



ORDER NUMBER
G-95-17

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

and

Sun Peaks Utilities Co., Ltd.
Gas Cost Reconciliation Account and Commodity Rate Increase

BEFORE:

B. A. Magnan, Commissioner/Panel Chair
R. D. Revel, Commissioner
R. I. Mason, Commissioner

on June 15, 2017

ORDER

WHEREAS:

- A. On May 11, 2017, Sun Peaks Utilities Co., Ltd. (SPUCL) filed with the British Columbia Utilities Commission (Commission) a Gas Cost Reconciliation Account (GCRA) report, which includes actual and projected GCRA balances (GCRA Report), and requested an increase of \$4.1724 per gigajoule (GJ) in the Total Gas Commodity Charge from \$9.6750/GJ to \$13.8474/GJ for each rate group (Residential, Small Commercial, and Large Commercial), effective June 1, 2017;
- B. By Order G-106-16, dated July 7, 2016, the Commission approved a decrease in the Total Gas Commodity Charge to \$9.6750/GJ for SPUCL, effective August 1, 2016. Letter L-30-16A, dated December 22, 2016, maintained the Total Gas Commodity Charge at \$9.6750/GJ;
- C. SPUCL's commodity and transportation costs (Commodity portion) and storage costs (Storage portion) are tracked through two separate balances within the GCRA. The GCRA Report, which includes actuals up to March 31, 2017, shows that at April 30, 2017, the balance in the Commodity portion of the GCRA is projected to be a deficit of \$28,520 and the balance in the Storage portion of the GCRA is projected to be a surplus of \$53,448 for a total net GCRA surplus balance of \$24,928;
- D. The requested \$4.1724/GJ increase in the Total Gas Commodity Charge comprises of:
 - i. An increase in the Gas Commodity Charge – Propane of \$2.1346/GJ from \$9.7250/GJ to \$11.8596/GJ;
 - ii. A decrease in the Gas Commodity Charge – Storage of \$0.8232/GJ from \$2.3250/GJ to \$1.5018/GJ; and
 - iii. An increase in the Gas Commodity Charge – GCRA of \$2.8610/GJ from a credit of \$2.3750/GJ to a debit of \$0.4860/GJ;

- E. The requested increase arises as a result of current and forecast propane commodity, transportation and storage costs; current and forecast propane consumption levels; and the amortization of the outstanding Commodity and Storage portions of the GCRA over a one year period;
- F. The requested rate changes, using current delivery rates, would result in an increase in the annual bill before taxes of 17 percent for an average townhouse consuming 18 GJ annually and 28 percent for an average single family house residential customer consuming 85 GJ annually; and
- G. The Commission reviewed the GCRA Report and considers that SPUCL's requested rate changes are warranted.

NOW THEREFORE pursuant to section 61(4) of the *Utilities Commission Act*, the British Columbia Utilities Commission orders the following:

1. Sun Peaks Utilities Co., Ltd. commodity rates are set as follows for each rate group (Residential, Small Commercial, and Large Commercial), effective June 1, 2017:

Gas Commodity Charges	Rate (per GJ)
Gas Commodity Charge – Propane	\$11.8596
Gas Commodity Charge – Storage	\$1.5018
Gas Commodity Charge – GCRA	\$0.4860
Total Gas Commodity Charge	\$13.8474

2. Sun Peaks Utilities Co., Ltd. is to inform its customers of the approved rates in a timely manner by way of a customer notice.
3. Sun Peaks Utilities Co., Ltd is directed to file a report with the Commission by November 30, 2017 on the Gas Cost Reconciliation Account (GCRA) balances, including but not limited to propane price forecasts, commodity cost forecasts and GCRA balances for the following twelve months and, if necessary, proposed changes to commodity rates.

DATED at the City of Vancouver, in the Province of British Columbia, this 15th day of June 2017.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner