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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-170-13

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

and

**An Application by Stargas Utilities Ltd.
for Approval of Supply Contracts with Shell Energy North America (Canada) Inc. and
Independent Energy Consultants (BC) Ltd. and
to Alter the Commodity Component of Rates**

BEFORE: L.F. Kelsey, Commissioner
N.E. MacMurchy, Commissioner
B.A. Magnan, Commissioner October 17, 2013
D.M. Morton, Commissioner
R.D. Revel, Commissioner
C. van Wermeskerken, Commissioner

O R D E R

WHEREAS:

- A. The British Columbia Utilities Commission (Commission) by Order C-4-00 approved a Certificate of Public Convenience and Necessity for Stargas Utility Ltd. (Stargas) to operate a natural gas distribution system at the resort community of Silver Star;
- B. On September 19, 2013, Stargas submitted an application to the Commission for approval to alter the commodity component of rates effective November 1, 2013 (Original Application);
- C. On October 1, 2013, the Commission issued Information Request No. 1 in regard to the Original Application;
- D. On October 8, 2013, Stargas filed a revised application (Revised Application) to replace the Original Application in its entirety with a revised requested rate change based on a more current forward price forecast and requested that the gas supply contracts and the details of the terms of the gas supply contracts be held confidential as they are commercially sensitive;

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UTILITIES COMMISSION**

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2

- E. In the Revised Application Stargas reports a credit balance of \$20,181 in the Gas Cost Variance Account as of May 31, 2013. Stargas also provides an updated forecast of gas costs based on forward price indices as of October 3, 2013, and the contracted supply arrangements for the period up to May 31, 2014;
- F. Based on projected sales, forecast gas costs and refund of the Gas Cost Variance Account credit balance, Stargas requests an increase of \$0.58/GJ for the commodity component of the rate effective November 1, 2013;
- G. Stargas requests that the gas supply contracts, the Exhibit B-3 to the Revised Application, the details on page 2 of Attachment B-1, and the confidential responses to the Commission Information Request be held confidential as the information is commercially sensitive;
- H. The Commission has considered the Revised Application and finds the proposed rate change to be warranted.

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

1. The Commission approves the increase in the gas commodity component of rates charged to Stargas customers from the current \$5.26/GJ to \$5.84/GJ, effective November 1, 2013;
2. The Commission will hold confidential the gas supply contracts, the Exhibit B-3 to the Revised Application, the details on page 2 of Attachment B-1, and the confidential responses to the Commission Information Request;
3. The Commission directs Stargas to include an explanation of the commodity component price change to \$5.84/GJ in its next monthly billing as "Notice to Stargas Utilities Ltd. Customers".

DATED at the City of Vancouver, In the Province of British Columbia, this 18th day of October 2013.

BY ORDER

Original signed by:

D.M. Morton
Commissioner