



**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER** G-62-06

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

and

**Recovery of Commission Costs  
for the 2006/07 Fiscal Year**

**BEFORE:** L.F. Kelsey, Commissioner June 1, 2006  
L.A. Boychuk, Commissioner

**O R D E R**

**WHEREAS:**

- A. Section 125 of the Utilities Commission Act (“the Act”) enables the British Columbia Utilities Commission (“the Commission”) to recover its expenses arising in each fiscal year commencing April 1 from the administration of the Act, and to fix and collect levies from public utilities and other persons so defined. B.C. Regulation 283/88 dated July 29, 1988, authorizes the Commission to collect and retain all levies collected under the Regulation and to base the amount of a levy on the value and the volume of the energy transmitted or distributed or the service furnished; and
- B. The current year’s levy for recovering Commission expenses is based on its 2006/07 approved budget minus 2005/06 deferred revenue and expected recoveries. That figure is then divided by the total energy sales of the regulated energy utilities; and
- C. The Commission’s recovery of its apportioned costs to the Insurance Corporation of British Columbia (“ICBC”) and British Columbia Transmission Corporation (“BCTC”) requires a different method of cost recovery rather than by way of a levy on energy sales; and
- D. The Commission will recover its expenses from the levy calculation on a quarterly basis and may adjust the fourth quarter billing in order to account for additional revenues received or expenses incurred during the fiscal year ending March 31, 2007. The final adjustment for the year will occur commencing with the first quarter billing in the following fiscal year of 2007/08; and
- E. For ICBC and BCTC the Commission has estimated the costs of the service furnished, including its Commissioner, staff and apportioned administrative office costs for 2006/07, and may adjust the last quarterly billing to these companies.

**NOW THEREFORE** the Commission orders as follows:

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1. A levy, at the rate of \$0.0080605353 per GJ equivalent of energy sold for the calendar year 2005 shall be paid by, and collected from, the public utilities listed below for the recovery of Commission expenses in the fiscal year commencing April 1, 2006.
2. The following public utilities are required to pay the levy fixed for the 2006/07 fiscal year, to be billed in installments as set out in Appendix A attached to this Order.

Electric Utilities

British Columbia Hydro and Power Authority  
FortisBC Inc.  
Princeton Light and Power Company, Limited  
The Corporation of the City of Nelson (rural areas)  
Hemlock Valley Electrical Services Limited  
The Yukon Electrical Company Limited  
Silversmith Power & Light Corporation  
Terasen Multi-Utility Services Inc. – Sun Rivers

Gas Utilities

Terasen Gas Inc.  
Terasen Gas (Vancouver Island) Inc.  
Terasen Gas (Whistler) Inc.  
Terasen Gas (Squamish) Inc.  
Pacific Northern Gas Ltd.  
Pacific Northern Gas (N.E.) Ltd.  
Big White Gas Utility  
Port Alice Gas Inc.  
Sun Peaks Utilities Co. Ltd.  
Terasen Multi-Utility Services Inc. – Sun River, Panorama and Sonoma Pines  
Stargas Utilities Ltd.  
Cal Gas Inc. - Kickinghorse

Steam Heat Utility

Central Heat Distribution Limited

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3. Pursuant to Section 125 of the Act and the regulation of the Insurance Corporation of British Columbia (“ICBC”) and British Columbia Transmission Corporation (“BCTC”), ICBC and BCTC shall pay the Commission’s 2006/07 allocated budgeted expenses of \$600,000 each, in quarterly installments.
4. The Commission’s cost recovery for ICBC and BCTC for 2006/07 will be reviewed in the last quarter to ensure the apportioned costs to these companies is appropriate.
5. Pursuant to Levy Regulation 283/88 and Letter No. L-39-96, the following upstream natural gas processors and intraprovincial oil pipelines shall pay the following amounts for the fiscal year commencing April 1, 2006:

Keyera Energy (Formerly Coastal Canada Field Services Inc.)	\$1,000
Duke Energy Field Services Canada Ltd. - Westcoast Gas Services Inc.	\$1,000
Canadian Natural Resources Limited - West Stoddart Plant	\$1,000
JJH Equipment Trust (Jedney I, II, Highway Transportation & Processing Facility)	\$1,000
Plateau Pipeline Ltd.	
- Sunset Prairie Pipeline	\$1,000
- Taylor to Dawson Creek Pipeline	\$1,000
- Blueberry	\$1,000
- Northeast BC and Boundary Lake Pipelines	\$1,000
- Western System	\$1,000
Enerplus Resources Fund - Inga Oil Pipeline	\$1,000
Terasen Pipelines (Jet Fuel) Inc.	\$1,000

**DATED** at the City of Vancouver, in the Province of British Columbia, this \_\_\_\_\_ day of June 2006.

BY ORDER

L.F. Kelsey  
Commissioner

Attachment

**BRITISH COLUMBIA UTILITIES COMMISSION - 2006/07 LEVY CALCULATION**

A	B	C	D	E	F	I	J	K	L
	Regulated	Regulated		Converted	2006/07 Annual Assessment \$ <sup>1</sup>	Billing	Billing	Billing	Billing
Utility	Sales \$000	Volume	Unit	To GJ		Q1	Q2	Q3	Q4 <sup>3</sup>
B.C. Hydro & Power Authority	2,695,585.00	50,756.01	GW.h	182,722,000	1,472,837.13	368,209.28	368,209.28	368,209.28	368,209.28
B.C. Transmission Corporation						150,000.00	150,000.00	150,000.00	150,000.00
City of Nelson (Rural)	3,903.00	57.53	GW.h	207,100	1,669.34	417.33	417.33	417.33	417.33
Hemlock Valley	221.00	1.35	GW.h	4,900	39.50	9.87	9.87	9.87	9.87
Princeton Light & Power	5,371.00	72.89	GW.h	262,400	2,115.08	528.77	528.77	528.77	528.77
FortisBC Inc.	141,627.00	2,051.00	GW.h	7,383,600	59,515.77	14,878.94	14,878.94	14,878.94	14,878.94
Silversmith Power & Light Corporation	28.00	0.06	GW.h	200	1.61	0.40	0.40	0.40	0.40
TMUS Sun Rivers (Electric)	281.00	4.40	GW.h	15,800	127.36	31.84	31.84	31.84	31.84
Yukon Electrical Co. Ltd. (Lower Post)	107.68	0.68	GW.h	2,400	19.35	4.84	4.84	4.84	4.84
Insurance Corporation of British Columbia (ICBC)						150,000.00	150,000.00	150,000.00	150,000.00
Terasen Gas Inc.									
Lower Mainland Division	1,060,236.00	117,024,000	GJ	117,024,000	943,276.08	235,819.02	235,819.02	235,819.02	235,819.02
Inland Division	328,598.00	52,704,000	GJ	52,704,000	424,822.45	106,205.61	106,205.61	106,205.61	106,205.61
Columbia Division	34,689.00	6,013,000	GJ	6,013,000	48,468.00	12,117.00	12,117.00	12,117.00	12,117.00
Fort Nelson Division	5,210.00	920,000	GJ	920,000	7,415.69	1,853.92	1,853.92	1,853.92	1,853.92
Terasen Gas (Squamish) Inc.	3,753.00	332,000	GJ	332,000	2,676.10	669.02	669.02	669.02	669.02
Terasen Gas (Vancouver Island) Inc.									
Vancouver Island, Powell River and Sunshine Coast areas	164,010.00	33,618,000	GJ	33,618,000	270,979.08	67,744.77	67,744.77	67,744.77	67,744.77
CalGas - Kickinghorse	130.00	10,000		10,000	80.61	20.15	20.15	20.15	20.15
Pacific Northern Gas (N.E.) Ltd.									
Dawson Creek and Fort St. John	33,272.00	4,450,000	GJ	4,450,000	35,869.38	8,967.35	8,967.35	8,967.35	8,967.35
Pacific Northern Gas (N.E.) Ltd.									
Tumbler Ridge	2,043.00	690,000	GJ	690,000	5,561.77	1,390.44	1,390.44	1,390.44	1,390.44
Pacific Northern Gas Ltd. <sup>2</sup>	124,125.00	7,685,000	GJ	7,685,000	61,945.21	15,486.30	15,486.30	15,486.30	15,486.30
Big White Gas Utility	742.00	38,000	GJ	38,000	306.30	76.58	76.58	76.58	76.58
Terasen Gas (Whistler) Inc.	10,690.00	753,000	GJ	753,000	6,069.58	1,517.40	1,517.40	1,517.40	1,517.40
Port Alice Gas Inc.	355.00	13,400	GJ	13,400	108.01	27.00	27.00	27.00	27.00
Sun Peaks Utilities	1,521.00	73,900	GJ	73,900	595.67	148.92	148.92	148.92	148.92
Central Heat Distribution Limited	5,432.00	1,176,000	GJ	1,176,000	9,479.19	2,369.80	2,369.80	2,369.80	2,369.80
Stargas Utilities Ltd.	525.00	31,700	GJ	31,700	255.52	63.88	63.88	63.88	63.88
Terasen Multi-Utility Services	908.00	46,800	GJ	46,800	377.23	94.31	94.31	94.31	94.31
Sun Rivers (gas), Panorama & Sonoma Pines									
<b>TOTAL</b>	<b>4,623,362.68</b>			<b>416,177,200</b>	<b>3,354,611.01</b>	<b>1,138,652.75</b>	<b>1,138,652.75</b>	<b>1,138,652.75</b>	<b>1,138,652.75</b>

2006/07 BCUC Budget	\$5,527,000.00
Less: 2005/06 Deferred Revenue (carried forward)	<u>(\$51,389.00)</u>
	4,965,611.00
Less estimated recoveries from:	
Intra-Provincial Oil Pipeline Companies & Upstream Gas Processors	<u>(11,000.00)</u>
Insurance Corporation of British Columbia	<u>(600,000.00)</u>
B.C. Transmission Corporation	<u>(600,000.00)</u>
Expected direct recoveries from Public Hearings BCUC 2005/06 Budget to be recovered through the Levy	<u>\$3,354,611.00</u>
Levy Calculation:	<u>\$3,354,611.00</u>
	416,177,200 GJ

- 1 Deferred Revenue from 2005/06 is applied to the 2006/07 assessment.
- 2 Pursuant to Order No. G-16-06, the Commission has used PNG's forecast 2006 gas deliveries rather than the actual 2005 sales volumes that have been used for other energy utilities in this schedule
- 3 The 4th Quarterly assessment and billing will be reviewed by the Commission at the beginning of the last quarter for all utilities including ICBC and BCTC

= \$0.0080605353 /GJ