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ORDER NUMBER E-17-20

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

and

FortisBC Energy Inc.
Biomethane Purchase Agreement between FortisBC Energy Inc. and Tidal
Energy Marketing Inc.

BEFORE:

T. A. Loski, Panel Chair
E. B. Lockhart, Commissioner,
R. I Mason, Commissioner

on June 2, 2020

ORDER

WHEREAS:

- A. On May 21, 2020, pursuant to sections 71 of the Utilities Commission Act (UCA) and the British Columbia Utilities Commission's (BCUC) Rules for Natural Gas Energy Supply Contracts, FortisBC Energy Inc. (FEI) filed an application with the BCUC seeking acceptance of a Biomethane Purchase Agreement (BPA) between FEI and Tidal Energy Marketing Inc. (Tidal) (Application);
- B. Section 18(1) of the *Clean Energy Act* (CEA) defines a prescribed undertaking as "...a project, program, contract or expenditure that is in a class of projects, programs, contracts or expenditures prescribed for the purpose of reducing greenhouse gas emissions in British Columbia";
- C. Section 18(3) of the CEA states, "The commission must not exercise a power under the UCA in a way that would directly or indirectly prevent a public utility...from carrying out a prescribed undertaking";
- D. Section 2(3.8) of the Greenhouse Gas Reduction Regulation (GGRR) states that the acquisition of renewable natural gas (RNG) is a prescribed undertaking subject to:
 - 1. The public utility paying no more than \$30/GJ; and
 - 2. The total volume of RNG purchased in a calendar year does not exceed 5 percent of the total volume of natural gas provided by public utility to its non-bypass customers in 2015;
- E. Under the BPA, Tidal will supply biomethane at Huntingdon, Station 2 and AECO/NIT, processed and purchased from a Hydrogen Reduction facility in London, Ontario. The biomethane will be produced from

feedstock made of residential food scraps and yard waste organics and will be delivered to FEI for injection into FEI's existing natural gas system;

- F. FEI requests that the redacted portions of the filing and certain appendices be kept confidential due to their commercially sensitive nature pursuant to Section 18 of the BCUC's Rules of Practice and Procedure regarding confidential documents set out in Order G-15-19 and section 71(5) of the UCA; and
- G. The BCUC has not reviewed the Application from a public interest perspective as the BPA is a prescribed undertaking under section 18(1) of the CEA; and
- H. The BCUC has reviewed the Application and considers the following determination to be warranted.

NOW THEREFORE pursuant to section 71 of the UCA, section 18 of the CEA and the GGRR, the BCUC orders as follows:

- 1. The BCUC accepts for filing the BPA between FEI and Tidal.
- 2. The BCUC will keep the redacted portions of the Application and certain appendices confidential as requested by FEI as they contain commercially sensitive information.

DATED at the City of Vancouver, in the Province of British Columbia, this

2nd

day of June, 2020.

BY ORDER

Original signed by:

T. A. Loski Commissioner