



bcuc
British Columbia
Utilities Commission

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November 12, 2020

Sent via email/eFile

FEI – BERC RATE ASSESSMENT REPORT EXHIBIT A-3
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Ms. Diane Roy
Vice President, Regulatory Affairs
FortisBC Energy Inc.
16705 Fraser Highway
Surrey, BC V4N 0E8
gas.regulatory.affairs@fortisbc.com

Re: FortisBC Energy Inc. – Biomethane Energy Recovery Charge (BERC) Rate Methodology – British Columbia Utilities Commission Decision and Order G-133-16 Compliance Filing – BERC Rate Assessment Report – Regulatory Timetable

Dear Ms. Roy:

Further to your August 12, 2020 filing of the above-noted matter, enclosed please find British Columbia Utilities Commission Order G-292-20 establishing a regulatory timetable.

Sincerely,

Original signed by:

Marija Tresoglavic
Acting Commission Secretary

/ae



ORDER NUMBER
G-292-20

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

and

FortisBC Energy Inc.
Biomethane Energy Recovery Charge (BERC) Rate Methodology
Assessment Report

BEFORE:

D. M. Morton, Panel Chair
R. I. Mason, Commissioner
D. A. Cote, Commissioner

on November 12, 2020

ORDER

WHEREAS:

- A. On August 12, 2016, the British Columbia Utilities Commission (BCUC) issued its Decision and Order G-133-16 approving FortisBC Energy Inc. (FEI) Biomethane Energy Recovery Charge (BERC) Rate Methodology Application. Directive 16 of the Decision directed FEI to file a comprehensive assessment report for BCUC approval at the earlier of the application by FEI for a transfer of biomethane inventory from the Biomethane Variance account to the Mid-stream Reconciliation account, or four years after the date of issue of the decision, whichever came first;
- B. On August 12, 2020, in accordance with Directive 16 of the Decision, FEI filed the BERC Rate Assessment Report (Assessment Report) with the BCUC. In the Assessment Report, FEI stated that the BERC rate methodology remains appropriate and believes that a review or changes to the methodology are not necessary at this time; and
- C. The BCUC has commenced review of FEI's Assessment Report and determines that a public hearing process is warranted.

NOW THEREFORE, the BCUC orders as follows:

1. A regulatory timetable for the review of FEI's Assessment Report is established, as set out in Appendix A to this Order.

2. FEI must publish in print/display-ad format, on or before November 27, 2020, the Public Notice attached as Appendix B to this order, to provide adequate notice to those who have an interest or may be impacted by the BCUC's review. Print advertising must include, but is not limited to, the following media outlets:
 - Vancouver Sun;
 - Province;
 - Victoria Times Colonist;
 - Kelowna Daily Courier;
 - Prince George Citizen; and
 - Cranbrook Daily Townsman.
3. FEI must provide notice of the Assessment Report, along with this order, to all interveners previously registered in the following proceedings: FortisBC Inc.'s Multi-Year Rate Plan Application for 2020 to 2024, FEI's 2016 BERC Rate Methodology, and all recent Section 71 proceedings involving biomethane and Renewable Natural Gas. FEI must also post the Public Notice, attached as Appendix B to this Order, on its website, Twitter, LinkedIn and Facebook social media platforms on or before November 27, 2020.
4. Parties who wish to participate in the regulatory proceeding are to register with the BCUC by completing a Request to Intervene form by the date established in the regulatory timetable attached as Appendix A to this Order and in accordance with the BCUC's Rules of Practice and Procedure attached to Order G-15-19, dated December 17, 2018.
5. The BCUC requests submissions from FEI and all registered parties on the preliminary scope items identified in Appendix C to this Order.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of November 2020.

BY ORDER

Original signed by:

D. M. Morton
Commissioner

Attachment

FortisBC Energy Inc.
BERC Rate Methodology Assessment Report

REGULATORY TIMETABLE

Action	Date
FEI publishes the Public Notice	Friday, November 27, 2020
Intervener Registration and Submissions on Scope	Thursday, December 31, 2020
Further Process	To be determined



We want to hear from you

FortisBC Energy Inc. Biomethane Energy Recovery Charge Rate Methodology Assessment Report

FortisBC Energy Inc. (FEI) has filed a Biomethane Energy Recovery Charge (BERC) rate methodology assessment report (Assessment Report) with the British Columbia Utilities Commission (BCUC). In the Assessment Report, FEI states that the current BERC rate methodology remains appropriate and believes a review or changes to the methodology are not necessary at this time. The BERC rate is the rate FEI charges for biomethane purchased on a voluntary basis by customers enrolled in the Renewable Natural Gas Program.

The BCUC has established a regulatory process to review the Assessment Report and outlines the preliminary scope of its review. Parties are invited to make submissions on the BCUC's preliminary [scope items](#).

For more information about the report, please visit the BCUC's website (www.bcuc.com). All documents filed on the public record are available on our **Current Proceedings** webpage.

HOW TO PARTICIPATE

- **Submit a letter of comment**
- **Register as an interested party**
- **Request intervenor status**

IMPORTANT DATES

- **Thursday, December 31, 2020** – Deadline to register as an intervenor with the BCUC and provide submissions on the scope of the review

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

GET MORE INFORMATION

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FortisBC Energy Inc.
Biomethane Energy Recovery Charge Rate Methodology Assessment Report

REQUEST FOR SUBMISSIONS

The British Columbia Utilities Commission (BCUC) is requesting submissions from FortisBC Energy Inc. (FEI) and all registered interveners on the scope items of the BCUC's review of the report and the current Biomethane Energy Recovery Charge (BERC) rate methodology.

To assist parties in the preparation of their submissions, the BCUC provides a list below of potential scope items. Please comment on whether these should be part of the scope of the review, and/or add any further items that you wish the BCUC to consider, along with your supporting reasons. The BCUC will then make a determination on the final list of scope items.

The following questions are intended to help guide your submissions on scope:

1. Considering the BC government's CleanBC Policy and stated objectives, among other factors, what is the market outlook for Renewable Natural Gas (RNG) supply and demand in BC over the next 10 years?
2. If the current maximum amount of RNG that FEI can acquire while remaining within the limit set out in the *Greenhouse Gas Reduction (Clean Energy) Regulation* is insufficient to meet the forecast RNG demand, what options would be available to FEI for resolving the imbalance?
3. What is FEI's load resource balance for RNG over the next 10 years based on its forecast of RNG demand relative to contracted RNG supply?
 - I. How does FEI plan to meet any gaps in the load resource balance?
 - II. To the extent FEI plans to meet this gap with additional supply, how should this be done?
 - III. To the extent that the supply is notional, please explain notional supply, and how it works for RNG purchased outside of BC.
 - IV. To the extent FEI plans to purchase carbon offsets to meet this gap, how should this be done?
 - V. If carbon offsets are purchased to meet RNG demand, how do the costs of carbon offsets compare with the average cost of RNG supply and how are these costs recovered?
4. Detail the environmental attributes associated with any current or future RNG supply. How should environmental attributes associated with RNG supply be valued and who should be entitled to claim those environmental attributes?
5. What is FEI's forecast of the RNG Program costs over the next 10 years and the extent of cross-subsidization from FEI's non-bypass customers if the current BERC rate methodology is maintained?
6. Considering FEI's load resource balance for RNG, what are the risks that the RNG Program becomes oversubscribed again in the short to medium term if the current BERC rate methodology is maintained?
7. How does FEI's RNG Program impact its risk profile in the short, medium, long term?
8. What should the Panel consider in their evaluation of and any approvals related to the Assessment Report?
9. What are the implications of not approving the Assessment Report?
10. Any other relevant matters?