



ORDER NUMBER
G-150-17

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

and

Corix Multi-Utility Services Inc.
Application to Change Gas Cost Recovery Charge
for Propane Service at Panorama Mountain Village

BEFORE:

D. J. Enns, Commissioner
B. A. Magnan, Commissioner

on September 28, 2017

ORDER

WHEREAS:

- A. On July 28, 2017, Corix Multi-Utility Services Inc. (Corix) filed an application (Application) with the British Columbia Utilities Commission (Commission) seeking approval for Panorama Mountain Resort of the following: (i) decrease the Gas Cost Recovery (GCR) Charge by \$4.603 per gigajoule (GJ) from the current GCR Charge of \$14.197/GJ to a rate of \$9.594/GJ, effective September 1, 2017; and (ii) recover the unaccounted for gas (UAF) of 4.667 percent reflecting the actual UAF volumes experienced by the utility over the past 24 months;
- B. By Order G-151-12 dated October 18, 2012, the Commission, in directives 2 and 3, respectively, ordered that:
 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 Gas Cost Reconciliation Account (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.
- C. By Order G-132-15 dated August 6, 2015, the Commission decreased the GCR Charge from \$18.609/GJ to \$14.197/GJ for Panorama Mountain Resort, effective August 1, 2015, based on 4 percent UAF;
- D. On September 5, 2017, Commission staff questions were issued to Corix primarily regarding the UAF;

- E. On September 14, 2017, Corix filed responses to Commission staff questions regarding the UAF including detailed justification for 4.667 percent UAF. Corix provided a spreadsheet showing a breakdown of the UAF and discussed the detailed review of operational and accounting methodologies it undertook;
- F. On September 14, 2017, Corix filed a revised application (Revised Application) seeking approval of the following: (i) decrease the GCR Charge by \$4.724/GJ from \$14.197/GJ to \$9.260/GJ, effective September 1, 2017, to adjust for the GCRA debit balance and to reflect current forecasts and (ii) recover the UAF of 4.667 percent reflecting the actual UAF volumes experienced by the utility over the past 24 months;
- G. In the Revised Application, Corix estimates that the GCRA has a surplus balance of \$104,455.40 as at June 30, 2017. The outstanding excess UAF balance is \$6,902.35 for the two year period from July 2015 to June 2017;
- H. In the Revised Application, in addition to the requested GCR Charge based on full UAF recovery, Corix also provides the scenario showing the GCR Charge using an UAF capped at 4 percent on the current GCRA balance. Corix calculates that the GCR Charge would have decreased by \$4.724 per GJ from \$14.197/GJ to \$9.260/GJ;
- I. Based on full UAF recovery, the proposed rate in the Revised Application is equivalent to a \$165 per year or 19 percent decrease for an average residential customer based on an annual average use of 35 GJs and a \$4,535 decrease per year for an average commercial customer based on an annual average use of 960 GJs;
- J. At 4 percent UAF recovery, the proposed rate in the Revised Application is equivalent to a \$173 per year or 20 percent decrease for an average residential customer based on an annual average use of 35 GJs and a \$4,740 decrease per year for an average commercial customer based on an annual average use of 960GJs;and
- K. The Commission reviewed the Application and considers that approval of the Revised Application is warranted.

NOW THEREFORE pursuant to section 61(4) of the *Utilities Commission Act*, the Commission orders as follows:

1. The Corix request to recover the UAF of 4.667% through the GCR Charge that is in excess of 4% threshold is approved.
2. The GCR Charge will decrease from \$14.197 to \$9.4733 per gigajoule for Corix at Panorama Mountain Resort, effective September 1, 2017, based on 4.667 percent UAF on the current GCRA balance.
3. Corix must notify all customers affected by the rate change.

DATED at the City of Vancouver, in the Province of British Columbia, this 29th day of September 2017.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner