



February 27, 2019

British Columbia Utilities Commission  
Suite 410, 900 Howe Street  
Vancouver, BC  
V6Z 2N3

**Attention:** Mr. Patrick Wruck, Commission Secretary and Manager, Regulatory Support

**Re: FortisBC Energy Inc. Application for Acceptance of the Biogas Purchase Agreement Between FortisBC Energy Inc. and the City of Vancouver ~ Project No. 1598977**

Dear Mr. Wruck:

The Ministry of Energy, Mines and Petroleum Resources (Ministry) is pleased to provide this letter of comment.

The purpose of this letter is to confirm that the policy position of the Ministry and the Government of British Columbia (Government) is to support projects and initiatives that will lead to an increased Renewable Natural Gas (RNG) supply in British Columbia (BC). An increased RNG supply is key to reaching BC's legislated greenhouse gas (GHG) emission targets. The *Climate Change Accountability Act* sets these legislated targets of a 40 percent (%) reduction in carbon emissions from 2007 levels by 2030, and a 60% reduction from 2007 levels by 2040, and an 80% reduction in emissions by 2050.

The Province has taken policy action to promote the production of RNG in BC. In March 2017, the Province released its study "Resource Supply Potential for Renewable Natural Gas in British Columbia." This study, a collaboration of government and the two gas utilities, determined that the achievable short-term RNG production potential was estimated to be 4.4 petajoules per year (PJ/yr), of which more than 30% would come from landfills upgrading biogas to RNG.

Following the release of this study, amendments were made to the Greenhouse Gas Reduction (Clean Energy) Regulation in the spring of 2017 to increase incentives for using RNG in transportation and to establish measures to increase the supply of RNG.

In December 2018, the Government released its CleanBC plan aimed at reducing climate pollution, while creating more jobs and economic opportunities for people, businesses and communities. The plan was developed as a pathway to achieve the Province's legislated climate targets of reducing greenhouse gas emissions by 40% by the year 2030.

Under CleanBC, renewable fuels such as RNG contribute to meeting our targets in many sectors of the economy, including:

- Increasing the low carbon fuel standard to 20% by 2030, and increasing the production of renewable transportation fuels;
- Supporting the production of 650 million litres of renewable fuels per year for the transportation sector; and
- Making residential and industrial natural gas consumption cleaner by putting in place a minimum requirement of 15% to come from renewable gas.

All of these targets are supported by increased RNG production.

To follow through on these objectives and fulfill the Ministry's responsibilities regarding the Province's low-carbon energy market transformation, government has also committed to renewing its Bioenergy Strategy. This strategy will explore opportunities to turn organic waste into products and energy and a key component will be expanding production of renewable natural gas from landfills.

Beyond the Province's initiatives, Canada's natural gas utilities have set a target of 5% RNG in the pipeline distribution system by 2025 and 10% by 2030. By 2030, increased RNG content to meet these targets is projected to result in 14 megatonnes of GHG reductions per year.

With this in mind, the Province is supportive of projects that help increase the supply of RNG for use by the transportation sector and for use in homes and businesses. The Commission has requested final arguments to address a number of issues related to the Application, as set out in the Commission's order of January 22, 2019. The Ministry will not be making final argument in respect of those issues.

Yours sincerely



Les MacLaren  
Assistant Deputy Minister