



## SCHEDULE

**1 Section 1 of the Greenhouse Gas Reduction (Clean Energy) Regulation, B.C. Reg. 102/2012, is amended**

**(a) by repealing the definition of “eligible vehicle” and substituting the following:**

**“eligible vehicle or machine” means**

- (a) a specified vehicle,
- (b) a marine vehicle,
- (c) an asphalt paver,
- (d) a fracture pump unit,
- (e) a mine haul truck, and
- (f) a locomotive

that uses, as a fuel source, compressed natural gas or liquefied natural gas; ,

**(b) by adding the following definition:**

**“operating costs” in relation to a fuelling station or to distribution or storage infrastructure, means**

- (a) operating and maintenance expenses,
- (b) electricity expenses,
- (c) interest expenses,
- (d) taxes, including property taxes,
- (e) return on equity,
- (f) extraordinary retirement costs, and
- (g) amounts with respect to the depreciation of the
  - (i) capital costs,
  - (ii) construction carrying costs,
  - (iii) feasibility and development costs,
  - (iv) sustaining capital costs, and
  - (v) decommissioning and salvaging costs

determined with reference to the remaining service life of the fuelling station or distribution or storage infrastructure, as estimated by the commission in setting rates; , **and**

**(c) in the definition of “undertaking period” by striking out “March 31, 2018.” and substituting “March 31, 2022.”**

**2 Section 2 (0.1) is amended in the definition of “early adopter vehicle or machine”**

**(a) by striking out ““early adopter vehicle”” and substituting ““early adopter vehicle or machine””,**

**(b) by adding “or machine” after “eligible vehicle”,**

**(c) in paragraph (a) by striking out “5, 6 and 7” and substituting “5 through 11”, and**

(d) *in the table in paragraph (b) by repealing the item beginning with “Shipping, passenger transportation” and adding the following items as indicated:*

Column 1 Market Segment	Column 2 Contracted Demand (GJ)	Column 3 Number of Persons who Receive Grants or Zero-Interest Loans
Asphalt paving services	100 000	6
Fracture pump unit services	200 000	4
Shipping, passenger transportation or commercial services by marine vehicle that will use fuel purchased from a public utility	1.5 million	8
Street sweeping services	100 000	5

3 *Section 2 (1) is amended*

(a) *by striking out “A public utility’s undertaking” and substituting “Subject to subsection 3.3, a public utility’s undertaking”;*

(b) *by striking out “eligible vehicle” wherever it appears and substituting “eligible vehicle or machine”;*

(c) *by repealing the table in paragraph (b) and substituting the following:*

	Year of Undertaking										
	1	2	3	4	5	6	7	8	9	10	11
Percentage of the difference between the cost of the eligible vehicle or machine and the cost of a comparable vehicle that uses gasoline or diesel	100	80	70	60	50	40	30	25	20	10	0

(d) *in paragraph (c) by striking out “\$62 million” and substituting “\$107.9 million”, and*

(e) *by repealing paragraph (c) (ii) (A).*

4 *Section 2 (1.1) is amended by striking out “eligible vehicle” and substituting “eligible vehicle or machine”.*

5 *Section 2 (1.2) is amended*

(a) *by striking out “eligible vehicle” and substituting “eligible vehicle or machine”;*

(b) *in paragraphs (a) and (b) by striking out “5, 6 and 7” in both places and substituting “5 through 11” and by striking out “early adopter vehicle” in both places and substituting “early adopter vehicle or machine”;*

- (c) in paragraph (a) by striking out “50%” and substituting “50”,*
- (d) in paragraph (b) by striking out “20%” and substituting “20”, and*
- (e) by adding the following subsection:*

(1.3) Despite subsections (1) (a) (i) and (1.1), grants or loans referred to in subsection (1) in relation to an early adopter vehicle or machine respecting the market segment described in the table in paragraph (b) of the definition of “earlier adopter vehicle or machine” as “Shipping, passenger transportation or commercial services by marine vehicle that will use fuel purchased from a public utility” may be made to persons who are not in British Columbia.

**6 Sections 2 (2) and (3) are amended**

- (a) in paragraph (a) by striking out “April 1, 2018” in both places and substituting “March 31, 2022”,*
- (b) in paragraph (c) (i) by striking out “energy provided at each station is provided to” in both places and substituting “station’s forecast total operating costs for the first 5 years of the operation are recovered from”, and*
- (c) in paragraph (c) (ii) by striking out “energy provided at each station is provided to” in both places and substituting “station’s forecast total operating costs for the first 7 years of the operation are recovered from”.*

**7 Section 2 (3.1) is amended**

- (a) by striking out “A public utility’s undertaking” and substituting “Subject to subsection 3.3, a public utility’s undertaking”,*
- (b) in paragraph (b) (i) (A) by striking out “30” and substituting “50”, and*
- (c) by adding the following subsections:*

(3.2) Subject to subsection 3.3, a public utility’s undertaking that is in the class defined as follows is a prescribed undertaking for the purposes of section 18 of the Act:

- (a) the public utility provides, through an open and competitive application process, grants or zero-interest loans to persons in British Columbia for
  - (i) the purchase or lease of generators, boilers, burners or kilns that use, as a fuel source, compressed natural gas or liquefied natural gas, or
  - (ii) the conversion of generators, boilers, burners or kilns to use, as a fuel source, compressed natural gas or liquefied natural gas
 if the generators, boilers, burners or kilns will be operated at a location that, at the time of the expenditure, is not
  - (iii) within the authority’s integrated area, or
  - (iv) connected to a natural gas transmission or distribution system;
- (b) the total expenditures on the undertaking during the undertaking period, other than expenditures on administration, marketing, training and education, do not exceed \$6.1 million.

- (3.3) The undertakings referred to in subsections (1) and (3.2) are prescribed undertakings for the purposes of section 18 of the Act only if the total combined expenditures on the two undertakings during the undertaking period on administration, marketing, training and education, do not exceed \$8.1 million.
- (3.4) A public utility's undertaking that is in the class defined as follows is a prescribed undertaking for the purposes of section 18 of the Act:
- (a) the public utility, before March 31, 2022, enters into a binding commitment to
    - (i) construct and operate, or
    - (ii) purchase and operate  
LNG distribution and storage infrastructure in British Columbia, including LNG rail tank cars and ISO containers, for the purpose of reducing greenhouse gas emissions;
  - (b) total expenditures on the undertaking during the undertaking period, including expenditures on administration, marketing, training and education, do not exceed \$15 million, and
  - (c) at least
    - (i) 80% of the forecast total operating costs of the distribution and storage infrastructure for the first 5 years of the operation are recovered from one or more persons under a take-or-pay agreement with a minimum term of 5 years, or
    - (ii) 60% of the forecast total operating costs of the distribution and storage infrastructure for the first 7 years of the operation are recovered from one or more persons under a take-or-pay agreement with a minimum term of 7 years.

8 *Section 2 (4) is amended by striking out "and (3.1)," and substituting "(3.1), (3.2) and (3.4)."*