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ORDER NUMBER G-121-22

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

and

FortisBC Energy Inc.

Application for Approval of an Operating Agreement
between the Corporation of the City of Prince George and FortisBC Energy Inc.

BEFORE:

R. I. Mason, Panel Chair C. M. Brewer, Commissioner E. B. Lockhart, Commissioner

on May 5, 2022

ORDER

WHEREAS:

- A. On October 20, 2021, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC) for approval of an operating agreement dated October 19, 2021 (FEI-Prince George Operating Agreement), between the Corporation of the City of Prince George (Prince George) and FEI (Application);
- B. FEI, through its predecessor company Terasen Gas Inc. (Terasen Gas), and Prince George entered into an Agreement to Lease dated November 1, 2004, approved by Order G-91-04;
- C. By Order G-91-04 dated October 7, 2004, the BCUC also granted a certificate of public convenience and necessity that approved the Franchise Amendment Agreement between Prince George and Terasen Gas, which expired October 31, 2021;
- D. By Order G-325-21 dated November 9, 2021, the BCUC granted interim approval of the FEI-Prince George Operating Agreement, pending a final determination by the BCUC on the Application;
- E. On November 18, 2021, the BCUC requested FEI to file the Lease-In-Lease-Out Agreement between FEI and the City of Prince George (LILO Agreement). On November 19, 2021, FEI filed the LILO Agreement;
- F. On February 10, 2022, BCUC issued BCUC Staff questions No. 1 to FEI. On March 3, 2022, FEI filed its responses to BCUC Staff Questions No. 1;
- G. By Order G-75-22, dated March 14, 2022, the BCUC established a public hearing process and a regulatory timetable for the review of the Application, which included public notice and letters of comment. The regulatory timetable established the deadline for letters of comment as April 21, 2022;

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- H. By April 21, 2022, no letters of comment were received by the BCUC. By letter dated April 27, 2022, FEI submits that as no letters of comment have been filed, no further process is required and the Application should be approved on a permanent basis; and
- I. The BCUC has reviewed the Application and determines that approval is warranted.

NOW THEREFORE pursuant to section 23(1)(g) of the *Utilities Commission Act*, the BCUC orders that the FEI-Prince George Operating Agreement, dated October 19, 2021, between FEI and Prince George, is approved on a permanent basis.

DATED at the City of Vancouver, in the Province of British Columbia, this 5th day of May 2022.

BY ORDER

R. I. Mason Commissioner