



**ORDER NUMBER**  
**G-127-18**

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

and

Sun Peaks Mountain Resort Municipality  
Gas Cost Reconciliation Account and Commodity Rate Increase

**BEFORE:**

B. A. Magnan, Commissioner  
R. I. Mason, Commissioner  
R. D. Revel, Commissioner

on July 12, 2018

**ORDER**

**WHEREAS:**

- A. On May 24, 2018, on behalf of Resort Gas Ltd., Sun Peaks Mountain Resort Municipality (SPMRM), formerly Sun Peaks Utilities Co. Ltd (SPUCL), filed with the British Columbia Utilities Commission (BCUC) a Gas Cost Reconciliation Account (GCRA) report, which includes actual and projected GCRA balances (GCRA Report), and requested an increase of \$1.0029 per gigajoule (GJ) in the Total Gas Commodity Charge from \$14.8406/GJ to \$15.8435 for each rate group (Residential, Small Commercial, and Large Commercial), effective July 1, 2018;
- B. By Order G-188-17 dated December 14, 2017, the BCUC approved an increase in the Total Gas Commodity Charge to \$14.8406/GJ for SPUCL, effective December 1, 2017;
- C. SPMRM'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 April 30, 2018, shows a \$2,580 deficit balance in the Commodity portion of the GCRA and a \$42,700 surplus balance in the Storage portion of the GCRA, for a total net GCRA surplus balance of \$40,120;
- D. The requested \$1.0029 /GJ increase in the Total Gas Commodity Charge comprises of:
  - i. An increase in the Gas Commodity Charge – Propane of \$1.0528/GJ from \$13.0022/GJ to \$14.0550;
  - ii. An increase in the Gas Commodity Charge – Storage of \$0.1211/GJ from \$1.6489/GJ to \$1.7700; and
  - iii. A decrease in the Gas Commodity Charge – of \$0.1710/GJ from \$0.1895/GJ to \$0.0185/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 an 18-month period;

- F. The requested rate changes, using current delivery rates, would result in an increase in the annual bill before taxes of \$18.05 for an average townhouse consuming 18 GJ annually and \$85.25 for an average single family house residential customer consuming 85 GJ annually; and
- G. The BCUC reviewed the GCRA Report and considers that SPMRM's requested rate changes are warranted.

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

1. SPMRM commodity rates are set as follows for each rate group (Residential, Small Commercial, and Large Commercial), effective July 1, 2018:

Gas Commodity Charges	Rate (per GJ)
Gas Commodity Charge – Propane	\$14.0550
Gas Commodity Charge – Storage	\$1.7700
Gas Commodity Charge – GCRA	\$0.0185
Total Gas Commodity Charge	\$15.8435

2. SPMRM is to inform its customers of the approved rates in a timely manner by way of a customer notice.
3. SPMRM is directed to file a report with the BCUC by November 30, 2018, on the Gas Cost Reconciliation Account 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 12<sup>th</sup> day of July 2018.

BY ORDER

*Original signed by*

B. A. Magnan  
Commissioner