Abbotsford Fueling Station). A copy of the GFL Agreement is provided in Appendix B.

FEI also applies, pursuant to sections 59 to 61 and 89 of the UCA, for approval of amendments to the RS 6P tariff and rates to accommodate public fueling at the GFL Abbotsford Fueling Station, on an interim basis, effective November 30, 2021 pending approval of permanent rates for the GFL Abbotsford Fueling Station.

CONFIDENTIALITY

FEI requests that the live financial model provided in Appendix C be filed on a confidential basis pursuant to Section 18 of the BCUC's Rules of Practice and Procedure regarding confidential documents as set out in Order G-15-19. The financial model in Confidential Appendix D is the result of significant development effort by FEI on behalf of its customers and, therefore, the

formulas and configuration of the model are commercially sensitive. FEI believes that there is more than adequate non-confidential information provided with the financial schedules included in Appendix E to permit a transparent review process.

If further information is required, please contact Sarah Smith at (604) 592-7874.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Diane Roy

Attachments



FORTISBC ENERGY INC.

**Application for Approval of Rates and Agreements for
Constructing and Operating a
Compressed Natural Gas Fueling Station
under the
Greenhouse Gas Reduction (Clean Energy) Regulation
for GFL Environmental Inc.**

October 27, 2021

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1. INTRODUCTION

On December 3, 2020, FEI and Kartar Investments Limited (Kartar) entered into a Property Access and Use Agreement, amended by letter agreement dated March 30, 2021, and further amended by agreement dated April 19, 2021 (collectively the Host Agreement). The Host Agreement enables FEI to lease a portion of Kartar's land in Abbotsford, BC on which to construct, own and operate for GFL Environmental Inc. (GFL) a compressed natural gas (CNG) fueling station (GFL Abbotsford Fueling Station). The Host Agreement is provided in Appendix A.

On December 14, 2020, FEI entered into a Fueling Services Agreement with GFL Environmental Inc. (GFL) and on October 1, 2021, FEI and GFL entered an amending agreement (collectively the GFL Agreement) to enable GFL to receive fueling service for their CNG trucks at the GFL Abbotsford Fueling Station commencing November 15, 2021. The GFL Agreement is provided in Appendix B.

FEI is seeking BCUC approval of the rates established in the GFL Agreement, on an interim basis, for CNG fueling service at GFL Abbotsford Fueling Station, effective November 15, 2021.

The GFL Abbotsford Fueling Station is undertaken by FEI as a prescribed undertaking under the Greenhouse Gas (Clean Energy) Reduction Regulation (GGRR or the Regulation). Thus, pursuant to BCUC Order G-56-13, this fueling station is exempt from the Certificate of Public Convenience and Necessity (CPCN) requirements. The GFL Agreement meets the requirements under the GGRR, as discussed in Section 4.2.

Pursuant to BCUC Order G-56-13, the BCUC will set rates considering FEI's total expenditures on the fueling station. As detailed in Section 4.2 below, FEI has negotiated and executed the GFL Agreement which conform to the parameters and meet the requirements as set forth under the GGRR. With the proposed rates, FEI will recover 60 percent of its cost of service over the initial ten year term as permitted under the GGRR for fueling services provided to the GFL Abbotsford Fueling Station, as further explained in Section 5 below.

Under the Government of Canada's Natural Resources Canada (NRCan) Electric Vehicle and Alternative Fuel Infrastructure Deployment Program, FEI was successful in securing a capital contribution from NRCan to support the GFL Abbotsford Fueling Station, as discussed in Section 5.3. Under the NRCan contribution agreement, FEI is required to provide public fueling access to the GFL Abbotsford Fueling Station by December 31, 2021. Therefore, FEI is also seeking approval of amendments to Rate Schedule 6P – Public Service – Natural Gas Refueling Service (RS 6P) to accommodate public fueling service at the GFL Abbotsford Fueling Station.

2. APPROVAL SOUGHT

FEI hereby applies to the BCUC, pursuant to sections 59 to 61 and 89 of the UCA, for the following:

1. Approval of the rates established in the GFL Agreement, on an interim refundable/recoverable basis, effective November 15, 2021, which is the date the GFL Abbotsford Fueling Station is expected to be operational; and
2. Approval to amend the RS 6P tariff and rates, on an interim non-refundable/non-recoverable basis, to accommodate point-of-sale public fueling at the GFL Abbotsford Fueling Station, effective November 30, 2021, the date by which FEI expects the station will be ready to accommodate public fueling.

FEI requests approval of the rates on an interim and refundable/recoverable basis, pending the finalization of actual capital costs, and the determination of the resulting final rates. Once final capital costs are known, FEI and the GFL may enter into amending agreements, if required, based on the final costs of the GFL Abbotsford Fueling Station. Once final capital costs are known, FEI will file with the BCUC for approval of rates on a permanent basis. Any variance between interim and permanent rates will be refunded to or recovered from GFL following the approval of permanent rates.

FEI requests approval of the RS 6P tariff and rates on an interim and non-refundable/non-recoverable basis, given that public fueling will occur through transactions at the point of sale terminals at the fueling stations, it will not be possible to refund or recover any differences between interim and permanent rates for public users. Once final permanent rates for the GFL Abbotsford Fueling Station are determined by the BCUC following a permanent rates application by FEI, FEI will file for permanent approval of the GFL Abbotsford Fueling Station public fueling rates in RS 6P.

3. PROJECT DESCRIPTION

The GFL Abbotsford Fueling Station is designed as a fast-fill station to provide fuel to GFL, future third-party and public fueling customers. The station will consist of one two hose fast fill dispenser, a single compressor and point of sales system. FEI expects the GFL Abbotsford Fueling Station to be operational by November 15, 2021.

The GFL Abbotsford Fueling Station is located in Abbotsford near Highway 1, which is a major transportation route for medium and heavy-duty trucks. The GFL Abbotsford Fueling Station is strategically located to allow CNG fleets to fuel their CNG vehicles on a third-party and public fueling basis.

4. THE GFL AGREEMENT UNDER THE GGRR

This section provides background on the GGRR and the conformity of the GFL Agreement to the requirements under the GGRR.

4.1 MINIMUM GGRR REQUIREMENTS FOR CNG FUELING STATIONS

Section 2(2) of the GGRR establishes CNG fueling station service as a prescribed undertaking for the purposes of section 18 of the Clean Energy Act (Prescribed Undertaking 2). Section 2(2) of Prescribed Undertaking 2 provides as follows¹:

(2) A public utility's undertaking that is in the class defined as follows is a prescribed undertaking for the purposes of section 18 of the Act:

(a) the public utility, before March 31, 2022, enters into a binding commitment to

(i) construct and operate, or

(ii) purchase and operate,

one or more compressed natural gas fuelling stations, including storage, compression and dispensing equipment and facilities, within the service territory of the public utility for the purposes of providing compressed natural gas fuel and fuelling services to owners of vehicles that operate on compressed natural gas;

(b) the average expenditure on stations, in any year of the undertaking, does not exceed \$3 million per station;

(b.1) expenditures, during the undertaking period, on administration and marketing do not exceed \$240 000; and

(c) at least

(i) 80% of the forecast total operating costs of the asset for the first five years of operation,

(ii) 60% of the forecast total operating costs of the asset for the first seven years of operation.

(3.01) The amount determined by adding the following must not exceed \$62.5 million:

¹ The definition incorporates the most current changes incorporated by the Order of the Lieutenant Governor in Council No. 199, dated April 20, 2018 B.C. Reg. 84/2018.

(a) total expenditures during the undertaking period on the undertaking described in subsection (2), including expenditures on administration and marketing;

(b) total expenditures during the undertaking period on the undertaking described in subsection (3), including expenditures on administration and marketing.

The current GGRR spending limit is \$62.5 million over the undertaking period (commencing on April 1, 2011 and expiring on March 31, 2022), and all expenditures (which is defined under the GGRR to include commitments to expend) must be incurred by March 31, 2022. In the GGRR Decision and Order G-56-13, the BCUC clarified that these expenditure limits are based on the actual cost of construction and the average station expenditure relates to expenditures on completed stations in any specific year of the undertaking.

The GFL Abbotsford Fueling Station will be completed within Year 11 (April 1, 2021 to March 31, 2022) of the undertaking period at FEI's budgeted capital cost of \$1.209 million excluding AFUDC (\$1.252 million including ADUFC), which is FEI's estimate of its direct capital expenditures and net of the contribution from NRCan (as discussed in Section 5.3). Should any expenditures be incurred after March 31, 2022, these expenditures will continue to be subject to the applicable GGRR cost recovery requirements as these expenditure are committed prior to the expiry of the GGRR. The average capital expenditure for all of FEI's CNG fueling stations in Year 11 of the undertaking period will not exceed the average \$3 million capital expenditure. Furthermore, FEI's total capital expenditure to date under the GGRR will remain under \$62.5 million for CNG or LNG infrastructure.

4.2 THE GFL AGREEMENT CONFORMS TO THE GGRR

The GFL Agreement meets the requirements of Section 2(2) of the GGRR. The table below summarizes the terms of the GGRR and the provisions of the GFL Agreement that conform to the parameters established by the GGRR.

Table 1: The GFL Agreement and Minimum GGRR Requirements

Term	Notes	GGRR Section	The GFL Agreement	Agreement Section
Description of service	<ul style="list-style-type: none"> Public utility constructs and operates, or purchases and operates, one or more compressed natural gas fueling stations 	Section 2(2), (a)(i)(ii)	FEI will own and operate the GFL Abbotsford Fueling Station	Part II, Section A (B) of the Fueling Services Agreements

Term	Notes	GGRR Section	The GFL Agreement	Agreement Section
Expenditure limits	<ul style="list-style-type: none"> Total expenditures do not exceed \$62.5 million during the undertaking period; Average station expenditures do not exceed \$3 million per station in any year 	Section 2(2), (b)(i)	With the construction of the GFL Abbotsford Fueling Station, the total expenditures for stations to date will remain below \$62.5 million, and FEI will not exceed the \$3 million per station average in Year 11 of the undertaking period	Program related; no specific contract reference
Minimum term and minimum energy use	<ul style="list-style-type: none"> 80 percent of the forecast total operating costs of the asset for the first five years of operation; or 60 percent of the forecast total operating costs of the asset for the first seven years of operation. 	Section 2(2), (c)(ii)	The proposed rates in the GFL Agreement are projected to recover at least 60% of the forecast operating costs of the GFL Abbotsford Fueling Station over the Initial Term of the first ten years.	Part I, Term, and; Minimum Annual Quantity of the Fueling Service Agreement

- 1
- 2 Please refer to Section 5 below for further discussion on the key terms and conditions of the
- 3 GFL Agreement.

5. PROPOSED RATES FOR FUELING SERVICES

This section provides a summary of the inputs to the cost of service model used to calculate the interim rate charges for fueling service provided at the GFL Abbotsford Fueling Station.

Please refer to Confidential Appendix C for the financial model and Appendix D for the detailed financial schedules.

5.1 TERMS AND CONDITIONS

Table 2 below shows the key terms and conditions of the GFL Agreement.

Table 2: Summary of Key Terms and Conditions of the GFL Agreement

Term	Notes/Description	Section of GFL Agreement
Ownership of the fueling station	<ul style="list-style-type: none"> The fueling station shall at all times remain the property of FEI. 	Part II, Section A (B) of the Fueling Services Agreements
Minimum Quantity	<ul style="list-style-type: none"> Minimum annual volume of 7,500 GJs in Year 1, 11,500 GJs in Year 2, and 15,500 GJs in Year 3 to Year 10 at the GFL Abbotsford Fueling Station represents recovery of 60 percent of the forecast operating cost over the ten year Initial Term of the GFL Agreement. 	Part I, Term and Minimum Annual Quantity of the Fueling Services Agreements
Expiry of Term	<ul style="list-style-type: none"> The Initial Term will commence on the Rate Change Date of January 1, 2022 and expire on December 31, 2031 	Part I, Term of the Fueling Services Agreements

The proposed rates in the GFL Agreements represent a recovery of 60 percent of the forecast operating costs of the GFL Abbotsford Fueling Station over the first ten year term as permitted under GGRR. Any additional volumes from GFL, third-party customers or public fueling customers will increase the recovery of operating costs of the GFL Abbotsford Fueling Station.

5.2 COST OF SERVICE MODEL

The cost of service model used to calculate the proposed permanent fueling rates for the GFL Abbotsford Fueling Station is based on FEI's approved capital structure, allowed rate of return and tax rates as of October 2021.

Table 3 below summarizes the key inputs and resulting outputs for 2022, the first year of the term for the GFL Abbotsford Fueling Station.

- 1 A fully functional cost of service financial model is provided in Appendix C on a confidential
 2 basis.

3 **Table 3: Cost of Service Model - Inputs and Outputs**

Input	Notes	Amount
Term	<ul style="list-style-type: none"> Initial Term commencing on the Rate Change Date of January 1, 2022 and continuing for a period of ten years 	10 years
Volume	<ul style="list-style-type: none"> Annual take-or-pay minimum of 7,500 GJs in Year 1, 11,500 GJs in Year 2, and 15,500 GJs in Year 3 to Year 10 represents 60 percent of the forecast operating cost for the GFL Abbotsford Fueling Station 	7,500 GJs in Year 1, 11,500 GJs in Year 2, and 15,500 GJs in Year 3 to Year 10
Fueling station capital	<ul style="list-style-type: none"> Expenditures for dispensing equipment, civil work, engineering, project management and commissioning, branding costs, and AFUDC. Total capital expenditure is \$2.121 million (including AFUDC) comprised of: <ul style="list-style-type: none"> FEI forecast net expenditure of \$1.253 million NRCan funding contribution of \$0.868 million (treated as contributions in aid of construction (CIAC) under BCUC Uniform System of Account for Gas Utilities). 	\$2.121 million (including AFUDC)
Annual O&M	<ul style="list-style-type: none"> Annual amount for regular and preventive maintenance and ongoing training as required of GFL Abbotsford Fueling Station <ul style="list-style-type: none"> Average annual repair and maintenance of approximately \$16,000 in Year 1, \$25,000 in Year 2, and \$34,000 in Year 3 to Year 10. Electricity cost of approximately \$9,000 in Year 1, \$14,000 in Year 2, and \$20,000 in Year 3 to Year 10. 	\$25,000 in Year 1, \$39,000 in Year 2, and \$54,000 in Year 3 to Year 10
Lease Costs	<ul style="list-style-type: none"> Lease costs payable under the Host Agreement of \$35,463 per year, escalates by 2% per annum. Year 1 lease costs also include \$23,642 of lease costs paid during the construction of the fueling station². 	\$35,463 per year
Allowance for overhead and marketing costs	<ul style="list-style-type: none"> Applicable pursuant to Order G-78-13 and Compliance Filing pursuant to Order G-105-15 	\$0.520 per GJ
Application costs	<ul style="list-style-type: none"> Deferred charge over Initial Term 	\$10,000

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² Appendix I, Schedule 1, Line 3 of the Financial Schedules include \$23,642 of lease costs paid during construction, plus the \$35,463 per year lease cost for a total cost of \$59,105 in Year 1.

Output	Notes	Proposed Interim Rates
Capital Rate	• Escalates at 2% per year beginning on January 1, 2023	\$6.656 per GJ
O&M Rate	• Escalates annually by British Columbia Consumer Price Index (BC CPI) beginning on January 1, 2023	\$2.014 per GJ
OH&M Rate	• Not inflated by BC CPI	\$0.520 per GJ
Total Base Rate	• Sum of Capital, O&M and OH&M Rates	\$9.190 per GJ

For the period from the expected operation and in-service date of November 15, 2021 to January 1, 2022, GFL will pay the Base Rate as shown in Table 3 above for all volumes of fuel dispensed but will not be subject to the applicable Minimum Monthly Quantity. This treatment for the period prior to the first Rate Change Date is consistent with previous BCUC decisions for CNG and LNG stations. After the expected Rate Change Date of January 1, 2022, the Capital Rate, O&M Rate, and OH&M Rate will be applied to the Minimum Monthly Quantity and for any volumes over the Minimum Monthly Quantity for GFL.

The total capital expenditure for the GFL Abbotsford Fueling Station is estimated to be \$2.121 including AFUDC. The capital contribution from NRCAN is \$0.868 million, as discussed in Section 5.3, and therefore FEI's capital investment for the station is expected to be \$1.253 million (including AFUDC). FEI expects the GFL Abbotsford Fueling Station to be commissioned and ready for service on November 15, 2021.

The Capital Rate for the GFL Abbotsford Fueling Station is determined in part by using the net projected FEI capital expenditure of \$1.253 million and includes the property access and use cost identified in the Host Agreement. The property access and use cost is recovered from customers through the Capital Rate outlined in the GFL Agreement and will be directly remitted to Kartar. Once the total capital expenditure is known and finalized, FEI will file for permanent rate approval with the BCUC.

The O&M Rate is based on an approximate budget of \$25 thousand in year 1, \$39 thousand in year 2, \$54 thousand in year 3 and escalated by two percent inflation for years 4 to 10 (year 10 escalated forecast of approximately \$62 thousand). This forecast increase in O&M is due to the increase in annual minimum take or pay commitments from year 1 to year 3. The forecast takes into consideration scheduled maintenance, electricity costs, and the volume commitment over the ten year period.

All Capital and O&M Rate revenues generated and collected from users of the GFL Abbotsford Fueling Station will be applied toward the cost of service recovery of this fueling station. Any incremental demand beyond the take-or-pay commitment of GFL, additional third-party customers or public fueling customers will increase the cost recovery of the GFL Abbotsford Fueling Station.

5.3 NRCAN FUNDING

NRCan is providing FEI with a funding contribution of \$0.868 million towards the development and construction of the GFL Abbotsford Fueling Station. In accordance with the Contribution Agreement and amending agreement executed between FEI and NRCan (collectively, NRCan Contribution Agreement), FEI is required to provide NRCan a portion of the annual profit equivalent to the percentage of the NRCan contribution from the overall project budget, up to the funding amount of \$0.868 million over the ten year term of the NRCan Contribution Agreement. In addition, the NRCan funding contribution is contingent on the GFL Abbotsford Fueling Station being available for fueling service to the general public by December 31, 2021.

FEI has prepared a sample of the NRCan repayment model, provided in Appendix E, showing a forecast of the expected revenue and expenses arising from the GFL Abbotsford Fueling Station. This model is based on the minimum annual take or pay volume commitment provided by GFL,³ and does not consider any third-party or public fueling volumes. The actual profit will include revenue from third-party and public fueling customers. FEI is not projecting to earn a profit on this station for the entirety of the initial ten year term. If the GFL Abbotsford Fueling Station does earn a profit during the term, a portion of the annual profit will be required to be remitted back to NRCan.

³ Year 1: 7,500 GJ, Year 2: 11,500 GJ, Years 3 to 10: 15,500 GJ.

6. AMENDMENTS TO RS 6P

FEI's proposed rates for public fueling at the GFL Abbotsford Fueling Station consist of two broad components. First, there are delivery margin and commodity related charges. Second, there are charges related to the CNG fueling service station. FEI's proposals for each are set out below.

Delivery Margin and Commodity Related Charges

FEI proposes that the delivery margin and commodity related charges per GJ in the Table of Charges for the GFL Abbotsford Fueling Station be based on FEI's approved Rate Schedule 5 (RS 5) charges because the GFL Abbotsford Fueling Station will be served under RS 5. The Delivery Charge per GJ is calculated based on the RS 5 Demand Charge plus the Basic Charge per Month divided by the monthly equivalent of the minimum Annual Take or Pay volume commitment⁴. This ensures consistent delivery margin and commodity related charges for all users of the GFL Abbotsford Fueling Station, including GFL and all other fueling customers at the GFL Abbotsford Fueling Station.

Station Service Related Charges

FEI proposes that the station service related charges reflect the rates set out in the GFL Agreement for the Capital Rate, the O&M Rate, and the OH&M Charge.

FEI confirms that in future, if the GFL Abbotsford Fueling Station rates change from time to time as a result of the annual escalations or by BCUC Order, FEI will apply to amend the public fueling rates in RS 6P for the GFL Abbotsford Fueling Station such that they remain consistent.

The proposed amends to RS 6P tariff pages are provided in Appendix F showing the blacklined revisions to with the BCUC's review.

⁴ Year 1's volume commitment of 7,500 GJ was used for this calculation.

1 **7. CONCLUSION**

2 FEI respectfully requests that the BCUC approve the rates established in the GFL Agreement
3 on an interim and refundable basis, effective November 15, 2021, and the amendments to the
4 RS 6P tariff and rates as applied for in an interim and non-refundable/non-recoverable basis,
5 effective November 30, 2021.

6 A Draft Form of Order is provided in Appendix G.

Appendix A

**KARTAR INVESTMENTS PROPERTY ACCESS AND USE
AGREEMENT**

PROPERTY ACCESS AND USE AGREEMENT
(Fueling Equipment – Third Party Fueling)

THIS AGREEMENT is made effective as of December 3, 2020 (the “**Effective Date**”)

BETWEEN:

KARTAR INVESTMENTS LIMITED, of 34374 Vye Road, Abbotsford, B.C. V2S 7P6
(the “**Property Owner**”)

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, B.C. V4N 0E8
(“**FEI**”)

WHEREAS:

- A. FEI wishes to install and maintain fueling equipment, including infrastructure, apparatus, conduits, lines and pipes (the “**Fueling Equipment**”) on the lands and premises of the Property Owner at 34374 Vye Road Abbotsford, BC V2S 7P6 (the “**Lands**”) for the sale of compressed natural gas (the “**Fuel**”) to the customers of FEI (the “**Customers**”) which may include the Property Owner (the “**Approved Purpose**”).
- B. The Property Owner agrees to grant a license to FEI for access over the Lands and use of a portion of the Lands for the installation and maintenance of the Fueling Equipment for the Approved Purpose, all on the terms and conditions set out in this Agreement.

NOW THEREFORE, in consideration of the mutual promises set out herein and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged) the parties agree as follows:

1. Term, Renewal, Expiry and Early Termination.

1.1 Conditions Precedent. The obligations of the parties to carry out the transactions contemplated by this Agreement are conditional upon FEI:

- (a) obtaining the necessary approvals required, including from the British Columbia Utilities Commission (“**BCUC**”), affecting or necessary for the ownership, installation, maintenance and operation of the Fueling Equipment, and the terms and conditions of use of the Fueling Equipment by Customers;

by no later than *March 31, 2021*, or such later date as may be agreed between the parties. The foregoing condition is a true condition precedent and may not be unilaterally waived by either party, and if the condition is not met by the specified date, then the parties’ obligations under this Agreement will be at an end, and thereafter neither party shall have any further or continuing obligation to the other under this Agreement, except for those obligations and provisions which are specifically stated to survive the expiration or termination of this Agreement.

1.2 Term. Subject to section 1.1 (*Conditions Precedent*), the term of this Agreement shall commence on the Effective Date and shall expire on the tenth (10th) anniversary of the In-Service Date, unless extended or renewed by written agreement or terminated earlier in accordance with this Agreement (the “**Term**”), where “**In-Service Date**” means

the first day of the month after the Fueling Equipment is operational and capable of dispensing Fuel, as determined by FortisBC in its sole discretion.

- 1.3 **Renewal.** This Agreement may be renewed on the same terms and conditions for a further term of ten (10) years, if agreeable by both parties, exercisable upon six (6) months prior written notice.

- 1.4 **Early Termination.** FEI may, at any time, terminate this Agreement:

- (a) at any time prior to the installation of the Fueling Equipment for any reason, without liability for any payment to the Property Owner for such termination;
- (b) upon at least six (6) months' prior written notice to the Property Owner if FEI, in its sole and absolute discretion, determines the continued operation of the Fueling Equipment is no longer economically reasonable for FEI, whereupon Fees (as hereinafter defined) will be payable to the Property Owner up to the date of termination and the provisions of section 1.5 shall apply.

- 1.5 **Removal of the Fueling Equipment upon Expiry or Termination.** Upon expiry or termination of this Agreement, FEI will:

- (a) remove those portions of the Fueling Equipment to surface level, excluding any concrete pads or asphalt curbs, and any portion of the Fueling Equipment not removed by FEI will become the property of the Property Owner; and
- (b) promptly discharge any Statutory Right of Way registered against the Lands pursuant to section 2.4 (*Statutory Right of Way*).

2. **Access to and Use of Lands.**

2.1 **Grant of Licence.**

- (a) The Property Owner, as legal and beneficial owner of the Lands, hereby grants to FEI a non-exclusive irrevocable licence to those portions of the Lands on which the Fueling Equipment is located, as mutually agreed between the parties, (the "**Fueling Site**") at all times and from time to time, with or without vehicles, machinery and equipment:
 - (i) for FEI and its authorized employees, contractors and agents, to excavate, install, place, construct, renew, alter, repair, maintain, use, abandon, remove or replace the Fueling Equipment, in whole or in part; and
 - (ii) for FEI, its authorized employees, contractors and agents, and the Customers to use the Fueling Site for the Approved Purpose;subject to compliance by FEI with the terms of this Agreement.
- (b) The proposed location of the Fueling Site is as more particularly shown in the drawing attached as Schedule A (*Fueling Site*), which schedule may be amended

by the parties by amending agreement upon completion of installation of the Fueling Equipment to accurately reflect the Fueling Site.

- 2.2 **Access over the Lands.** The Property Owner hereby grants to FEI the free and unobstructed right of access over and across the Lands, with or without vehicles, machinery and equipment, as required from time to time, for FEI and its authorized employees, contractors, agents and the Customers to access the Fueling Equipment; provided, however, this right shall in no way restrict the Property Owner from maintaining, changing or improving the Lands as long as FEI and its authorized employees, contractors, agents and the Customers continue to have access to the Fueling Equipment.
- 2.3 **No Interest in Land.** Despite any other provision herein or any rule of law to the contrary, this Agreement does not create any interest in land passing between the Property Owner and FEI.
- 2.4 **Statutory Right of Way.** The Property Owner acknowledges and agrees that upon the reasonable request of FEI, including in the event of a proposed transfer of the Lands or any part thereof, a statutory right of way in favour of FEI may be registered against title to the Lands incorporating the provisions of this Agreement. All costs of preparation and registration of such statutory right of way will be borne by FEI.
- 2.5 **Continued Right of Access.** If the Property Owner transfers its interest in and to the portion of the Lands used by FEI for access to the Fueling Site, the Property Owner shall ensure FEI's access rights are preserved, including, as a condition of such transfer, requiring the transferee to enter into a written agreement with FEI to grant continuing access rights to FEI over such transferred lands to the Fueling Site.
- 2.6 **Grant of Rights to Third Parties.** Subject to section 3.1, the grant of rights to FEI hereunder does not preclude or prevent the Property Owner from granting easements, statutory rights of way or other grants, leases or licences over the Lands to any other person.
3. **Use of the Lands**
- 3.1 **Non-Interference.** To protect the safety and security of the Fueling Equipment, the Property Owner will not do or knowingly permit to be done anything in, under, over, upon or with respect to the Lands which, in the reasonable opinion of FEI, may interfere with, diminish or injure FEI's rights hereunder or the installation, maintenance use or operation of the Fueling Equipment, including anything which:
- (a) interrupts, endangers, impedes, disturbs or causes damage to the Fueling Equipment or its operation, use, security or functionality;
 - (b) removes, diminishes or impairs any vertical support, lateral support or ventilation for, or causes the movement or settlement of, the Fueling Equipment; and
 - (c) causes, permits or suffers any structure, equipment, act or function to exert any vertical load or lateral load upon or against, or impair the structural integrity of, the Fueling Equipment;

without the prior written consent of FEI and in accordance with any conditions FEI may specify as a condition of such consent.

- 3.2 **Payment of Taxes.** FEI will not be responsible for the payment of any property taxes or assessments levied against the Lands, including the Fueling Site.
- 3.3 **Compliance with Property Owner Directions.** FEI will abide by all reasonable rules, regulations and directives made by the Property Owner from time to time pertaining to the use, operation, safety, care or cleanliness of the Fueling Site or the Lands.
4. **Permits and Approvals.**
 - 4.1 **FEI Approvals.** FEI shall obtain and maintain any consents, permits, filings, orders or other approvals and including governmental consents and approvals, building and construction permits, environmental permits, zoning changes or variances (collectively, the "**Approvals**") required, affecting or necessary for the ownership, installation, maintenance and operation of the Fueling Equipment, including necessary Approvals from BCUC.
 - 4.2 **Assistance.** The Property Owner shall, upon FEI request, use commercially reasonable efforts to advise and assist FEI in obtaining any Approvals.
 - 4.3 **BCUC Approval.** The Property Owner acknowledges FEI is a public utility as defined in the *Utilities Commission Act (British Columbia)* and this Agreement, including all terms and conditions contained herein, is subject to BCUC Approval. If BCUC Approval is not granted or is granted subject to terms and conditions which are not reasonably satisfactory to FEI having regard to its *bona fide* business interests, the parties agree to negotiate in good faith to address the impacts thereof, including mitigation of costs.
5. **Installation and Ownership of the Fueling Equipment.**
 - 5.1 **Installation.** FEI shall install the Fueling Equipment, of a size and with such other specifications as reasonably determined by FEI to be suitable for the Approved Purpose and as approved by the Property Owner (such approval not to be unreasonably withheld, conditioned or delayed), in a good and workmanlike manner consistent with industry standards and in compliance with all applicable Approvals, laws and regulations.
 - 5.2 **Electrical Supply.**
 - (a) FEI shall be entitled to access the electrical power supply servicing the Lands to operate the Fueling Equipment. FEI shall be responsible for providing electrical connections directly to the Fueling Equipment and undertaking any electrical service upgrades required to service the Fueling Equipment. The Property Owner shall not be liable to FEI for any failure or interruption in electrical power supply unless caused by the negligence of the Property Owner.
 - (b) FEI shall pay for all electrical costs directly attributable to FEI's use of the Fueling Site and the Fueling Equipment.

- 5.3 **Ownership.** The Fueling Equipment is, and shall, at all times, remain, the property of FEI and freely alienable by FEI as its own property despite the degree to which the Fueling Equipment may be annexed or affixed to the Lands and despite any rule of law or equity to the contrary. FEI shall be entitled to install signage within the Fueling Site and notices on the Fueling Equipment identifying FEI's ownership of the Fueling Equipment.
- 5.4 **Corporate Branding.** In addition to any signage or notices installed pursuant to section 5.3, FEI shall be entitled to affix its corporate logo and other branding and/or marketing elements to the exterior of the Fueling Equipment, all of reasonable size and prominence.
6. **Maintenance of the Lands and Fueling Site.**
- 6.1 **Cleaning and Waste and Snow Removal.** Unless otherwise agreed between the parties, FEI will be responsible for keeping the Fueling Site in a clean and tidy condition and, as required, free of ice and snow. FEI will not permit the Fueling Site to become untidy, unsightly or hazardous, or permit any waste paper, garbage, refuse or objectionable materials to accumulate on or around the Fueling Site. Despite the foregoing, FEI will not be responsible for any waste or other materials disposed of or left at the Fueling Site by the Owner or anyone whom the Owner is responsible at law.
- 6.2 **Occupier's Liability.** Nothing contained in this Agreement will abrogate or detract from the liabilities and obligations of the Property Owner as the owner and occupier of the Lands.
- 6.3 **Security.** FEI shall provide and maintain security to protect the Fueling Equipment from vandalism and other damage.
7. **Maintenance and Operation of the Fueling Equipment.**
- 7.1 **Maintenance.** FEI shall maintain the Fueling Equipment in good and safe working order in accordance with all applicable Approvals, laws and regulations. FEI shall promptly remove or repair any parts of the Fueling Equipment that have been vandalized, damaged or poses a risk to the public. FEI will not be considered to be in default under this Agreement while undertaking maintenance or repair of the Fueling Equipment.
- 7.2 **Operation.** FEI shall operate the Fueling Equipment in accordance with the manufacturer's dispensing instructions and all applicable Approvals, laws and regulations.
8. **Fees and Payments.**
- 8.1 **Land Use Fee.** In consideration for the access to and use of the Lands for the Approved Purpose, FEI agrees to pay to the Property Owner a monthly fee (the "Fee"), plus applicable taxes thereon, of \$3,200.00 per month commencing May 1st, 2021 and escalated annually on the anniversary of the In-Service Date by two (2%) percent.

- 8.2 **No Additional Payments.** The Fee is all-inclusive and, except for payment for electrical consumption, no additional amounts shall be payable by FEI for access to the Lands and use of the Fueling Site, including but not limited to property taxes.
- 8.3 **Payment.** FEI will pay the Fee to the Property Owner for each month in advance on the first day of the month for each month of the Term.
- 8.4 **Overdue Payments.** Overdue payments shall be subject to a late payment charge of 1.5% per month (19.56% per annum).
9. **Default.**
- 9.1 **Default.** Subject to section 11, either party (the “**Defaulting Party**”) shall be in default of this Agreement if the Defaulting Party is in breach of any term, covenant, agreement, condition or obligation imposed on it under this Agreement, provided that:
- (a) the other party (the “**Non-Defaulting Party**”) provides the Defaulting Party with a written notice of such default and a 30-day period within which to cure such a default (the “**Cure Period**”); and
 - (b) the Defaulting Party fails to cure such default during the Cure Period, or if such default is not capable of being cured within the Cure Period, fails in good faith to commence the curing of such default upon receipt of notice of default and to continue to diligently pursue the curing of such default thereafter until cured.
- 9.2 **Effect of Default.** Upon default, the Non-Defaulting Party may, at its option and in addition to and without liability therefore or prejudice to any other right or remedy it may have:
- (a) cease performing its obligations under the agreement, including suspending or refusing to make any payment due hereunder, until the default has been fully remedied, and no such action shall relieve the Defaulting Party from any of its obligations under this Agreement;
 - (b) undertake the necessary steps to remedy the default at the Defaulting Party’s expense, and such action shall not relieve the Defaulting Party from any of its obligations under this Agreement; or
 - (c) terminate this Agreement immediately upon notice to the other party, whereupon the provisions of section 1.5 shall apply.

10. **Insurance, Liability and Indemnity.**

10.1 **Insurance.** FEI shall maintain Comprehensive General Liability Insurance, including without limitation, contractual liability insurance, against claims for bodily injury, death or property damage or loss howsoever arising out of the operations of FEI to a combined limit of not less than \$5,000,000 with respect to injury or death to a single person or in respect of any one occurrence concerning property damage. Such policy shall contain a cross liability clause, a severability of interest clause, shall be primary without calling into contribution any other insurance available to the Property Owner and shall include the Property Owner as additional insured.

10.2 **Liability and Release.** The Property Owner shall not be liable for any damage or injury caused to FEI or its property while on the Fueling Site except to the extent caused by the acts or omissions of the Property Owner or any person for whom it is in law responsible. FEI hereby releases the Property Owner and its officers, directors, employees, agents, consultants, contractors and subsidiaries (the "**Property Owner's Representatives**") and waives any rights, including rights of subrogation, it may have against them for compensation for any loss or damage occasioned by FEI, except to the extent caused by the Property Owner or any person for whom it is in law responsible.

10.3 **Indemnity.** FEI hereby irrevocably indemnifies, defends and saves harmless the Property Owner and the Property Owner's Representatives from and against all losses, claims, suits, costs, actions, damages, liabilities and expenses arising out of any act or omission of FEI, whether occurring in and about the Fueling Site or arising out of any breach by FEI of any provision of this Agreement.

10.4 **Limitation of Liability.**

(a) Each party's liability to the other party under this Section 9 shall be limited to the payment of direct damages. In no event shall either party be responsible or liable to the other party for any indirect, consequential, punitive, exemplary or incidental damages of the other party or any third party arising out of or related to this Agreement even if the loss is directly attributable to the gross negligence or wilful misconduct of such party, its employees, or contractors.

(b) In no event whatsoever will FEI be liable for any acts of omissions of any Customer accessing the Lands or using the Fueling Site.

10.5 **Duty to Mitigate.** Each party has a duty to mitigate the damages that would otherwise be recoverable from the other party pursuant to this Agreement by taking appropriate and commercially reasonable actions to reduce or limit the amount of such damages or amounts.

11. **Environmental Provisions.**

11.1 **Definition of Contaminants.** "**Contaminants**" means collectively, any contaminant, toxic substances, dangerous goods, or pollutant or any other substance which when released to the natural environment is likely to cause, at some immediate or future time, material harm or degradation to the natural environment or material risk to human health, and includes any radioactive materials, asbestos materials, urea

formaldehyde, underground or aboveground tanks, pollutants, contaminants, deleterious substances, dangerous substances or goods, hazardous, corrosive or toxic substances, hazardous waste or waste of any kind, pesticides, defoliants, or any other solid, liquid, gas, vapour, odour or any other substance the storage, manufacture, disposal, handling, treatment, generation, use, transport, remediation or release into the environment of which is now or hereafter prohibited, controlled or regulated by law.

- 11.2 **FEI Liability.** Despite any other provision of this Agreement, the Property Owner acknowledges and agrees FEI is not and shall not be responsible for any Contaminants now present, or present in the future, in, on or under the Lands, or that may or may have migrated on or off the Lands, save and except any Contaminants brought onto the Lands by FEI or to the extent that such release was a direct result of the acts or omissions of FEI or any person for whom it is in law responsible.
- 11.3 **FEI Release and Indemnity.** FEI hereby releases and indemnifies the Property Owner and its directors, officers, employees, successors and permitted assigns, from any and all liabilities, actions, damages, claims (including remediation cost recovery claims), losses, costs, orders, fines, penalties and expenses whatsoever (including all consulting and legal fees and expenses on a solicitor-client basis and the cost of remediation of the Fueling Site) arising from or in connection with any release or alleged release of any Contaminants as a direct result of the acts or omissions of FEI or any person for whom it is in law responsible.
- 11.4 **Environmental Representations and Warranties.** The Property Owner represents and warrants to FEI that, as at the Effective Date, to the best of its knowledge there are no actions, proceedings, investigations, claims (including remediation cost recovery claims) pending, or threatened, that would interfere with FEI's use of the Fueling Equipment or the Fueling Site or access over the Lands or that relate to the presence of Contaminants in, under or migrating to or from the Fueling Site or the Lands.
- 11.5 **Environmental Compliance.** The parties acknowledge and agree they each have responsibility for environmental compliance, management and reporting pursuant to environmental laws and regulations arising from the ownership, operation, maintenance and use of the Fueling Equipment, including related to emissions and spills. The parties covenant and agree to co-operate with each other in co-ordinating, establishing, implementing and verifying processes and procedures to manage and address environmental impacts and ensure each party's respective compliance with environmental laws and regulations. In no way limiting the foregoing, the Property Owner agrees to assist and support FEI in the implementation and compliance with FEI's Emergency Response Assistance Plan approved by Transport Canada for the transportation of dangerous goods (the "ERAP").
12. **Force Majeure.**
- 12.1 No party will be in default of this Agreement by reason only of any failure in the performance of such party's obligations pursuant to this Agreement if such failure arises without the fault or negligence of such party and is caused by any event of Force Majeure (as defined below) that makes it commercially impracticable or unreasonable

for such party to perform its obligations under this Agreement and, in such event, the obligations of the parties will be suspended to the extent necessary for the period of the Force Majeure condition, save and except neither party will be relieved of or released from its obligations to make payments to the other party as a result of an event of Force Majeure. For the purpose of this section, "**Force Majeure**" means any cause which is unavoidable or beyond the reasonable control of any party to this Agreement and which, by the exercise of its reasonable efforts, such party is unable to prevent or overcome, including, acts of God, war, riots, intervention by civil or military authority, strikes, lockouts, accidents, acts of civil or military authority, or orders of government or regulatory bodies having jurisdiction, or breakage or accident to machinery or lines of pipes, or freezing of wells or pipelines or the failure of gas supply, temporary or otherwise, from a supplier; provided however, the lack of funds or other financial cause shall not be an event of Force Majeure.

- 12.2 The party whose performance is prevented by an event of Force Majeure must provide notification to the other party of the occurrence of such event as soon as reasonably possible and take commercially reasonable steps to eliminate any such occurrence.

13. **Dispute Resolution.**

- 13.1 Where any dispute arises out of or in connection with this Agreement, including failure of the parties to reach agreement hereunder, either party may request the other party to appoint senior representatives to meet and attempt to resolve the dispute either by direct negotiations or mediation. Unresolved disputes may be submitted for final resolution by arbitration administered by the British Columbia International Commercial Arbitration Centre under its "Shorter Rules for Domestic Commercial Arbitration" in Vancouver, British Columbia, Canada. The language of that arbitration will be English. Alternatively, the Parties may agree, within 15 days of request by a party for final resolution, to submit that dispute for final resolution by arbitration in another manner.

- 13.2 The parties shall continue to fulfill their respective obligations pursuant to this Agreement during the resolution of any dispute in accordance with this section.

14. **Representations, Warranties and Covenants.**

- 14.1 **Mutual Representations and Warranties.** Subject to receipt of approval of this Agreement by BCUC as identified in section 4.3, each party represents and warrants to the other party that, as of the Effective Date:

- (a) it has the full right, power and authority to enter into this Agreement and all necessary corporate action has been taken to authorize and approve the execution and delivery of this Agreement and performance of obligations hereunder;
- (b) to the best of its knowledge, this Agreement and the performance of its obligations hereunder do not breach any provisions of any other agreement or law that is binding on or applicable to such party;
- (c) it is not party to any action, suit or legal proceeding, actual or threatened, and there are no circumstances, matters or things known to such party which might give rise to any such action, suit or legal proceeding, and there are no actions, suits or proceedings pending or threatened against such party before or by any

governmental authority, which could affect its ability to perform its obligations under this Agreement.

15. **General.**

15.1 **Costs.** Except as otherwise set out in this Agreement, each party will be responsible for the payment of its own costs related to performing its obligations under this Agreement.

15.2 **Survival.** The following sections shall survive the termination or expiration of this Agreement: Sections 10 [*Insurance, Liability, Indemnity*], 11 [*Environmental Provisions*], 13 [*Dispute Resolution*] and 15.7 [*Notice*].

15.3 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada. The parties hereby attorn to the jurisdiction of the courts of British Columbia and all courts competent to hear appeals therefrom.

15.4 **Compliance with Laws.** Each party covenants, as a material provision of this Agreement, it will comply with all codes, statutes, by-laws, regulations or other laws in force in British Columbia during the Term.

15.5 **Assignment.** Neither party shall assign its rights and obligations under this Agreement without the prior written consent of the other party, such consent not to be unreasonably withheld, delayed or conditioned. Despite the foregoing, FEI may assign the Agreement, or parts thereof, to any of its affiliates.

15.6 **No Joint Venture or Partnership.** Nothing contained in this Agreement shall be construed to place the parties in the role of partners or joint venturers or agents and no party shall have the power to obligate or bind any other party in any manner whatsoever.

15.7 **Notice.** Any notices or other communication required to be given or made pursuant to the Agreement shall, unless otherwise expressly provided herein, shall be in writing and shall be personally delivered to or sent by facsimile to either party at its address set forth below:

If to FEI:
FORTISBC ENERGY INC.
16705 Fraser Highway, Surrey, BC V4N 0E8

Attention:

Della Bond, CNG, LNG Sales Manager

Copy to: Della.bond@fortisbc.com

If to the Property Owner:

Kartar Investments Limited.
34374 Vye Rd, Abbotsford, B.C. V3G 1Z4

Attention: Brij Paul Dhaliwal, President & CEO

15.8 **Schedules.** The schedules attached to this agreement are an integral part of this Agreement and are hereby incorporated into this Agreement as a part thereof.

- 15.9 **Amendments to be in writing.** Except as set out in this Agreement, no amendment or variation of the Agreement shall be effective or binding upon the parties unless such amendment or variation is set forth in writing and duly executed by the parties.
- 15.10 **Waiver.** No party is bound by any waiver of any provision of this Agreement unless such waiver is consented to in writing by that party. No waiver of any provisions of this Agreement constitutes a waiver of any other provision, nor does any waiver constitute a continuing waiver unless otherwise provided.
- 15.11 **Enurement.** This Agreement enures to the benefit of and is binding on the parties and their respective successors and permitted assigns.
- 15.12 **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination does not impair or affect the validity, legality or enforceability of any other provision of this Agreement.
- 15.13 **Further Assurances.** The parties shall sign such further and other documents and do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable to give full effect to this Agreement.
- 15.14 **Remedies Cumulative.** All rights and remedies of each party under this Agreement are cumulative and may be exercised at any time and from time to time, independently and in combination.
- 15.15 **Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no conditions, covenants, representations, warranties or other provisions, whether express or implied, collateral, statutory or otherwise, relating to the subject matter of this Agreement except as provided in this Agreement.
- 15.16 **Time of the Essence.** Time is of the essence of this Agreement.

15.17 **Execution.** This Agreement may be executed in counterparts, each of which shall be deemed as an original, but all of which shall constitute one and the same instrument. Delivery of an executed counterpart of this Agreement by facsimile or electronic transmission hereof shall be as effective as delivery of an originally executed counterpart hereof.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

FORTISBC ENERGY INC.

by its authorized signatory(ies):

KARTAR INVESTMENTS LIMITED

by its authorized signatory(ies):

_____ 

_____ 

Schedules attached:

Schedule A – Fueling Site Drawing

Schedule A-Fueling Station Drawing



16705 Fraser Highway
Surrey, BC V4N 0E8
www.fortisbc.com

March 30, 2021

Kartar Investments Ltd.
755 Belgrave Way,
Delta, BC
V3M 5R8

Attention: Paul Dhaliwal

Dear Paul

Re: Property Access and Use Agreement (Fuelling Equipment – Host Agreement)

Pursuant to the Property Access and Use Agreement signed, between FortisBC Energy Inc and Kartar Investments LTD., (the "Property Access and Use Agreement"), the parties both agree to extend the Conditions Precedent deadline of BCUC approval allowed by section 1.1(a).

The parties hereby agree to extend the deadline of the Conditions Precedent as described in section 1.1(a) of the Property Access and Use Agreement, that is currently set for no later than March 31, 2021, and will now seek necessary approvals by no later than December 31st, 2021.

Please execute this letter below and return a copy to me acknowledging you agree and consent to the extension of the deadline of the Conditions Precedent to December 31st, 2021.

If you have any questions, please send an email to: Della.Bond@fortisBC.com or call 604-317-8984.

Sincerely,

<p>FortisBC Energy Inc. by its authorized signatory(ies):</p>  <hr/> <p><u>Sarah Smith</u> Name (print)</p> <p><u>Director, Low Carbon Transportation & LNG Business Growth</u> Title</p> <p><u>FortisBC Energy Inc.</u> Company</p>	<p>Kartar Investments Ltd. by its authorized signatory(ies):</p>  <hr/> <p><u>PAUL DHALI WAL</u> Name (print)</p> <p><u>PRES.</u> Title</p> <p><u>KARTAR INVESTMENTS LTD.</u> Company</p>
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**AMENDING AGREEMENT TO PROPERTY ACCESS AND USE AGREEMENT
(Amending Agreement #1)**

THIS AMENDING AGREEMENT #1 is made effective as at April 19th, 2021 (the "Effective Date")

BETWEEN:

KARTAR INVESTMENTS LIMITED, 34374 Vye Road, Abbotsford, B.C. V2S 7P6

(the "Property Owner")

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8

("FEI")

WHEREAS:

- A. The Property Owner and FEI entered into a Property Access and Use Agreement dated December 3, 2020 (the "Agreement"), where FEI desires to install and maintain Fueling Equipment on the Lands for the sale of the Fuel.
- B. The Property Owner agreed to grant a license to FEI for access over the Lands and use of a portion of the Lands for the installation and maintenance of the Fueling Equipment. The parties now wish to amend the Agreement to reflect a change (reduction) to the dimensions of the Fueling Site located on the Lands, as described in Schedule "A" of the Agreement.

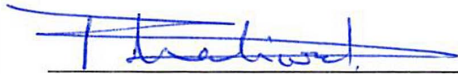
NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

- 1. Unless otherwise defined in this Amending Agreement #1, capitalized words and expressions shall have the same meanings as are assigned to them in the Agreement.
- 2. Subject to BCUC approval, the following amendments are made to the Agreement as of the Effective Date:
 - (a) Delete section 8.1 in its entirety and replace it with the following:

"8.1 **Land Use Fee.** In consideration for the access to and use of the Lands for the Approved Purpose, FEI agrees to pay to the Property Owner a monthly fee (the "Fee"), plus applicable taxes thereon, of \$2,955.25 per month commencing May 1st, 2021 and escalated annually on the anniversary of the In-Service Date by two (2%) percent."
 - (b) Delete Schedule "A" of the Agreement in its entirety and replace it with the attached Schedule "A" to this Amending Agreement #1.
- 3. This Amending Agreement #1 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party may deliver an executed copy of this Amending Agreement #1 in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement #1.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

KARTAR INVESTMENTS LIMITED,
by its authorized signatory:



Signature

Name: **BRIJ PAUL DHALIWAL**
Title: **PRESIDENT**

FORTISBC ENERGY INC.,
by its authorized signatory:



Signature

Name: Sarah Smith
Title: Director, Low Carbon
Transportation and LNG Business
Growth

SCHEDULE "A" –FUELING SITE



SITE LOCATION -
IMAGE DERIVED FROM
GOOGLE EARTH

GENERAL NOTES:

1. ALL DIMENSIONS IN METERS UNLESS OTHERWISE SPECIFIED.
2. ALL NEW INFRASTRUCTURE IS LOCATED OUTSIDE OF THE CITY OF ABBOTSFORD
DP - NATURAL ENVIRONMENT SETBACKS: SHOWN ARE THE OVERLAID 2 M AND 30
M SETBACK LINES, MEASURED FROM T.O.B., FOR THE TWO WATERCOURSES.

SITE DATA:

ZONING: (I2) - GENERAL INDUSTRIAL
MUNICIPAL ADDRESS: 34374 VYE ROAD, ABBOTSFORD, BC V2S 7P6

LEGAL DESCRIPTION: LOT 1 SECTION 3 TWP 16 NEW WESTMINSTER DISTRICT
PLAN BCP23909
AREA: 5476 m²
AREA LOST TO CNG DEVELOPMENT: 1575 m²

SETBACKS:

ALL CNG EQUIPMENT IS SETBACK FROM THE NEAREST PROPERTY LINE IN ACCORDANCE
WITH CSA B108 CNG REFUELLING STATIONS INSTALLATION CODE MINIMUM SETBACKS.

GAS DRYER: 3.05m
CNG COMPRESSOR: 3.05m
DISPENSER: 3.05m

APPLICABLE DESIGN CODES & STANDARDS:

THE CNG INSTALLATION CONFORMS TO THE FOLLOWING DESIGN CODES & STANDARDS.

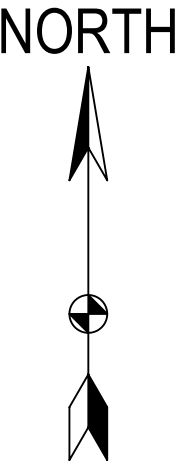
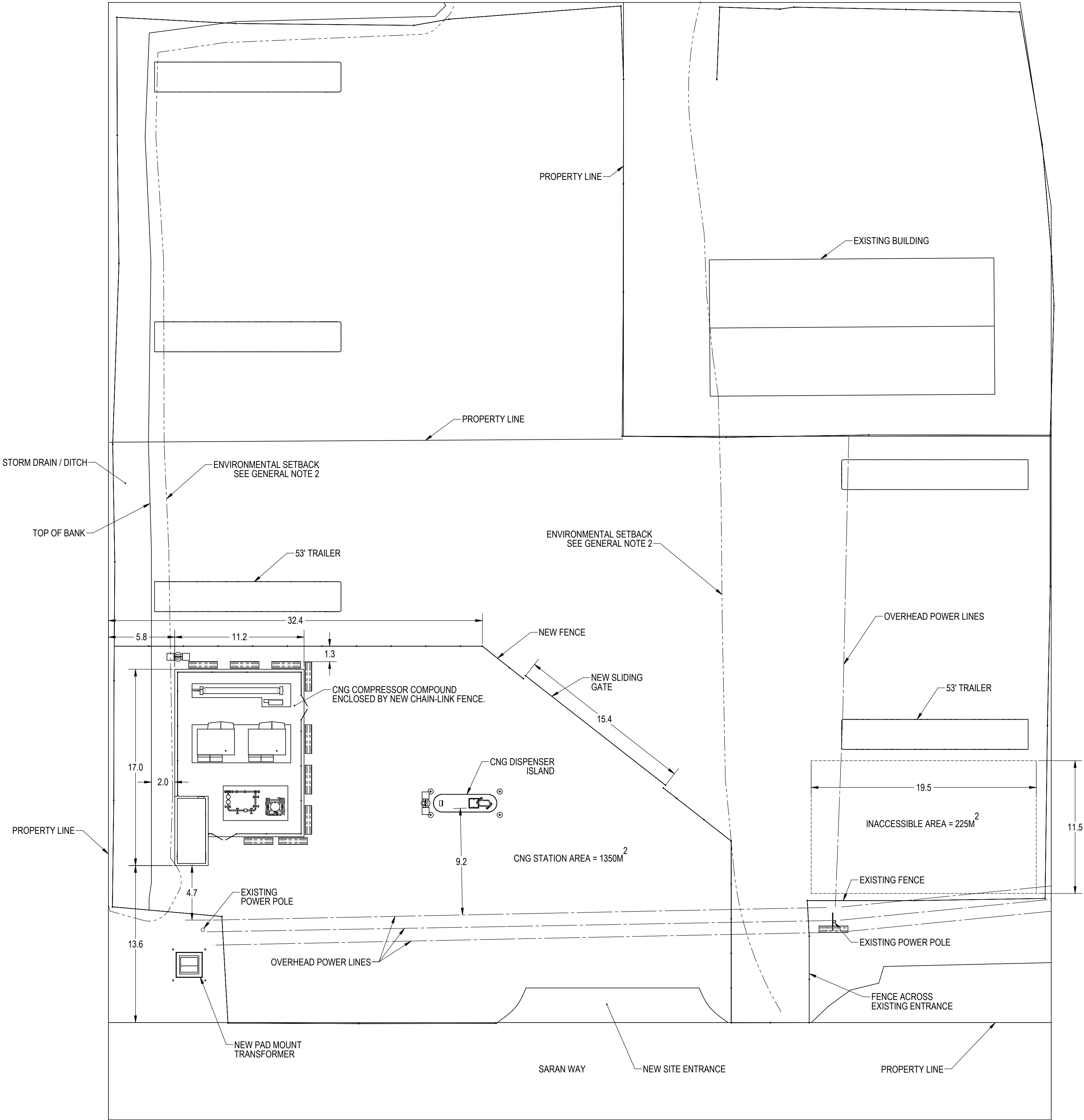
CSA-B108-18 PART 1: COMPRESSED NATURAL GAS REFUELLING STATIONS INSTALLATION
CODE

CSA B51-19: BOILER, PRESSURE VESSEL, AND PRESSURE PIPING CODE



CSA C22.1-18: CANADIAN ELECTRICAL CODE

PERMIT NOTES

1. NO BUILDINGS ARE CONSTRUCTED ON SITE AS PART OF THE CNG FUELLING
FACILITY.
2. CNG COMPRESSOR ENCLOSURE AND ELECTRICAL/MCC KIOSK ARE PRE-
FABRICATED SHEET METAL EQUIPMENT ENCLOSURES.



ISSUED FOR REVIEW
2021-03-18

<div></div> <div>A DIVISION OF JENMAR COMPRESSORS INC. LANGLEY, BC, CANADA</div>	JENMAR CONCEPTS	R0-C	SHIFTED FENCE AND GATE LOCATION	P. INEZA	T. MILLER	D.CURRIE	2021-01-19	<div></div>		ENGINEER SEAL	GFL ABBOTSFORD CNG STATION	
	JENMAR CONCEPTS	R0-D	ADJUSTED ENTRANCE LOCATION	P. INEZA	W. ASMARO	D.CURRIE	2021-02-16				PROPOSED SITE PLAN	
	JENMAR CONCEPTS	R0-E	REVISED FENCE AND EQUIPMENT COMPOUND	W.ASMARO	W.ASMARO	D. CURRIE	2021-03-11					
	JENMAR CONCEPTS	R0-F	UNUSABLE SPACE MODIFICATIONS	W.ASMARO	W.ASMARO	D.CURRIE	2021-03-18					
	BY	No.	REVISION	DRAWN	DESIGNED	CHECKED	DATE (YYYY-MM-DD)					
JENMAR PROJECT NUMBER: 10-226				PREVIOUS DR. NO: -			SCALE: 1:200				DRAWING NUMBER 10226-A1.1-R0-F	

Appendix B

**GFL ABBOTSFORD FUELING SERVICES AGREEMENT
AND
GFL ABBOTSFORD FUELING SERVICES AMENDING
AGREEMENT**



FUELING SERVICES AGREEMENT (VYE ROAD CNG- ABBOTSFORD)


PART I – BASIC TERMS

Customer							
Company name: GFL Environmental Inc.			Mailing/billing address: 8409 - 15 Street NW, Edmonton, AB, T6P 0B8				
Contact name and title: Tyler Stefure – Fleet Director, Western Canada			Telephone: 780-444-8805		Email: tstefure@gflenv.com		
Fueling Location							
34374 Vye Road, Abbotsford, BC V2S 7P6							
Term							
Commencement Date: October 1 st , 2021		Rate Change Date: (see section 4(b) of Part II) January 1 st 2022, with the first escalation starting on January 1, 2023		Initial Term: For a period of 10 years calculated starting from the Rate Change Date		Renewal: (see section 1(b) of Part II) No renewal	
Dispensing Rate							
\$/Gigajoule ("GJ"), as at the Commencement Date, subject to adjustment pursuant to sections 4(b) and (c) of Part II.							
Capital Rate	O & M Rate	Overhead Rate	Short Term Charge	Spot Charge	Host Fee	Total	
\$6.656	\$2.014	\$0.520	N/A	N/A	N/A	\$9.190	
Minimum Annual Quantity							
Starting on the Rate Change Date of each year, and escalated by the volume below, subject to adjustment pursuant to section 4(c) of Part II. 7,500 GJs (2022), 11,500 GJ's (2023) 15,500 GJ's (2024) and thereafter							
Supplemental Terms and Conditions							
<ol style="list-style-type: none">Additional Charges - The Dispensing Rate payable pursuant to this Agreement is in addition to any amounts payable by the Customer to FEI for the purchase of fuel and transportation services, if applicable, pursuant to FortisBC Rate Schedules as established or amended from time to time (the "Rate Schedules").Fueling Vehicles - Unless otherwise directed by FEI by written notice to the Customer, the dispensing of fuel into the Customer's vehicles shall be performed by the Customer.							

The Customer and FortisBC Energy Inc. ("FEI"), by signing this Agreement, accept and agree to be bound by the terms and conditions herein contained. This Agreement, including Part I and Part II, constitutes the entire agreement between the parties and supersedes all other agreements with respect to the services described herein. This Agreement will not come into effect and does not bind the parties until:

- FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI;
- FEI has entered into an agreement with the Host (as defined in Part II) with respect to the installation and operation of the Fueling Equipment at the Fueling Location and permitting access over its lands to enable access to and use of the Fueling Equipment, and that agreement has been approved by the BCUC;
- the Fueling Equipment has been installed at the Fueling Location and is operational as determined by FEI, in its sole discretion; and

If any of the conditions listed above ((a) through (c)) are not satisfied by the Commencement Date, at FEI's sole discretion, this Agreement will automatically terminate and neither party will have recourse against the other party due its termination.

CUSTOMER: GFL Environmental Inc		FORTISBC ENERGY INC.:	
	12.11.2021		Dec 14, 2020
Signature	Date	Signature	Date
Tyler Stefure	Fleet Director Western Canada	Sarah Smith	Director, NGT, RLNG & RG
Name	Title	Name	Title

PART II – BACKGROUND AND TERMS AND CONDITIONS

SECTION A – BACKGROUND AND INTERPRETATION

- A. Capitalized terms shall have the meanings ascribed to those terms as set out in Part I - Basic Terms and Part II – Background and Terms and Conditions.
- B. FEI, as at the Commencement Date, owns and operates fueling equipment at the Fueling Location from which it sells and distributes fuel (the “**Fueling Equipment**”).
- C. The Customer wishes to use the Fueling Equipment to fuel their vehicles.

SECTION B – TERMS AND CONDITIONS

1. TERM

- (a) *Initial Term* -The initial term of this Agreement will be for the period set out in Part I.
- (b) *Renewal* - *This Agreement automatically renews at the end of the Initial Term for the additional period(s) of time set out in Part I. The Customer may decide not to renew this Agreement by providing FEI with notice at least sixty (60) days prior to the expiry of the Initial Term.*

2. USE OF FUELING EQUIPMENT AND ACCESS TO PROPERTY

- (a) *Use of Fueling Equipment* – Provided the Customer is, at all times, in compliance with this Agreement, and unless otherwise provided herein, the Customer shall be entitled to access and use the Fueling Equipment to fuel vehicles.
- (b) *Training and Operation*- The Customer shall not permit any of its personnel to access the Fueling Location until such person has participated in and successfully completed the applicable orientation/training (including safety training) and, when required, refresher training, either directly from FEI or a supervisor/manager of the Customer approved by FEI or provided by any other party that is deemed satisfactory to FEI, on the use of the Fueling Equipment, in accordance with the manufacturer’s dispensing instructions, if applicable, all applicable laws, and the requirements of FEI, as established or amended from time to time. The Customer shall provide, and shall ensure each of its personnel accessing the Fueling Location and dispensing fuel from the Fueling Equipment, or using a Fueling Card, provides proof of orientation/training to FEI or the owner and/or occupier of the Fueling Location (the “**Host**”) upon request.
- (c) *Emergency Preparedness and Response* - The Customer will, when requested by FEI from time to time, participate in emergency preparedness and emergency response training exercises and initiatives.
- (d) *Access to Property* – The Customer shall only access those parts of the property on which the Fueling Equipment is located and designated for access to the Fueling Equipment and shall, at all times, comply with site safety instructions communicated by FEI or the Host and any on-site signage or instructions. The Customer is aware access to the Fueling Equipment may be detoured or made unavailable by the Host from time to time, and to the extent FEI has prior notice of such detour or lack of access, will advise the Customer accordingly.
- (e) *Fueling Cards* - To dispense fuel from the Fueling Equipment, the Customer shall use only those fueling cards or other tracking devices or systems issued or implemented by FEI to the Customer (the “**Fueling Cards**”). The Fueling Cards shall, at all times, be and remain the property of FEI. FEI may cancel or withdraw any Fueling Card at any time where the Customer or anyone using the Fueling Card fails to comply with the terms of this Agreement, including any on-site signage

or instructions. In such event, the Customer shall surrender the Fueling Cards to FEI on demand. Except to the extent prohibited by law, unless the Customer has notified FEI of any loss or theft, the Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions in respect of the use of any lost or stolen Fueling Card.

- (f) *Personal Identification Numbers* – Use of Fueling Cards shall be restricted through the use of personal identification numbers (“**PINs**”). The Customer shall not reveal its PINs to any person other than those authorized by the Customer to use the Fueling Cards. The Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions where the Customer has in any way compromised the security and confidentiality of its PIN.

3. SAFETY

- (a) *Responsibility for Safety* – The Customer is, at all times, responsible for the safety and protection of its employees, contractors, agents, representatives, subcontractors and any other person for whom the Customer is at law responsible (collectively, the “**Representatives**”) using the Fueling Equipment or otherwise accessing the property on which the Fueling Equipment is located.
- (b) *Covenant re: Training and Operation* – By issuing a Fueling Card to any person, the Customer covenants and agrees such person has successfully completed the applicable orientation and training and will continually access and use the Fueling Equipment in a safe manner. The Customer shall ensure, at all times, all safety requirements and on-site signage are adhered to strictly by its Representatives. Failure to do so constitutes a material breach of this Agreement. In addition to any remedies set out in section 6(a) or available at law, the Customer shall not permit any Representatives who have failed to adhere to the safety requirements and on-site signage from accessing the Fueling Equipment upon written request by FEI or the Host.

4. FEES, BILLING AND PAYMENT

- (a) *Dispensing Fees* – The Customer, in consideration of access to and use of the Fueling Equipment, shall pay to FEI the Dispensing Rate for each GJ of Fuel dispensed by or to the Customer from the Fueling Equipment, as measured by a meter located on the Fueling Equipment and attributable to the Customer through use of the Fueling Cards.
- (b) *Annual Rate Escalation* – On the Rate Change Date of each year:
 - (i) the Capital Rate will increase by 2%; and
 - (ii) the O & M Rate will increase by the percentage increase, if any, in the Consumer Price Index (published by Statistics Canada for the Province of British Columbia, all items, not seasonally adjusted) from the previous twelve-month period.

Change in Dispensing Rate

- (iii) If FEI upgrades or expands the Fueling Equipment to accommodate added demand for fueling services, FEI and the Customer agree to negotiate in good faith an adjustment to the Dispensing Rate and the Minimum Annual Quantity going forward, subject to BCUC approval.
- (iv) FortisBC may, in its discretion, provide temporary reductions to the Dispensing Rate from time to time if the aggregate volume of fuel dispensed from the Fueling Equipment to all customers of FEI using the Fueling Equipment who have entered into a fueling agreement with FEI (save and except customers using the Fueling Equipment on a spot basis) materially exceeds the aggregate contracted demand for Fuel for such customers.

- (c) *Minimum Guarantee* - The Customer acknowledges the Dispensing Rate has been calculated by FEI having regard to, among other things, the Customer's estimated fuel demand profile and the number of vehicles to be served by the Fueling Equipment, and accordingly, the Customer agrees to pay a minimum annual charge (the "**Minimum Guarantee**") calculated by multiplying the Dispensing Rate by the Minimum Annual Quantity shown in Part I for each Service Year (pro-rated for part years); where a "**Service Year**" means the twelve month period of the Term calculated from the Rate Change Date or the anniversary thereof, provided that the first Service Year shall commence on the Commencement Date and end the first Rate Change Date.
- (d) *Billing and Payment* - Bills will be rendered by FEI monthly and payable by the Customer, without deduction or set-off, within thirty (30) days following the billing date.
- (e) *Payment of Minimum Guarantee* – Where the annual amount billed to the Customer is less than the Minimum Annual Guarantee, the shortfall will be added to the next bill.
- (f) *Taxes* - Any applicable taxes will be added to all rates and charges on each bill.
- (g) *Late Payments* - Overdue payments shall be subject to a late payment charge of 1.5% per month (19.56% per annum).
- (h) *Verification* - The Customer must report any billing errors promptly to FEI. Statements shall be final and binding unless questioned by the Customer within one year after its billing date. The Customer shall have the right to review meter data and other relevant records to verify statements. Such review shall be conducted at the Customer's expense unless such review discloses errors in the amount of fuel dispensed which exceed two percent (2%).

5. LIABILITY, RELEASE, DISCLAIMER, INSURANCE AND ENVIRONMENTAL COMPLIANCE

- (a) *Liability* - The Customer is responsible for, and shall indemnify and save harmless each of FEI and the Host from all expenses, claims and liability incurred by FEI or the Host, as applicable, with respect to the access to and use of the Fueling Location and the Fueling Equipment by the Customer's personnel, including any damage to the Fueling Equipment occasioned by its use.
- (b) *Release* - The Customer, on its own behalf and on behalf of its Representatives, hereby releases, defends, indemnifies and holds harmless FEI and the Host, and their respective directors, officers, employees, agents, contractors, successors and assigns, from and against any and all adverse claims, losses, suits, actions, judgments, demands, debts, accounts, damages, costs, penalties and expenses (including all legal fees and disbursements) arising from or incurred by or suffered as a result of the Customer's presence at the Fueling Location or while using the Fueling Equipment, howsoever caused, save and except from any negligent act or omission of FEI.
- (c) *No Warranty and Disclaimer* – The Customer acknowledges and agrees:
 - (i) Suitability of Fueling Equipment - FEI does not represent or warrant the adequacy or suitability of the Fueling Equipment for the Customer's purpose and all express or implied warranties, terms or conditions of merchantability or fitness for a particular purpose, whether existing at law or in equity, are expressly disclaimed by FEI.
 - (ii) Limitations on Use - The Customer acknowledges and is aware the fuel supply may be temporarily suspended or unavailable from time to time, including as a result of equipment breakdown, to make repairs or improvements to the Fueling Equipment or to comply with the requirements of any law. FEI will, regardless of the cause of fuel suspension or equipment breakdown and whenever practicable, give prior notice to the Customer of such suspension, will diligently undertake required repairs to minimize Fueling Equipment down-time and will use commercially reasonable efforts to provide the Customer with the right to access substituted fueling equipment on an interim basis

for the duration of fuel supply suspension or equipment breakdown. If the supply of fuel from the Fueling Equipment is interrupted or curtailed and FEI is unable to provide an interim dispensing location, the Customer may temporarily utilize another source of Fuel until FEI is able to resume supply and, if applicable, the amount of such third party fuel will be taken into account when calculating any Minimum Guarantee payable for such year.

- (d) *Limitation of Liability* – Neither party shall be liable to the other party for any indirect, punitive, exemplary, incidental, aggravated, punitive or consequential damages of any kind regardless of the form of action whether in contract, tort, strict product liability, breach of warranty, breach of representation, misrepresentation, statutory duty, or any other legal or equitable theory, even if such party has been advised of the possibility of such damages. This provision shall not apply to third party claims or to any claim by FEI for loss of profit, use or interruption of business.
- (e) *Insurance* - The Customer shall obtain and maintain the following insurance coverage and provide proof of coverage to FEI:
 - (i) Workers' Compensation Insurance in accordance with the statutory requirements;
 - (ii) Automobile Liability Insurance with a limit of not less than \$5,000,000 per occurrence in respect of bodily injury, death and property damage;
 - (iii) Comprehensive General Liability Insurance from insurers registered in and licensed to underwrite insurance in British Columbia for bodily injury, death and property damage in the amount of \$5,000,000 per occurrence naming FEI as an additional insured with respect to this Agreement and providing that the insurance shall not be cancelled or reduced without the customer using commercially reasonable efforts to provide at least 30 calendar days' written notice to FEI; and
 - (iv) Such other insurance as reasonably required by FEI from time to time.
- (f) *Environmental Compliance* - The Customer acknowledges and agrees the Customer has environmental responsibilities arising from the Customer's use of the Fueling Equipment pursuant to environmental laws and regulations, including related spills, and is required to comply with the requirements of FEI as they relate to environmental management, compliance and reporting, copies of which requirements will be provided by FEI to the Customer from time to time. The Customer covenants and agrees to co-operate with FEI in coordinating, establishing, implementing and verifying processes and procedures to manage and address environmental impacts and ensure compliance with environmental laws and regulations.

6. DEFAULT AND TERMINATION

- (a) *Default*- If the Customer, or any person using the Fueling Cards, is unable, refuses or fails to produce proof of training upon request by FEI, or the Customer is otherwise in default of this Agreement, FEI may terminate this Agreement, or de-activate the applicable Fueling Cards, temporarily or permanently, without prior notice to the Customer and without any liability to FEI as a result thereof.
- (b) *Termination of Property Agreement /Transfer of Equipment* - In addition to any other termination provisions contained herein, this Agreement will terminate concurrent with the termination of the property agreement between FEI and the Host or the sale or transfer of the Fueling Equipment to a third party, at no cost or liability accruing to FEI as a result of such termination, provided that, in such event, FEI will use reasonable efforts to secure an alternate fueling location and/or alternate Fueling Equipment for the Customer.

- (c) *Surrender of Fueling Cards* – Upon termination of this Agreement, all Fueling Cards issued under this Agreement will immediately cease to be valid and the Customer shall surrender the Fueling Cards to FEI upon demand.
- (d) *Effect of Termination* – If, prior to the expiry of the Initial Term, this Agreement is terminated by the Customer for any reason or by FEI pursuant to section 6(a), in addition to any other amounts due and owing by the Customer to FEI and despite any other remedies available at law or in equity, the Customer shall pay to FEI, within 30 days of billing, the Dispensing Rate (as escalated annually) calculated on the Minimum Annual Quantity to the end of the Initial Term.
- (e) *Survival* - Upon expiry or early termination of this Agreement, all claims, causes of action or other outstanding obligations remaining or being unfulfilled as of the expiry or termination date and all of the provisions of this Agreement relating to the obligation or either the parties to account to or indemnify the other and to pay to the other any amounts owing as at the date of expiry or termination in connection with this Agreement will survive such expiry or termination.
- (f) *Effect of Termination on Other Agreements* – The expiration or termination of this Agreement does not affect or result in the expiry or termination of any other agreements made between FEI and the Customer, including any fuel purchase agreements or transportation agreements.

7. MISCELLANEOUS

- (a) *Amendments* - Except as set out in this Agreement, no amendment or variation of this Agreement shall be effective or binding unless in writing and signed by the parties and, where applicable, upon receipt of BCUC approval.
- (b) *Further Assurances* - The Customer will execute and deliver any further agreement, document or instrument and do and perform any further act or thing as may be reasonably required by FEI from time to time to evidence or give full force and effect to the terms, conditions and intent of this Agreement.
- (c) *Governing Law* - This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada. The parties hereby attorn to the jurisdiction of the courts of British Columbia and all courts competent to hear appeals therefrom.
- (d) *Assignment* - FEI may assign, transfer or sell its right, title and interest in this Agreement, to any Affiliate, as that term is defined in the *Business Corporation Act*, S.B.C. 2002, c.57.
- (e) *Waiver* - FEI is not bound by any waiver of any provision of this Agreement unless it consents to such waiver in writing. No waiver of any provision of this Agreement constitutes a waiver of any other provision, nor does any waiver constitute a continuing waiver unless otherwise provided.
- (f) *Severability* - If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination does not impair or affect the validity, legality or enforceability of any other provision of this Agreement.
- (g) *Time of the Essence* - Time is of the essence of this Agreement.

END OF DOCUMENT

AMENDING AGREEMENT TO CNG FUELING SERVICES AGREEMENT (VYE ROAD CNG – ABBOTSFORD)
(Amending Agreement #1)

TS SDS
September
THIS AMENDING AGREEMENT #1 is made effective as at ~~October~~ 22nd, 2021 (the “Effective Date”).

BETWEEN:

GFL ENVIRONMENTAL INC., 8409 – 15 Street NW, Edmonton, AB T6P 0B8.

(the “Customer”)

AND:

FORTISBC ENERGY INC. (“FEI”), 16705 Fraser Highway, Surrey, BC V4N 0E8

(“FEI”)

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement dated December 14th, 2020 (the "Original Agreement"), for the dispensing of fuel located at 34374 Vye Road, Abbotsford, BC (Fueling Location).
- B. The parties desire to postpone the Commencement Date originally set for October 1, 2021 and to amend certain condition precedent language as described herein.

NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

1. Unless otherwise defined in this Amending Agreement #1, capitalized words and expressions shall have the same meanings as are assigned to them in the Original Agreement.
2. As of the Effective Date, and subject to BCUC approval, the following amendments are made to the Original Agreement:
 - (a) Delete the October 1, 2021 Commencement Date in Part 1 (Term) and replace it with November 15, 2021; and
 - (b) Delete the following paragraph found in Part 1 of the Original Agreement:

“If any of the conditions listed above ((a) through (c)) are not satisfied by the Commencement Date, at FEI’s sole discretion, this Agreement will automatically terminate and neither party will have recourse against the other party due its termination.”

And replace it with the following:

“If the condition(s) listed above ((a) through (c)) is/are not satisfied or waived by FEI by the Commencement Date, or such later date agreed to by both parties in writing, FEI may terminate this Agreement, at its sole discretion and neither party will have recourse against the other party due its termination nor will either party have any further rights or obligations under this Agreement. “

3. The Original Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement #1, will be read and interpreted as one agreement.
4. This Amending Agreement #1 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party may deliver an executed copy of this Amending Agreement #1 in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

GFL ENVIRONMENTAL INC.

by its authorized signatory:

Signature

Name: Tyler Stefure

Title: Fleet Director

FORTISBC ENERGY INC.,

by its authorized signatory:

Signature

Name: Sarah Smith

Title: Director, Low Carbon Transportation and LNG
Business Growth

Appendix C

LIVE FINANCIAL MODEL

REFER TO LIVE SPREADSHEET MODEL

Provided in electronic format only

FILED CONFIDENTIALLY

Appendix D

FINANCIAL SCHEDULES

FortisBC Energy Inc.

GFL - Abbotsford

August 2021

GFL - Abbotsford: Revenue Requirement

Schedule 1

(\$000's), unless otherwise stated

Line	Particulars	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
1	Revenue Requirement																					
2	Operation and Maintenance	Schedule 2, Line 18	25	39	54	55	56	57	59	60	61	62	63	65	66	67	69	70	71	73	74	76
3	Lease Costs		59	36	37	38	38	39	40	41	42	42	43	44	45	46	47	48	49	50	51	52
4	Property Taxes	Schedule 2, Line 23	7	7	7	7	7	8	8	8	8	8	8	9	9	9	9	9	9	10	10	10
5	Depreciation Expense	Schedule 8, Line 13 + Line 30	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63
6	Amortization Expense	Schedule 9, Line 38	1	1	1	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	-	-
7	Other Revenue	Schedule 2, Line 19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Income Taxes	Schedule 3, Line 20	(71)	(14)	(5)	2	7	12	15	18	19	21	21	22	22	23	23	22	22	22	21	21
9	Earned Return	Schedule 5, Line 23	77	73	69	65	61	57	53	49	45	41	37	33	30	26	22	18	14	10	6	2
10																						
11	Annual Revenue Requirement	Sum of Lines 2 through 9	160	205	225	230	234	236	238	239	239	238	237	236	234	233	232	230	228	227	225	223
12																						
13	Calendar Year = Contract Year																					

FortisBC Energy Inc.
GFL - Abbotsford
August 2021

GFL - Abbotsford: O&M, Other Revenue and Property Tax

Schedule 2

(\$000's), unless otherwise stated

Line	Particulars	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
1	Gross O&M																					
2	Labour Costs		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Vehicle Costs		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Employee Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Materials & Supplies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Computer Costs		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Facilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Contractor Costs		16	25	34	35	35	36	37	37	38	39	40	40	41	42	43	44	45	46	46	47
9	Electricity		9	15	20	21	21	22	22	22	23	23	24	24	25	25	26	26	27	27	28	28
10	Recoveries & Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11																						
12	Non-Labour Costs		25	39	54	55	56	57	59	60	61	62	63	65	66	67	69	70	71	73	74	76
13																						
14	Total Gross O&M Expenses		25	39	54	55	56	57	59	60	61	62	63	65	66	67	69	70	71	73	74	76
15																						
16	(Less): Capitalized Overhead		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Add (Less): Adjustment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Net O&M		25	39	54	55	56	57	59	60	61	62	63	65	66	67	69	70	71	73	74	76
19																						
20	Property Taxes																					
21	General, School and Other		7	7	7	7	7	8	8	8	8	8	8	9	9	9	9	9	9	10	10	10
22	1% in Lieu of General Municipal Tax ¹	Schedule 10, Line 57/1000 x 1%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Property Taxes		7	7	7	7	7	8	8	8	8	8	8	9	9	9	9	9	9	10	10	10
24																						
25	1 - Calculation is based on the second preceeding year; ex., 2023 is based on 2021 revenue																					

FortisBC Energy Inc.
GFL - Abbotsford
August 2021

GFL - Abbotsford: Income Tax Expense
Schedule 3
(\$000's), unless otherwise stated

Line	Particulars	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
1	Income Tax Expense																					
2																						
3	Earned Return	Schedule 5, Line 23	77	73	69	65	61	57	53	49	45	41	37	33	30	26	22	18	14	10	6	2
4	Deduct: Interest on debt	Schedule 5, Line 22	(35)	(34)	(32)	(30)	(28)	(26)	(25)	(23)	(21)	(19)	(17)	(15)	(14)	(12)	(10)	(8)	(6)	(5)	(3)	(1)
5	Add (Deduct): Amortization Expense	Schedule 9, Line 38	1	1	1	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	-	-
6	Add: Depreciation Expense	Schedule 8, Line 13 + Line 30	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63
7	Add: Removal Cost Provision		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Deduct: Overhead Capitalized Expensed for Tax Purposes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Deduct Removal Costs		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Deduct: Capital Cost Allowance	Schedule 4, Line 22	(298)	(141)	(115)	(93)	(76)	(62)	(51)	(42)	(35)	(29)	(25)	(21)	(18)	(15)	(13)	(12)	(10)	(9)	(8)	(7)
11	Taxable Income After Tax	Sum of Lines 3 through 10	(193)	(39)	(14)	5	20	32	41	48	53	56	58	60	61	61	61	61	60	59	58	57
12																						
13	Income Tax Rate		27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%
14	1 - Current Income Tax Rate	1 - Line 13	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%
15																						
16	Taxable Income	Line 11 / Line 14	(264)	(53)	(19)	7	28	44	56	65	72	77	80	82	83	84	84	83	82	81	79	77
17																						
18	Total Income Tax Expense	Line 16 x Line 13	(71)	(14)	(5)	2	7	12	15	18	19	21	21	22	22	23	23	22	22	22	21	21
19	Adjustments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Net Tax Expense	Line 18 + Line 19	(71)	(14)	(5)	2	7	12	15	18	19	21	21	22	22	23	23	22	22	22	21	21

FortisBC Energy Inc.

GFL - Abbotsford

August 2021

GFL - Abbotsford: Capital Cost Allowance

Schedule 4

(\$000's), unless otherwise stated

Line	Particulars	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
1	CNG Dispensing Equipment (hoses and fill posts)																					
2	Opening Balance	Preceding Year, Line 5	-	633	506	405	324	259	207	166	133	106	85	68	54	43	35	28	22	18	14	11
3	Additions	Schedule 7, Line 10 - AFUDC	904	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	CCA	[Line 2 + (Line 3 x AF)] x CCA Rate; See Note 1	(271)	(127)	(101)	(81)	(65)	(52)	(41)	(33)	(27)	(21)	(17)	(14)	(11)	(9)	(7)	(6)	(4)	(4)	(3)	(2)
5	Closing Balance	Sum of Lines 2 through 4	633	506	405	324	259	207	166	133	106	85	68	54	43	35	28	22	18	14	11	9
6																						
7	CNG Foundations																					
8	Opening Balance	Preceding Year, Line 11	-	257	247	237	227	218	210	201	193	185	178	171	164	157	151	145	139	134	128	123
9	Additions	Schedule 7, Line 11 - AFUDC	273	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	CCA	[Line 8 + (Line 9 x AF)] x CCA Rate; See Note 1	(16)	(10)	(10)	(9)	(9)	(9)	(8)	(8)	(8)	(7)	(7)	(7)	(7)	(6)	(6)	(6)	(6)	(5)	(5)	(5)
11	Closing Balance	Sum of Lines 8 through 10	257	247	237	227	218	210	201	193	185	178	171	164	157	151	145	139	134	128	123	118
12																						
13	CNG Dehydrator																					
14	Opening Balance	Preceding Year, Line 17	-	23	18	15	12	9	8	6	5	4	3	2	2	2	1	1	1	1	1	0
15	Additions	Schedule 7, Line 12 - AFUDC	33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	CCA	[Line 14 + (Line 15 x AF)] x CCA Rate; See Note 1	(10)	(5)	(4)	(3)	(2)	(2)	(2)	(1)	(1)	(1)	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
17	Closing Balance	Sum of Lines 14 through 16	23	18	15	12	9	8	6	5	4	3	2	2	2	1	1	1	1	1	0	0
18																						
19	Total CCA																					
20	Opening Balance	Preceding Year, Line 23	-	913	771	657	563	487	424	373	331	295	266	241	220	203	187	174	162	152	143	135
21	Additions	²	1,210	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	CCA	³	(298)	(141)	(115)	(93)	(76)	(62)	(51)	(42)	(35)	(29)	(25)	(21)	(18)	(15)	(13)	(12)	(10)	(9)	(8)	(7)
23	Closing Balance	Sum of Lines 20 through 22	913	771	657	563	487	424	373	331	295	266	241	220	203	187	174	162	152	143	135	128
24	1 - AF = Acceleration Factor; AF = 1.5 from 2022 to 2023, AF = 1.0 from 2024 to 2027; AF = 0.5 from 2028 onward																					
25	2 - Schedule 4, Sum of detailed Additions lines																					

FortisBC Energy Inc.

GFL - Abbotsford

August 2021

GFL - Abbotsford: Rate Base

Schedule 5

(\$000's), unless otherwise stated

Line	Particulars	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
1	Rate Base																					
2	Gross Plant In Service- Beginning	Schedule 7, Line 7	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121
3	Gross Plant In Service- Ending	Schedule 7, Line 25	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121
4																						
5	Accumulated Depreciation- Beginning	Schedule 8, Line 7	-	(106)	(212)	(318)	(424)	(530)	(636)	(742)	(849)	(955)	(1,061)	(1,167)	(1,273)	(1,379)	(1,485)	(1,591)	(1,697)	(1,803)	(1,909)	(2,015)
6	Accumulated Depreciation- Ending	Schedule 8, Line 25	(106)	(212)	(318)	(424)	(530)	(636)	(742)	(849)	(955)	(1,061)	(1,167)	(1,273)	(1,379)	(1,485)	(1,591)	(1,697)	(1,803)	(1,909)	(2,015)	(2,121)
7																						
8	Contributions in Aid of Construction- Beginning	Schedule 7, Line 29	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)
9	Contributions in Aid of Construction- Ending	Schedule 7, Line 32	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)
10																						
11	Accumulated Amortization- Beginning	Schedule 8, Line 29	-	43	87	130	174	217	260	304	347	391	434	477	521	564	608	651	694	738	781	825
12	Accumulated Amortization- Ending	Schedule 8, Line 32	43	87	130	174	217	260	304	347	391	434	477	521	564	608	651	694	738	781	825	868
13																						
14	Net Plant in Service, Mid-Year	Sum (Lines 2 through 12)/2	1,222	1,159	1,097	1,034	971	909	846	783	721	658	595	533	470	407	345	282	219	157	94	31
15																						
16	Unamortized Deferred Charges, Mid-Year	Schedule 9, Line 41	3	6	5	5	4	3	3	2	1	0	-	-	-	-	-	-	-	-	-	-
17	Cash Working Capital	¹	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
18	Total Rate Base	Sum of Lines 14 through 17	1,229	1,169	1,105	1,042	979	915	852	789	725	662	599	536	473	411	348	285	223	160	97	35
19																						
20	Return on Rate Base																					
21	Equity Return	Line 18 x ROE x Equity %	41	39	37	35	33	31	29	27	24	22	20	18	16	14	12	10	8	5	3	1
22	Debt Component	²	35	34	32	30	28	26	25	23	21	19	17	15	14	12	10	8	6	5	3	1
23	Total Earned Return	Line 21 + Line 22	77	73	69	65	61	57	53	49	45	41	37	33	30	26	22	18	14	10	6	2
24	Return on Rate Base %	Line 23 / Line 18	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
25																						
26	1 - Schedule 7, Line 25 x FEI CWC/Closing GPIS %																					
27	2 - Line 18 x (LTD Rate x LTD% + STD Rate x STD %)																					

FortisBC Energy Inc.

GFL - Abbotsford

August 2021

GFL - Abbotsford: Capital Spending

Schedule 6

(\$000's), unless otherwise stated

Line	Particulars	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
1	Capital Spending Prior to 2021																					
2	CNG Dispensing Equipment (hoses and fill posts)		1,552																			
3	CNG Foundations		470																			
4	CNG Dehydrator		57																			
5	Total Capital Spending Prior to 2021	Sum of Lines 2 through 4	2,078																			
6																						
7	AFUDC Prior to 2021																					
8	CNG Dispensing Equipment (hoses and fill posts)		32																			
9	CNG Foundations		10																			
10	CNG Dehydrator		1																			
11	Total AFUDC Prior to 2021	Sum of Lines 8 through 10	43																			
12																						
13	Capital Spending 2021 Onwards																					
14	CNG Dispensing Equipment (hoses and fill posts)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	CNG Foundations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	CNG Dehydrator		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Total Capital Spending 2021 Onwards	Sum of Lines 14 through 16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18																						
19	Total Capital Spending ¹	Line 5 + Line 17	2,078	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Total AFUDC	Line 11 + Line 18	43	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Total Annual Capital Spending and AFUDC	Line 19 + Line 20	2,121	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22																						
23	Contributions in Aid of Construction		(868)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Removal Costs		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Net Annual Project Costs- Capital	Line 21 + 23 + 24	1,253	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26																						
27	Total Project Costs- Capital Spending and AFUDC	Sum of Line 21	2,121																			
28	Total Net Project Costs- including CIAC & Removal Costs	Sum of Line 25	1,253																			
29																						
30	1 - Excluding capitalized overhead; First year of analysis includes all prior year spending																					

FortisBC Energy Inc.
GFL - Abbotsford
August 2021

GFL - Abbotsford: Gross Plant in Service & Contributions in Aid of Construction
Schedule 7
(\$000's), unless otherwise stated

Line	Particulars	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
1	Gross Plant in Service																					
2																						
3	Gross Plant in Service, Beginning																					
4	CNG Dispensing Equipment (hoses and fill posts)	Preceding Year, Line 22	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584
5	CNG Foundations	Preceding Year, Line 23	479	479	479	479	479	479	479	479	479	479	479	479	479	479	479	479	479	479	479	479
6	CNG Dehydrator	Preceding Year, Line 24	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58
7	Total Gross Plant in Service, Beginning	Sum of Lines 4 through 6	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121
8																						
9	Gross Plant in Service, Additions																					
10	CNG Dispensing Equipment (hoses and fill posts)	Schedule 6, Lines 2 + 8 + 14 + 18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	CNG Foundations	Schedule 6, Lines 3 + 9 + 15 + 18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	CNG Dehydrator	Schedule 6, Lines 4 + 10 + 16 + 18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Total Gross Plant in Service, Additions	Sum of Lines 10 through 12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14																						
15	Gross Plant in Service, Retirements																					
16	CNG Dispensing Equipment (hoses and fill posts)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	CNG Foundations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	CNG Dehydrator		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Total Gross Plant in Service, Retirements	Sum of Lines 16 through 18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20																						
21	Gross Plant in Service, Ending																					
22	CNG Dispensing Equipment (hoses and fill posts)	Line 4 + Line 10 + Line 16	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584	1,584
23	CNG Foundations	Line 5 + Line 11 + Line 17	479	479	479	479	479	479	479	479	479	479	479	479	479	479	479	479	479	479	479	479
24	CNG Dehydrator	Line 6 + Line 12 + Line 18	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58
25	Total Gross Plant in Service, Ending	Sum of Lines 22 through 24	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121
26																						
27																						
28	Contributions in Aid of Construction (CIAC)																					
29	CIAC, Beginning		(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)
30	Additions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Retirements		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	CIAC, Ending	Sum of Lines 29 through 31	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)

FortisBC Energy Inc.
GFL - Abbotsford
August 2021

GFL - Abbotsford: Accumulated Depreciation & Amortization
Schedule 8
(5000's), unless otherwise stated

Line	Particulars	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
1	Accumulated Depreciation																					
2																						
3	Accumulated Depreciation, Beginning																					
4	CNG Dispensing Equipment (hoses and fill posts)	Preceding Year, Line 22	-	(79)	(158)	(238)	(317)	(396)	(475)	(555)	(634)	(713)	(792)	(871)	(951)	(1,030)	(1,109)	(1,188)	(1,267)	(1,347)	(1,426)	(1,505)
5	CNG Foundations	Preceding Year, Line 23	-	(24)	(48)	(72)	(96)	(120)	(144)	(168)	(192)	(216)	(240)	(264)	(288)	(311)	(335)	(359)	(383)	(407)	(431)	(455)
6	CNG Dehydrator	Preceding Year, Line 24	-	(3)	(6)	(9)	(12)	(14)	(17)	(20)	(23)	(26)	(29)	(32)	(35)	(38)	(40)	(43)	(46)	(49)	(52)	(55)
7	Total Accumulated Depreciation, Beginning	Sum of Lines 4 through 6	-	(106)	(212)	(318)	(424)	(530)	(636)	(742)	(849)	(955)	(1,061)	(1,167)	(1,273)	(1,379)	(1,485)	(1,591)	(1,697)	(1,803)	(1,909)	(2,015)
8																						
9	Accumulated Depreciation, Depreciation Expense ¹																					
10	CNG Dispensing Equipment (hoses and fill posts)@ 5%	Schedule 7, Line 4 & Line 10	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)
11	CNG Foundations@ 5%	Schedule 7, Line 5 & Line 11	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)
12	CNG Dehydrator@ 5%	Schedule 7, Line 6 & Line 12	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
13	Total Accumulated Depreciation, Depreciation Expense	Sum of Lines 10 through 12	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)
14																						
15	Accumulated Depreciation, Retirements																					
16	CNG Dispensing Equipment (hoses and fill posts)	Schedule 7, Line 16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	CNG Foundations	Schedule 7, Line 17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	CNG Dehydrator	Schedule 7, Line 18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Total Accumulated Depreciation, Retirements	Sum of Lines 16 through 18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20																						
21	Accumulated Depreciation, Ending																					
22	CNG Dispensing Equipment (hoses and fill posts)	Line 4 + Line 10 + Line 16	(79)	(158)	(238)	(317)	(396)	(475)	(555)	(634)	(713)	(792)	(871)	(951)	(1,030)	(1,109)	(1,188)	(1,267)	(1,347)	(1,426)	(1,505)	(1,584)
23	CNG Foundations	Line 5 + Line 11 + Line 17	(24)	(48)	(72)	(96)	(120)	(144)	(168)	(192)	(216)	(240)	(264)	(288)	(311)	(335)	(359)	(383)	(407)	(431)	(455)	(479)
24	CNG Dehydrator	Line 6 + Line 12 + Line 18	(3)	(6)	(9)	(12)	(14)	(17)	(20)	(23)	(26)	(29)	(32)	(35)	(38)	(40)	(43)	(46)	(49)	(52)	(55)	(58)
25	Total Accumulated Depreciation, Ending	Sum of Lines 22 through 24	(106)	(212)	(318)	(424)	(530)	(636)	(742)	(849)	(955)	(1,061)	(1,167)	(1,273)	(1,379)	(1,485)	(1,591)	(1,697)	(1,803)	(1,909)	(2,015)	(2,121)
26																						
27																						
28	Accumulated Amortization of Contributions in Aid of Construction (CIAC)																					
29	Accumulated Amortization CIAC, Beginning		-	43	87	130	174	217	260	304	347	391	434	477	521	564	608	651	694	738	781	825
30	Amortization	¹	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43
31	Retirements		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Accumulated Amortization CIAC, Ending	Sum of Lines 29 through 31	43	87	130	174	217	260	304	347	391	434	477	521	564	608	651	694	738	781	825	868
33																						
34	1- Depreciation & Amortization Expense calculation is based on opening balance + (additions x in-service days/365 if it is the in-service year for project; otherwise, it is based on the opening balance of the plant-in-service)																					

FortisBC Energy Inc.

GFL - Abbotsford

August 2021

GFL - Abbotsford: Deferred Charges & Deficiency / Surplus [Tracker]

Schedule 9

(\$000's), unless otherwise stated

Line	Particulars	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
1	Deferred Charge- Application Costs																					
2	Opening Balance	Previous Year, Line 7	-	7	6	5	4	4	3	2	1	1	-	-	-	-	-	-	-	-	-	-
3	Gross Additions		10																			
4	Tax	Line 3 x Tax Rate	(3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Net Additions	Sum of Lines 3 through 4	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Amortization Expense @ 10 years		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	-	-	-	-	-	-	-	-	-	-
7	Closing Balance	Lines 2 + 5 + 6	7	6	5	4	4	3	2	1	1	-	-	-	-	-	-	-	-	-	-	-
8																						
9	Deficiency / Surplus [Tracker]																					
10	Opening Balance	Previous Year, Line 18	-	31	54	52	51	48	45	38	29	17	-	-	-	-	-	-	-	-	-	-
11	Gross Addition	Schedule 10, Line 28 / 1000	31	21	(5)	(4)	(5)	(6)	(9)	(11)	(14)	(18)	-	-	-	-	-	-	-	-	-	-
12	Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Net Addition	Line 11 + Line 12	31	21	(5)	(4)	(5)	(6)	(9)	(11)	(14)	(18)	-	-	-	-	-	-	-	-	-	-
14	AFUDC																					
15	Equity	Line 10 x (Schedule 10, Lines 14 x Line 15)	-	1	2	2	2	2	2	1	1	1	-	-	-	-	-	-	-	-	-	-
16	Debt	¹	-	1	1	1	1	1	1	1	1	0	-	-	-	-	-	-	-	-	-	-
17	Interest Adjustment	²	-	-	-	-	-	-	-	-	-	0	-	-	-	-	-	-	-	-	-	-
18	Closing Balance	Sum of Lines 13 through 17	31	54	52	51	48	45	38	29	17	-	-	-	-	-	-	-	-	-	-	-
19																						
20																						
21	Deferred Charge- Non Rate Base																					
22	Opening Balance	Previous Year, Line 30	-	31	54	52	51	48	45	38	29	17	-	-	-	-	-	-	-	-	-	-
23	Opening Balance, Adjustment	Opening balance transfer to rate base	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Gross Additions		31	21	(5)	(4)	(5)	(6)	(9)	(11)	(14)	(18)	-	-	-	-	-	-	-	-	-	-
25	Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	AFUDC		-	2	3	3	3	3	2	2	2	1	-	-	-	-	-	-	-	-	-	-
27	Net Additions	Sum of Lines 24 through 26	31	23	(2)	(1)	(2)	(4)	(6)	(9)	(13)	(17)	-	-	-	-	-	-	-	-	-	-
28	Interest Adjustment		-	-	-	-	-	-	-	-	-	0	-	-	-	-	-	-	-	-	-	-
29	Amortization Expense		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Closing Balance	Lines 22 + 23 + 27 + 28 + 29	31	54	52	51	48	45	38	29	17	-	-	-	-	-	-	-	-	-	-	-
31																						
32	Deferred Charge- Rate Base																					
33	Opening Balance	Previous Year, Line 39	-	7	6	5	4	4	3	2	1	1	-	-	-	-	-	-	-	-	-	-
34	Opening Balance, Adjustment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Gross Additions		10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	Tax		(3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	Net Additions		7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Amortization Expense		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	-	-	-	-	-	-	-	-	-	-
39	Closing Balance	Lines 33 + 37 + 38	7	6	5	4	4	3	2	1	1	-	-	-	-	-	-	-	-	-	-	-
40																						
41	Deferred Charge, Mid-Year	(Line 33 + Line 34 + Line 39) / 2	3	6	5	5	4	3	3	2	1	0	-	-	-	-	-	-	-	-	-	-
42																						
43	1- Line 10 x [Schedule 10 , (Lines 17 x 18+ Lines 19 x 20) x (1- Tax Rate)]																					
44	2- Adjustment to net account to zero in final year; result of varying WACC rates throughout contract																					

GFL - Abbotsford: Contract Rate Design
Schedule 10
(\$/), unless otherwise stated

Line	Particulars	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
1	Annual Cost of Service (Total)	Schedule 1, Line 11	160,007	204,648	225,373	230,494	234,097	236,491	237,928	238,606	238,686	238,295	236,565	235,577	234,370	232,998	231,503	229,920	228,276	226,594	224,893	223,187
2	Annual Cost of Service (O&M)	Schedule 1, Line 2 - Line 2	25,175	39,373	54,130	55,213	56,317	57,443	58,592	59,764	60,959	62,178	63,422	64,690	65,984	67,304	68,650	70,023	71,423	72,852	74,309	75,795
3	Annual Cost of Service	Line 1 + Line 1 - Line 2	134,832	165,274	171,243	175,282	177,780	179,048	179,336	178,842	177,727	176,117	173,143	170,887	168,386	165,694	162,853	159,897	156,853	153,743	150,584	147,392
4	Annual Volume (TJ)	Minimum contract demand	7.5	11.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5
5																						
6	% of Annual Revenue Required to be Collected	GGRR: 60% during Contract Term; 100% thereafter	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
7	Annual Revenue Required to be Collected	Line 3 x Line 6	80,899	99,165	102,746	105,169	106,668	107,429	107,602	107,305	106,836	105,670	173,143	170,887	168,386	165,694	162,853	159,897	156,853	153,743	150,584	147,392
8	Annual Revenue Required to be Collected (O&M)	Line 2 x Line 6	15,105	23,624	32,478	33,128	33,790	34,466	35,155	35,858	36,575	37,307	63,422	64,690	65,984	67,304	68,650	70,023	71,423	72,852	74,309	75,795
9	PV of Annual Revenue Required to be Collected	Line 7 / (1 + Line 23) ^{Yr}	76,703	89,145	87,574	84,991	81,731	78,045	74,116	70,079	66,030	62,038	96,379	90,189	84,261	78,613	73,258	68,198	63,430	58,948	54,742	50,802
10	PV of Annual Revenue Required to be Collected (O&M)	Line 8 / (1 + Line 23) ^{Yr}	14,321	21,237	27,682	26,771	25,891	25,039	24,215	23,418	22,648	21,903	35,303	34,142	33,018	31,932	30,881	29,865	28,883	27,933	27,014	26,125
11																						
12	Annual Discount Rate																					
13	Equity Component																					
14	ROE %		8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%
15	Equity Portion		38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%
16	Debt Component																					
17	Long Term Debt Rate		4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%
18	Long Term Debt Portion		59.14%	59.14%	59.14%	59.14%	59.14%	59.14%	59.14%	59.14%	59.14%	59.14%	59.14%	59.14%	59.14%	59.14%	59.14%	59.14%	59.14%	59.14%	59.14%	59.14%
19	Short Term Debt Rate		2.19%	2.19%	2.19%	2.19%	2.19%	2.19%	2.19%	2.19%	2.19%	2.19%	2.19%	2.19%	2.19%	2.19%	2.19%	2.19%	2.19%	2.19%	2.19%	2.19%
20	Short Term Debt Portion		2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%
21	Tax Rate		27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%
22																						
23	Annual Discount Rate (After-Tax WACC)	1	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%
24	1 - ROE % x Equity Portion + [(LTD x LTD Portion + STD x STD Portion) x (1 - Tax Rate)]																					
25																						
26	Cost of Service (Include Lease, Exclude O&M)																					
27	Annual Capital Rate	Line 34 during Contract Term, Line 7 thereafter	49,920	78,075	107,336	109,483	111,672	113,906	116,184	118,508	120,878	123,295	173,143	170,887	168,386	165,694	162,853	159,897	156,853	153,743	150,584	147,392
28	Annual Deficiency (Surplus): Cost of Service - Contract Rate	Line 7 - Line 27	30,979	21,090	(4,590)	(4,314)	(5,004)	(6,477)	(8,582)	(11,202)	(14,242)	(17,625)	-	-	-	-	-	-	-	-	-	-
29	Annual Volumetric Capital Rate (\$/GJ): COS based beyond Contract Term	Line 27 / Line 4 / 1000	6.656	6.789	6.925	7.063	7.205	7.349	7.496	7.646	7.799	7.955	11.171	11.025	10.864	10.690	10.507	10.316	10.120	9.919	9.715	9.509
30																						
31	Contract Term Capital Rate Calculation and Present Value Proof																					
32	Capital Rate over Contract Term	Yr 1 = Line 47; Previous Year rate x Line 44	6.656	6.789	6.925	7.063	7.205	7.349	7.496	7.646	7.799	7.955	-	-	-	-	-	-	-	-	-	-
33	Volume (TJ)	Line 4	7.5	11.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5
34	Capital Rate Revenue over Contract Term	Line 32 x Line 33 x 1000	49,920	78,075	107,336	109,483	111,672	113,906	116,184	118,508	120,878	123,295	-	-	-	-	-	-	-	-	-	-
35																						
36	Present Value Proof																					
37	PV of Capital Rate Revenue over Contract Term	Line 34 / (1 + Line 23) ^{Yr}	47,331	70,186	91,487	88,476	85,566	82,750	80,028	77,395	74,848	72,386	-	-	-	-	-	-	-	-	-	-
38	Sum of PV Rate Revenue	Sum of Line 37	770,452																			
39	PV Cost of Service over Contract Term	Sum of Line 9, from 2021 to 2030	770,452																			
40	Difference from required Delivery Revenue (should be zero)	Line 38 - Line 39	-																			
41																						
42	Calculation of Year 1 Capital Rate over Contract Term (excluding O&M)																					
43	Annual Capital Rate Escalation over Contract Term		2.00%	2.00%	2.00%	2.00%	2.00%	2%	2%	2%	2%	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
44	Annual Escalator over Contract Term	No escalation year 1; Yr2-> (1 + Line 43)	100%	102%	102%	102%	102%	102%	102%	102%	102%	102%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
45	Product of Escalators	Cumulative Product of Line 44	100.00%	102.00%	104.04%	106.12%	108.24%	110.41%	112.62%	114.87%	117.17%	119.51%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
46	Formula		0.0092	0.0137	0.0178	0.0173	0.0167	0.0161	0.0156	0.0151	0.0146	0.0141	-	-	-	-	-	-	-	-	-	-
47	r ₁	$r_1 = \frac{1}{\sum_{n=1}^1 \left(\frac{1}{\left(\frac{1}{100} \times (1 + E)^{(n-1)} \right) (1 + D)^n} \right) PV COS}$	6.656																			
48																						
49																						
50																						
51																						
52	where:	r ₁ = Contract Rate Year 1 D = Discount Rate E = Annual Rate Escalation percentage PV/COS = Present Value of the Cost of Service (excluding O&M) over Contract Term																				
53																						
54																						
55																						
56	Cost of Service (O&M, Excl. Lease)																					
57	Forecast Annual BC CPI Rate	CPI BC Stats Canada	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
58	Annual O&M Expense	Line 8	15,105	23,624	32,478	33,128	33,790	34,466	35,155	35,858	36,575	37,307	63,422	64,690	65,984	67,304	68,650	70,023	71,423	72,852	74,309	75,795
59	Annual Volumetric O&M Rate (\$/GJ)	Line 58 / Line 4 / 1000	2.014	2.054	2.095	2.137	2.180	2.224	2.268	2.313	2.360	2.407	4.092	4.174	4.257	4.342	4.429	4.518	4.608	4.700	4.794	4.890
60																						
61	Fueling Station Rate																					
62	Capital Rate (\$/GJ)	Line 29	6.656	6.789	6.925	7.063	7.205	7.349	7.496	7.646	7.799	7.955	11.171	11.025	10.864	10.690	10.507	10.316	10.120	9.919	9.715	9.509
63	O&M Rate (\$/GJ)	Line 59	2.014	2.054	2.095	2.137	2.180	2.224	2.268	2.313	2.360	2.407	4.092	4.174	4.257	4.342	4.429	4.518	4.608	4.700	4.794	4.890
64	O&M Rate (\$/GJ)	G-78-13	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520
65	Total Annual Volumetric Contract Rate (\$/GJ)	Sum of Line 62 to Line 64	9.190	9.363	9.540	9.721	9.905	10.092	10.284	10.479	10.678	10.881	15.782	15.719	15.641	15.552	15.456	15.354	15.247	15.139	15.029	14.919
66	Annual Forecast Revenue	(Line 4 x Line 65) x 1000	68,925	107,679	147,874	150,670	153,522	156,432	159,399	162,426	165,513	168,662	244,625	243,637	242,430	241,058	239,563	237,980	236,336	234,654	232,953	231,247
67																						
68	Present Value Proof of Total Revenue Required under GGRR																					
69	GGRR Requirement: 60% of total COS (incl. O&M) for the Over Contract Term of the operation recovered under take-or-pay agreement (contract demand) with a minimum term of 0 years																					
70	Capital Rate (\$/GJ)	Line 62 over Contract Term of 10 years	6.656	6.789	6.925	7.063	7.205	7.349	7.496	7.646	7.799	7.955					</					

FortisBC Energy Inc.

GFL - Abbotsford

August 2021

GFL - Abbotsford: Discounted Cash Flow Analysis

Schedule 11

(\$000's), unless otherwise stated

Line	Particulars	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
1	Cash Flow																					
2	Add: Revenue	Schedule 10, (Line 62 + Line 63) x Line 4 / Line 6	108	169	233	238	242	247	252	257	262	268	237	236	234	233	232	230	228	227	225	223
3	Less: O&M, Property Tax Expense, Lease Expense	Schedule 1, - (Line 2 + Line 3 + Line 4)	(91)	(83)	(98)	(100)	(102)	(104)	(106)	(108)	(111)	(113)	(115)	(117)	(120)	(122)	(124)	(127)	(130)	(132)	(135)	(137)
4	EBITDA ¹	Line 2 + Line 3	17	87	135	138	140	143	146	149	152	155	122	118	115	111	107	103	99	94	90	86
5	Capital Expenditures ²	Schedule 6, Line 19 + Line 23	(1,210)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Pre-Tax Cash Flow	Line 4 + Line 5	(1,193)	87	135	138	140	143	146	149	152	155	122	118	115	111	107	103	99	94	90	86
7	Income Tax Expense	Line 4 x (- Schedule 3, Line 13)	(5)	(23)	(36)	(37)	(38)	(39)	(39)	(40)	(41)	(42)	(33)	(32)	(31)	(30)	(29)	(28)	(27)	(26)	(24)	(23)
8	Overhead Capitalized Tax Shield	Schedule 3, -Line 8 x Line 13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	CCA Tax Shield / Removal Cost	Schedule 3, (-Line 9 + Line 10) x Schedule 3, Line 13	80	38	31	25	21	17	14	11	10	8	7	6	5	4	4	3	3	2	2	2
10	Terminal Value of CCA Tax Shield	⁴	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2
11	Terminal Value	⁵	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12																						
13	Free Cash Flow	Sum of Line 6 to Line 11	(1,118)	102	129	126	123	121	120	120	120	121	95	92	89	85	82	78	75	71	68	67
14																						
15	After Tax WACC %	Schedule , Line 17	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%	5.47%
16	Present Value of Free Cash Flow ³	Line 13 / (1 + Line 15)^Yr	(1,122)	91	110	102	94	88	83	78	75	71	53	49	44	40	37	33	30	27	25	23
17	Total Present Value of Free Cash Flow	Sum of Line 16	<u><u>32</u></u>																			
18																						
19	1 - Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA)																					
20	2 - Net of CIAC and removal costs (if applicable) and excludes capitalized overhead																					
21	3 - 2021 present value calculates capital expenditure to occur at time zero																					
22	4 - [Class 8 UCC Closing Balance x CCA Rate / (CCA Rate + WACC) + Class 1.3 UCC Closing Balance x CCA Rate / (CCA Rate + WACC)] x Income Tax Rate																					
23	5 - Evaluation period reflects the useful life of the assets, therefore it is assumed that the terminal value is zero																					

FortisBC Energy Inc.
GFL - Abbotsford
August 2021

GFL - Abbotsford : Approximate Contract Termination Fee
Schedule 12
(\$000's), unless otherwise stated

Line	Particulars	Reference	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
1	Total Gross Plant in Service, Ending	Schedule 7, Line 25	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121	2,121
2	Accumulated Depreciation, Ending	Schedule 8, Line 25	(106)	(212)	(318)	(424)	(530)	(636)	(742)	(849)	(955)	(1,061)	(1,167)	(1,273)	(1,379)	(1,485)	(1,591)	(1,697)	(1,803)	(1,909)	(2,015)	(2,121)
3	Contributions in Aid of Construction- Ending	Schedule 5, Line 9	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)	(868)
4	Accumulated Amortization- Ending	Schedule 5, Line 12	43	87	130	174	217	260	304	347	391	434	477	521	564	608	651	694	738	781	825	868
5	Deferral Account Repayment	Schedule 9, Line 10	31	54	52	51	48	45	38	29	17	-	-	-	-	-	-	-	-	-	-	-
6	Add: Removal Costs ¹		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Less: Excess Fueling Station Recoveries ²		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Net Termination before Surcharge Payment ³	Sum of Line 1 to Line 7	1,222	1,182	1,117	1,053	988	922	853	781	706	627	564	501	439	376	313	251	188	125	63	(0)
9	Station Surcharge Contribution	Schedule 9, Line 19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Net Termination after Surcharge Payment³		1,222	1,182	1,117	1,053	988	922	853	781	706	627	564	501	439	376	313	251	188	125	63	(0)
11																						
12	1- Actual removal costs to be determined at time of contract termination and will be less the net salvage collected to date																					
13	2 - Cumulative fueling station recoveries received from volumes in excess of minimum contract demand																					
14	3 - The forecast early termination fee has been calculated on a year end basis. The actual fee would be determined at the time of contract termination and may be different than the amount shown on Line 10																					

Appendix E

GFL NRCAN REPAYMENT

REFER TO LIVE SPREADSHEET MODEL

Provided in electronic format only

(accessible by opening the Attachments Tab in Adobe)

Appendix F

**RATE SCHEDULE 6P REVISED TARIFF PAGES
(BLACKLINED)**

- (p) **Transporter** – means, in the case of the Columbia area, TransCanada PipeLines Limited (Foothills System B.C.) and NOVA Gas Transmission Ltd., and in the case of the Inland and Lower Mainland areas, Westcoast Energy Inc., Northwest Pipeline LLC, FortisBC Huntingdon Inc., and any other gas pipeline transportation company connected to the facilities of FortisBC Energy from which FortisBC Energy receives Gas for the purposes of Gas service or resale.
- (q) **Transporter's Service Terms** – means the general terms and conditions of the applicable Transporter, as filed with and approved from time to time by the National Energy Board or other applicable governmental authority.
- (r) **Vehicle Fueling Station** – means the location of the Fueling Equipment including the land upon which the Fueling Equipment is installed for the purposes of providing compression and Dispensing of Gas to vehicles.
- (s) **10³m³** – means 1,000 cubic metres.

1.2 Change in Definition of "Day"

FortisBC Energy may amend the definition of "Day" from time to time to suitably align its operations with those of its Transporters. If FortisBC Energy amends the definition of "Day", a pro-rata adjustment of quantities of Gas and charges to account for any Day of more or less than 24 hours will be made and the terms of the Service Agreement will be similarly adjusted.

2. Applicability

2.1 Description of Applicability

This Rate Schedule applies to the sale of firm Gas from FortisBC Energy to Customers under the Conditions of Service set forth in Section 3 (Conditions of Service), for the purpose of compression and Dispensing Gas as fuel to operate vehicles. This Rate Schedule is applicable only to Customers who use a dispenser provided by FortisBC Energy for public use for on-site vehicle refueling service at the fueling station locations identified in Section 2.2 (Applicable Vehicle Fueling Stations).

2.2 Applicable Vehicle Fueling Stations

Service under this Rate Schedule is available at the following vehicle fueling stations:

- (a) The FortisBC Energy Vehicle Fueling Stations located at 16705 Fraser Highway, Surrey, British Columbia (FortisBC Surrey Fueling Station);
- (b) The Environmental 360 Solutions Ltd. (E360S) Vehicle Fueling Station located at 2935 Acland Road, Kelowna, British Columbia (E360S Fueling Station);

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- (c) The Annacis Island Vehicle Fueling Station located at 755 Belgrave Way, Delta, British Columbia; and
- (d) The GFL Environmental Inc. (GFL) Vehicle Fueling Station located at 34374 Vye Road, Abbotsford, BC (GFL Abbotsford Fueling Station).

2.3 British Columbia Utilities Commission

This Rate Schedule may be amended from time to time with the consent of the British Columbia Utilities Commission.

3. Conditions of Service

3.1 Conditions

Service under this Rate Schedule is available at Applicable Vehicle Fueling Stations during the hours of operation posted at each station and is provided by FortisBC Energy under the FortisBC Energy tariff of which this Rate Schedule is a part, if:

- (a) adequate Gas volumes for such Service are available;
- (b) adequate capacity exists on the FortisBC Energy System;
- (c) Customers' access to the designated Dispensing area is for the sole purpose of on-site Gas vehicle refueling; and
- (d) FortisBC Energy has installed at the Delivery Point the facilities and equipment referred to in Section 4.1 (Facilities and Equipment).

C/N/O

3.2 Sale of Gas

Subject to Section 13 of the General Terms and Conditions of FortisBC Energy (Interruption of Service), FortisBC Energy will sell to the Customer and the Customer will buy from FortisBC Energy at the Delivery Point such quantity of Gas as is required by the Customer for the operation of the Customer's vehicle, for the charges as calculated in accordance of the Table of Charges contained herein and shown on the gas dispenser, and on all of the terms and conditions as set out in this Rate Schedule.

3.3 Service Agreement

By Dispensing Gas from the Delivery Point, the Customer acknowledges and agrees with FortisBC Energy Inc. that:

- (a) the Customer will be bound by the terms and conditions of this Rate Schedule;
- (b) the Customer agrees to pay the FortisBC Energy the charges for the quantity of Gas dispensed from the:

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Table of Charges

	Annacis Island Fueling Station ^{1,2,3}	<u>GFL Abbotsford Fueling Station^{1,2,3}</u>
Delivery Margin Related Charges:		
1. Delivery Charge per Gigajoule	\$ 2.195	<u>\$ 2.692</u>
2. Rider 3 per Gigajoule	\$ 0.022	<u>\$ 0.022</u>
Subtotal of per Gigajoule Delivery Margin Related Charges	\$ 2.217	<u>\$ 2.714</u>
Commodity Related Charges:		
3. Commodity Cost Recovery Charge per Gigajoule	\$ 3.844	<u>\$ 3.844</u>
4. Storage and Transport Charge per Gigajoule	\$ 0.830	<u>\$ 0.830</u>
5. Rider 6 per Gigajoule	\$ 0.029	<u>\$ 0.029</u>
Subtotal of per Gigajoule Commodity Related Charges	\$ 4.703	<u>\$ 4.703</u>
Station Service Related Charges:		
6. Compression Charge per Gigajoule	n/a	<u>n/a</u>
7. Capital Rate per Gigajoule	\$ 4.382	<u>\$ 6.656</u>
8. O&M Rate per Gigajoule	\$ 2.686	<u>\$ 2.014</u>
9. OH&M Charge per Gigajoule	\$ 0.520	<u>\$ 0.520</u>
10. Short Term Charge per Gigajoule	\$ 1.000	<u>\$ 1.000</u>
11. Spot Charge per Gigajoule	\$ 1.000	<u>\$ 1.000</u>
12. Host Fee per Gigajoule	\$ 2.500	<u>\$ 2.500</u>
Subtotal of per Gigajoule Station Service Related Charges	\$ 12.088	<u>\$ 13.690</u>
TOTAL per Gigajoule Rate	\$ 19.008	<u>\$ 21.107</u>

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Appendix G

INTERIM DRAFT ORDER

ORDER NUMBER

G-xx-xx

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

and

FortisBC Energy Inc.

Application for Approval of Rates and Agreement for Constructing and Operating a Compressed Natural Gas
Fueling Station under the Province's Greenhouse Gas Reduction (Clean Energy) Regulation for GFL
Environmental Inc. and for Amendments to Rate Schedule 6P – Public Service – Natural Gas Refueling Service

BEFORE:

[Panel Chair]
Commissioner
Commissioner

on **[DATE]** X, 2021

ORDER

WHEREAS:

- A. On October 27, 2021, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 and 89 of the *Utilities Commission Act* (UCA), for approval of:
1. The rate design and rates established in the Fueling Services Agreement and amending agreement to the Fueling Services Agreement (Amending Agreement No. 1) between FEI and GFL Environmental Inc. (GFL) (collectively GFL Agreement) for Compressed Natural Gas (CNG) fueling service at the GFL Fueling Station, on an interim and refundable/recoverable basis, effective November 15, 2021; and
 2. To amend the Rate Schedule 6P – Public Service – Natural Gas Refueling Service (RS 6P) tariff and rates, on an interim non-refundable/non-recoverable basis, to accommodate point-of-sale public fueling at the GFL Fueling Station, effective November 30, 2021 (Application);
- B. FEI requests that the live financial model filed as Appendix C to the Application be held confidential on the basis it is the result of significant development effort by FEI on behalf of its customers and therefore the formulas and configuration of the model are commercially sensitive;
- C. On April 11, 2013, the BCUC issued Order G-56-13 accepting that the Greenhouse Gas Reduction (Clean Energy) Regulation (GGRR) established the need for Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG) fueling stations that are undertaken by FEI, as prescribed undertakings as defined by the GGRR, and that these prescribed undertaking projects are exempt from the Certificate of Public Convenience and Necessity requirements for the term of the GGRR;

- D. BCUC Order G-56-13 also states that the BCUC will set rates considering FEI's total expenditures on the prescribed undertakings, but confirms that the BCUC's role does not include whether FEI ought to have negotiated different terms and conditions for those agreements with CNG or LNG fueling station customers;
- E. On December 3, 2020, FEI and Kartar Investments Limited (Kartar) entered into a Property Access and Use Agreement, and a letter agreement on March 30, 2021, and Amending Agreement No. 1 on April 19, 2021, for FEI to lease a portion of land in Abbotsford on which to construct, own and operate a CNG fueling station (GFL Abbotsford Fueling Station);
- F. On December 14, 2020, FEI and GFL entered into a Fueling Services Agreement and on September 22, 2021, Amending Agreement No. 1, which established the rate design and rates for GFL to receive CNG fueling service from the GFL Abbotsford Fueling Station effective November 15, 2021; and
- G. The BCUC has reviewed the Application and finds that the approval of interim rates is warranted.

NOW THEREFORE pursuant to sections 59 to 61 and 89 of the *Utilities Commission Act*, the BCUC orders as follows:

- 1. Approval of the rates established in the GFL Agreement on an interim and refundable/recoverable basis, effective November 15, 2021.
- 2. Approval of the amendments to the RS 6P tariff and rates on an interim and non-refundable/non-recoverable basis, effective November 30, 2021.
- 3. FEI is directed to file an application seeking permanent rates, upon determination of the actual capital expenditures for the GFL Abbotsford Fueling Station.
- 4. FEI is directed to refund to/recover from GFL the variance between the interim rates and the permanent rates, as determined by the BCUC following the final determination of permanent rates, with interest calculated at the average prime rate of FEI's principal bank for its most recent year.
- 5. Upon a BCUC determination of final rates for the GFL Fueling Station, FEI is directed to file an application seeking permanent rates for public fueling service at the GFL Fueling Station under RS 6P.
- 6. FEI is to file the GFL Agreement in tariff supplement form for endorsement by the BCUC within 15 days of the date of this order.
- 7. FEI is to file the revised RS 6P tariff pages for endorsement by the BCUC within 15 days of the date of this order.
- 8. The live financial model provided in Appendix C of the Application will be kept confidential due to its commercially sensitive nature.

DATED at the City of Vancouver, in the Province of British Columbia, this (XX) day of (Month Year).

BY ORDER

(X. X. last name)
Commissioner