

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-85-08

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

and

An Application by Port Alice Gas Inc.
for Approval of a Change to the Propane Commodity Price Bands in the Commodity Fee Formula

BEFORE: L.F. Kelsey, Commissioner
P.E. Vivian, Commissioner May 29, 2008

O R D E R

WHEREAS:

- A. On May 13, 2008, Port Alice Gas Inc. ("Port Alice Gas") applied to change the propane commodity price bands in the Commodity Fee formula and amend the General Service Rates Schedule, effective May 31, 2008; and
- B. Commission Order No. G-22-01 approved the Commodity Fee formula and methodology for calculating the cost of propane used for billing purposes; and
- C. The Commission finds that the proposed change to the propane commodity price bands in the Commodity Fee formula is required considering the market price of the propane commodity at this time.

NOW THEREFORE the Commission orders as follows:

1. The Commission approves for Port Alice Gas the change to the propane commodity price bands for the Commodity Fee formula in the General Service Rates Schedule. The upper band is approved to be set at \$650.00/m³ and the lower band is to be \$570.00/m³. If the cost of propane is greater than \$650.00/m³ then the actual propane cost will be used to calculate the rate. If the cost of propane is between \$570.00/m³ and \$650.00/m³ then \$650.00/m³ will be used to calculate the rate delivered to Port Alice. If the cost of propane is less than \$570.00/m³ then the actual cost of propane plus \$80.00/m³ will be used to determine the price.

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2. Port Alice Gas is to file the General Service Rates Schedule setting out the propane commodity price bands for the Commodity Fee formula that apply to permanent rates, effective May 31, 2008.
3. Port Alice Gas is to provide all customers with a bill insert describing the changes to the propane commodity price bands in the Commodity Fee formula in the next billing statement.
4. Port Alice Gas is to post a copy of this Order on community bulletin boards in Port Alice.

DATED at the City of Vancouver, in the Province of British Columbia, this 29th day of May 2008.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner