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ORDER NUMBER G-88-25

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

and

FortisBC Energy Inc.
Permanent Commodity Related Rates
for the Mainland and Vancouver Island Service Area, and the Fort Nelson Service Area
Effective January 1, 2025 and April 1, 2025

BEFORE:

E. A. Brown, Commissioner E. B. Lockhart, Commissioner B. A. Magnan, Commissioner W. E. Royle, Commissioner

on April 3, 2025

ORDER

WHEREAS:

- A. On April 1, 2025, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA) for approval of various commodity-related rates, on a permanent basis effective January 1, 2025 and April 1, 2025 (Application);
- B. By Order G-325-24A dated December 6, 2024, with regard to FEI's 2024 Fourth Quarter Gas Cost Report the BCUC ordered, among other things, that the Commodity Cost Recovery Charge (CCRC) remain unchanged at \$2.230 per gigajoule (GJ) and the Renewable Natural Gas (RNG) Charge for Voluntary RNG service to non-Natural Gas Vehicle (non-NGV) Sales customers remain unchanged at \$13.216 per GJ, effective January 1, 2025, on an interim and refundable or recoverable basis;
- C. By Order G-346-24 dated December 18, 2024, the BCUC approved FEI's 2025 Core Market Administration Expense (CMAE) budget of \$6.280 million on an interim basis;
- D. On March 18, 2025, the BCUC issued its Decision and Order G-69-25 for FEI on the 2025 to 2027 Rate Setting Framework, approving, among other things, FEI's requests to continue to treat the CMAE as part of the commodity cost of gas and the allocation of 25 percent of the CMAE to the Commodity Cost Reconciliation Account and 75 percent to the Midstream Cost Reconciliation Account (MCRA);
- E. On March 28, 2025, the BCUC issued Order G-85-25, approving, among other things, the CCRC applicable to all sales rate classes, including Rate Schedule 46 Liquefied Natural Gas (LNG) Service, for the Mainland and Vancouver Island service area, and the Fort Nelson service area to remain unchanged at \$2.230 per GJ, on an interim and refundable or recoverable basis effective April 1, 2025 and approved FEI to increase the RNG

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- Charge for Voluntary RNG service to non-NGV Sales customers for the Mainland and Vancouver Island service area, and the Fort Nelson service area by \$0.747 per GJ, from \$13.216 per GJ to \$13.963 per GJ, on an interim and refundable or recoverable basis effective April 1, 2025;
- F. During the 43rd session of Parliament held on Monday, March 31, 2025 in the Legislative Assembly of British Columbia, Bill No. 8, the *Carbon Tax Amendment Act, 2025*, received royal assent, setting the British Columbia consumer carbon tax to zero, effective April 1, 2025;
- G. In the Application, FEI requests approval to decrease the RNG Charge for Voluntary RNG service to non-NGV Sales customers by \$4.733 per GJ, from \$13.963 per GJ to \$9.230 per GJ, effective April 1, 2025, on a permanent basis to reflect the elimination of the consumer carbon tax; and
- H. The BCUC has reviewed the Application and considers that the following determinations are warranted.

NOW THEREFORE pursuant to sections 59 to 61 of the UCA, the BCUC orders as follows:

- 1. FEI's 2025 CMAE budget of \$6.280 million is approved on a permanent basis.
- 2. The CCRC applicable to all Sales Rate Classes and Rate Schedule 46 LNG Service for the Mainland and Vancouver Island service area, and the Fort Nelson service area, is approved to remain unchanged at \$2.230 per GJ, on a permanent basis effective January 1, 2025.
- 3. The Storage and Transportation(S&T) Charges applicable to all Sales Rate Classes and Rate Schedule 46 LNG Service for the Mainland and Vancouver Island service area, and the Fort Nelson service area, are approved to remain unchanged, on a permanent basis effective January 1, 2025, as set out in Appendix A of this order.
- 4. The MCRA Rate Rider 6 applicable to the Sales Rate Classes and Rate Schedule 46 LNG Service for the Mainland and Vancouver Island service area, and the Fort Nelson service area, are approved to remain unchanged, on a permanent basis effective January 1, 2025, as set out in Appendix A of this order.
- 5. The S&T RNG Rider (Rider 8) is approved to remain unchanged at \$0.301 per GJ, on a permanent basis effective January 1, 2025.
- 6. The RNG Charge for Voluntary RNG service to non-NGV Sales customers for the Lower Mainland and Vancouver Island service area, and Fort Nelson service area is approved to remain unchanged at \$13.216 per GJ, on a permanent basis effective January 1, 2025.
- 7. The CCRC applicable to the Sales Rate Classes and Rate Schedule 46 LNG Service for the Mainland and Vancouver Island service area, and the Fort Nelson service area, is approved to remain unchanged at \$2.230 per GJ, on a permanent basis effective April 1, 2025.
- 8. The RNG Charge for Voluntary RNG service to non-NGV Sales customers for the Lower Mainland and Vancouver Island service area, and Fort Nelson service area is approved to decrease by \$4.733 per GJ from \$13.963 per GJ to \$9.230 per GJ, on a permanent basis effective April 1, 2025.
- 9. FEI is directed to refund to or recover from customers the difference between interim and permanent rates, with interest calculated on any refundable or recoverable amounts at the average prime rate of FEI's principal bank for its most recent year.

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- 10. FEI is directed to notify all customers that are affected by the rate changes with a bill insert or bill message to be included with the next monthly gas billing.
- 11. FEI is directed to file revised tariff pages with the BCUC within 15 days of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 3rd day of April 2025.

BY ORDER

Electronically signed by Elizabeth A. (Lisa) Brown

E. A. Brown Commissioner

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FortisBC Energy Inc. Permanent Commodity Related Rates for the Mainland and Vancouver Island Service Area, and the Fort Nelson Service Area Effective January 1, 2025 and April 1, 2025

															(General						General		LNG	
	RS1/ 1U/			FEFN				FEFN		RS3/ 3U/		FEFN		Seasonal		Firm Service		NGV				Interruptible		Service	
				RS1/		RS2/ 2U/		RS2/		3RNG /		RS3/ 3RNG				RS5/ 5RNG/		RS-6P Fueling		RS6/ RS6P-					
	1RNG		1	1RNG		2RNG		2RNG		3VRNG		/ 3VRNG		RS4		5VRNG		Stations		Surrey		RS7/ 7RNG		RS46	
Storage and Transport Charges																									
Effective January 1, 2024	\$	1.102	\$	0.055	\$	1.134	\$	0.057	\$	0.957	\$	0.048	\$	0.643	\$	0.643	\$	0.643	\$	0.345	\$	0.643	\$	0.643	
Flow-through changes		0.158		0.008		0.155		0.008		0.142		0.007		0.090		0.090		0.090		0.046		0.090		0.090	
Proposed for January 1, 2025 (\$/GJ)	\$	1.260	\$	0.063	\$	1.289	\$	0.065	\$	1.099	\$	0.055	\$	0.733	\$	0.733	\$	0.733	\$	0.391	\$	0.733	\$	0.733	
MCRA Rate Rider 6																									
Effective January 1, 2024	\$	(0.863)	\$	(0.043)	\$	(0.889)	\$	(0.044)	\$	(0.749)	\$	(0.037)	\$	(0.504)	\$	(0.504)	\$	(0.504)	\$	(0.270)	\$	(0.504)	\$	(0.504)	
Flow-through changes		0.699		0.035		0.721		0.036		0.606		0.030		0.409		0.409		0.409		0.219		0.409		0.409	
Proposed for January 1, 2025 (\$/GJ)	\$	(0.164)	\$	(0.008)	\$	(0.168)	\$	(0.008)	\$	(0.143)	\$	(0.007)	\$	(0.095)	\$	(0.095)	\$	(0.095)	\$	(0.051)	\$	(0.095)	\$	(0.095)	