



**ORDER NUMBER
E-20-20**

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

and

FortisBC Energy Inc.
Filing of a Biomethane Purchase Agreement
between FortisBC Energy Inc. and Quadrogen Power Systems Inc.

BEFORE:

T. A. Loski, Panel Chair
R. I. Mason, Commissioner

on September 3, 2020

ORDER

WHEREAS:

- A. On August 13, 2020, pursuant to section 71 of *Utilities Commission Act* (UCA) and the British Columbia Utilities Commission (BCUC) Rules for Natural Gas Energy Supply Contracts (Rules), FortisBC Energy Inc. (FEI) applied to the BCUC seeking acceptance of a Biomethane Purchase Agreement (BPA) between FEI and Quadrogen Power Systems Inc. (Quadrogen) (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 that "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:
 - a) the public utility paying no more than \$30/GJ; and
 - b) the total volume of RNG purchased in a calendar year does not exceed 5% of the total volume of natural gas provided by public utility to its non-bypass customers in 2015;
- E. Under the BPA, Quadrogen will supply pipeline-quality biomethane to FEI for injection into FEI's natural gas system. FEI has contracted with Certarus Inc. to provide compression, transportation, and injection services to create a virtual pipeline connection between the Quadrogen facility and an existing FEI interconnection station;

- F. 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;
- G. FEI requests that the redacted portions of the Application and certain appendices be kept confidential due to their commercially sensitive nature; and
- H. The BCUC has reviewed the Application and considers the following determinations to be warranted.

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

1. The BCUC accepts for filing the BPA between FEI and Quadrogen.
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 3rd day of September 2020.

BY ORDER

Original signed by:

T. A. Loski
Commissioner