



ORDER NUMBER
G-37-24

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

and

FortisBC Energy Inc.
Permanent Rates and Agreement under the GGRR for
GFL Environmental Inc. for Fuelling Service from the GFL Abbotsford CNG Station

BEFORE:

B. A. Magnan, Panel Chair
W. E. Royle, Commissioner

On February 12, 2024

ORDER

WHEREAS:

- A. On October 31, 2023, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 of the *Utilities Commission Act*, for approval of the rate design and rates established in a fuelling services agreement between FEI and GFL Environmental Inc. (GFL) (GFL Abbotsford Agreement) as amended by an amending agreement dated September 22, 2021 (Amending Agreement No. 1), a letter agreement dated November 15, 2021 (Letter Agreement), and an amending agreement dated August 3, 2023 (Amending Agreement No. 2) on a permanent basis, effective November 15, 2021 (Application);
- B. FEI requests that the live financial model filed as Appendix B to the Application be held confidential on the basis that 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 December 14, 2020, FEI and GFL entered into the GFL Abbotsford Agreement and on September 22, 2021, Amending Agreement No. 1, which established the terms, conditions, and rates for GFL to receive CNG fuelling service from the station located in Abbotsford, BC (GFL Abbotsford Fuelling Station);
- D. FEI states that it has secured a capital contribution under the Government of Canada's Natural Resources Canada (NRCan) Electric Vehicle and Alternative Fuel Infrastructure Deployment Program towards the development and construction of the GFL Abbotsford Fuelling Station. Under the funding contribution agreement between NRCan and FEI for the GFL Abbotsford Fuelling Station, FEI is required to provide public fuelling access to the station;
- E. By Order G-320-21, the BCUC, among other things, consented to amendments and rates to Rate Schedule 6P - Public Service – Natural Gas Refueling Service (RS 6P) for public fuelling at the GFL Abbotsford Fuelling Station on an interim and non-refundable/non-recoverable basis, effective November 30, 2021. The order

also directed FEI to file an application seeking permanent rates, upon the determination of the actual capital expenditures of the GFL Abbotsford Fuelling Station;

- F. On November 15, 2021, FEI and GFL entered into the Letter Agreement to extend the deadline to either waive or satisfy the three conditions precedent as described in Part 1 of the GFL Abbotsford Agreement to December 31, 2021;
- G. By Order G-116-22, the BCUC, among other things, determined that the GFL Abbotsford Fuelling Station met the requirement for a prescribed undertaking as defined by the Greenhouse Gas Reduction (Clean Energy) Regulation, and approved, on an interim and refundable basis, the rate design and rates established in the GFL Abbotsford Agreement as amended by Amending Agreement No. 1 and the Letter Agreement, effective November 15, 2021;
- H. On August 3, 2023, FEI and GFL entered Amending Agreement No. 2 to amend the rates in the GFL Abbotsford Agreement to reflect the final actual capital costs of the GFL Abbotsford Fuelling Station;
- I. By Order G-225-22, the BCUC consented to amendments and rates to RS 6P for public refuelling service at the GFL Abbotsford Fuelling Station to correct an error in the public fuelling station rates;
- J. On January 11, 2024, BCUC staff issued questions to FEI (Staff Questions) and on January 25, 2024, FEI responded.
 - i. In the response to Question 3.1, FEI revised the proposed rates in the Application to reflect two corrections and proposes to enter into a third amending agreement with GFL to amend the rates in the GFL Abbotsford Agreement to reflect the revised rates and to correct the commencement date of the revised rates (Amending Agreement No. 3). FEI also requests that the live financial model filed in response to Question 3.1 be held confidential; and
 - ii. In response to Question 2.1, FEI stated that it would be most efficient to file for approval of rates for RS 6P for the GFL Abbotsford Fuelling Station on a permanent basis after the BCUC has determined rates in RS 6P on a permanent basis for both FEI's Delivery Charge per gigajoule (GJ) (at the issuance of a decision in FEI's 2024–2027 Demand Side Management Expenditures Plan proceeding) and for the GFL Abbotsford Fuelling Station;
- K. Subsequent to the filing of FEI's responses to Staff Questions, the BCUC issued Order G-31-24 accepting FEI's 2024–2027 Demand Side Management Expenditures Plan; and
- L. The BCUC has reviewed the Application and the responses to the Staff Questions and determines that approval of the proposed rate design and rates established for GFL Abbotsford in the GFL Abbotsford Agreement as amended is warranted.

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

1. The rate design and rates established for GFL in the GFL Abbotsford Agreement as amended by Amending Agreements No. 1 and 2, and the Letter Agreement, and as set out in response to Question 3.1 in Staff Questions are approved on a permanent basis, effective November 15, 2021, subject to FEI and GFL entering into Amending Agreement No. 3.

2. The live financial models filed as Appendix B to the Application and filed in response to Question 3.1 in Staff Questions are to be kept confidential due to their commercially sensitive nature until further order of the BCUC.
3. FEI is directed to refund to GFL the variance between the interim and permanent rates with interest calculated at the average prime rate of FEI's principal bank for its most recent year.
4. FEI is to file the GFL Abbotsford Agreement, the Letter Agreement, and Amending Agreements No. 1, 2 and 3 in tariff supplement form for endorsement by the BCUC within 30 days from the date of this order.
5. FEI is directed to file an application with the BCUC seeking rates for public fuelling at the GFL Abbotsford Fuelling Station under RS 6P on a permanent basis within 15 days from the date of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of February 2024.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner