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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-158-06

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

and

**An Application by Sun Peaks Utilities Co., Ltd.
for Approval of Commodity Rate Changes Effective December 1, 2006**

BEFORE: L.F. Kelsey, Commissioner December 7, 2006

O R D E R

WHEREAS:

- A. By Order No. G-100-05 dated October 25, 2005, the British Columbia Utilities Commission (the "Commission") approved commodity rates for Sun Peaks Utilities Co., Ltd. ("Sun Peaks"), effective October 1, 2005; and
- B. On September 26, 2006, Sun Peaks applied for Commission approval to amend its monthly Basic Charge and Delivery Charge. Commission Order No. G-123-06 approved interim changes to these rates effective November 1, 2006 and initiated a written hearing process to review the application; and
- C. By letter dated December 1, 2006, Sun Peaks filed an application requesting Commission approval of decreases to propane commodity rates effective December 1, 2006 (the "Commodity Application"); and
- D. The Commodity Application requests a decrease in the Gas Commodity Charge – Propane from the current rate of \$15.55/GJ to \$15.37/GJ and a reduction in the Gas Commodity Charge – GCRA from \$1.1915/GJ to \$0.73/GJ; and
- E. The requested combined rate decrease in the Commodity Application of \$0.6415/GJ will decrease residential annual bills by approximately 1.9 to 2.7 percent, and will decrease large commercial bills by approximately 3.0 percent; and
- F. Sun Peaks has established a fixed price for a quantity of propane deliveries commencing October 2006, and forecasts a propane price that is between the price used in its previous commodity rate application and the current spot propane price; and
- G. In the Commodity Application, Sun Peaks projects that the Gas Cost Reconciliation Account ("GCRA") will have a debit balance for commodity of \$28,000 at the end of November 2006 and requestes approval of a Gas Commodity Charge – GCRA that will pay back this balance by the end of its fiscal year end at April 30, 2007; and
- H. The Commission has considered the Commodity Application, and has concluded a reduction in propane commodity rates should be approved.

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

1. A Gas Commodity Charge – Propane of \$15.37/GJ is approved, effective December 1, 2006.
2. A Gas Commodity Charge – GCRA of \$0.730/GJ is approved, effective December 1, 2006.
3. Sun Peaks is to provide information to all customers of the rate changes, effective December 1, 2006, approved by this Order.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of December 2006.

BY ORDER

Original signed by

L. F. Kelsey
Commissioner