



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-151-12**

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IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by Corix Multi Utility Services Inc.
to Address Order G-98-12 regarding the Gas Cost Reconciliation Account
for Propane Service at Panorama Mountain Resort

BEFORE: L.F. Kelsey, Commissioner
N.E. MacMurchy, Commissioner October 18, 2012
B.A. Magnan, Commissioner
R.D. Revel, Commissioner

O R D E R

WHEREAS:

- A. By Order G-52-10 dated March 18, 2010, British Columbia Utilities Commission (Commission) directed Corix Multi Utility Services Inc. (Corix) to use the lesser of the actual unaccounted for gas (UAF) volumes or 4 percent in the determination of costs to be accrued to the Gas Cost Reconciliation Account (GCRA);
- B. The Commission noted in Order G-52-10, in the event post April 1, 2010 UAF volumes exceed 4 percent (Excess UAF), Corix may apply to the Commission to include the additional UAF volumes in Excess UAF in the GCRA determination, providing the justification for same;
- C. On July 9, 2012, Corix filed with the Commission a revised application to change the Gas Cost Recovery Charge (GCR Charge) for propane service at Panorama Mountain Resort, effective July 1, 2012 (Revised Application). The Revised Application reported Excess UAF for the period of April 1, 2012 through June 30, 2012, and proposed an adjustment credit of \$44,000 to the GCRA to account for exclusion of these Excess UAF volumes from the GCRA. The Revised Application replaced an original application by Corix dated June 25, 2012;
- D. By Order G-98-12 dated July 12, 2012, the Commission ordered that Corix is to file a report with the Commission by August 31, 2012 providing:
 - i. details regarding the UAF volumes and the extent to which the UAF factor has exceeded 4 percent for the period from April 1, 2010 to June 30, 2012 and to confirm the proposed treatment of such excess UAF volumes; and
 - ii. a detailed reconciliation of the GCRA for the 2011 calendar year including explanations of any variances from the reconciliation reported in the Revised Application;

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- E. On August 31, 2012, Corix filed with the Commission its application (UAF Application) to address Order G-98-12 regarding the GCRA for propane service at Panorama Mountain Resort and requests that the Commission allow the recovery of the Excess UAF for 2010 and 2011 as well as to recover all UAF going forward. Corix estimates the Excess UAF since April 1, 2010 to be \$37,710;
- F. The Commission has reviewed the UAF Application and is not convinced that Corix has fully addressed the issue of excessive UAF, and is not persuaded that including the Excess UAF for recovery in the GCRA for the period of April 1, 2010 through December 31, 2011 is in the public interest.

NOW THEREFORE the Commission orders as follows:

1. The Commission determines the supporting evidence to justify including the Excess UAF for recovery in the GCRA in the amount of \$37,710 is insufficient. The Commission denies approval to recover the Excess UAF from ratepayers through the GCRA.
2. The request by Corix to recover UAF in excess of 4 percent going forward is denied. Consistent with Order G-52-10, Corix is to continue to use the lesser of the actual UAF volumes or 4 percent in the determination of the costs to be accrued in the GCRA.
3. For any UAF volumes exceeding 4 percent post January 1, 2012, Corix may apply to the Commission to include these additional UAF volumes in the GCRA determination on an annual basis, providing detailed justification for same treatment. The Commission will continue monitoring developments of the UAF levels and review the appropriateness of the 4 percent restriction on UAF volumes as part of the GCR Charge reviews.
4. Corix is to file a GCRA Reconciliation Report for the prior year concurrent with its filing of the Annual Report to the Commission each year. The GCRA Reconciliation Report is to include the approved UAF treatment and highlight any differences that may exist between the audited financial statements and the GCRA balance.

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of October 2012.

BY ORDER

Original Signed by:

L.F. Kelsey
Commissioner