

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER G-73-13

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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 2013/14 Fiscal Year

BEFORE: L.F. Kelsey, Commissioner

D.M. Morton, Commissioner N.E. MacMurchy, Commissioner B.A. Magnan, Commissioner

C. van Wermeskerken, Commissioner

May 9, 2013

ORDER

WHEREAS:

- A. Section 125 of the *Utilities Commission Act* (the Act) enables the British Columbia Utilities Commission (the Commission) to recover its expenses arising from the administration of the Act, in each fiscal year commencing April 1st 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;
- B. The current year's levy for recovering Commission expenses is based on its 2013/14 approved budget plus the Commission's under-recovery of \$574,358.68 from 2012/13. That figure is then divided by the total energy sales of the regulated energy utilities for the calendar year 2012;
- C. The Commission's recovery of its apportioned costs to the Insurance Corporation of British Columbia (ICBC) requires a different method of cost recovery rather than by way of a levy on energy sales;
- 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 during the fiscal year ending March 31, 2014;
- E. For ICBC the Commission has estimated the costs of the service furnished, including its Commissioners, staff and apportioned administrative office costs for 2013/14.

NOW THEREFORE the Commission orders as follows:

1. A levy, at the rate of \$0.0125861454 per GJ equivalent of energy sold for the calendar year 2012 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, 2013.

BRITISH COLUMBIA UTILITIES COMMISSION

ORDER

NUMBER G-73-13

2

2. The following public utilities are required to pay the levy fixed for the 2013/14 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.
The Corporation of the City of Nelson (rural areas)
Hemlock Valley Electrical Services Limited
The Yukon Electrical Company Limited
Silversmith Power & Light Corporation
Corix Multi-Utility Services Inc. – Sun Rivers

Gas Utilities

FortisBC Energy Inc.
FortisBC Energy (Vancouver Island) Inc.
FortisBC Energy (Whistler) Inc.
Pacific Northern Gas Ltd.
Pacific Northern Gas (N.E.) Ltd.
Big White Gas Utility Ltd.
Port Alice Gas Inc.
Sun Peaks Utilities Co., Ltd.
Corix Multi-Utility Services Inc. – Sun Rivers, Panorama and Sonoma Pines
Stargas Utilities Ltd.
Cal-Gas Inc. – Kickinghorse/Canyon Ridge

Thermal Energy Utilities

Central Heat Distribution Limited
Dockside Green Energy
River District Energy Inc.
Corix UniverCity

- 3. Pursuant to section 125 of the Act and the regulation of the Insurance Corporation of British Columbia, ICBC shall pay the Commission's 2013/14 allocated budgeted expenses of \$700,000.00, in quarterly installments.
- 4. The Commission's cost recovery for ICBC for 2013/14 will be reviewed in the last quarter to ensure the apportioned costs to this company is appropriate.

BRITISH COLUMBIA UTILITIES COMMISSION

ORDER

NUMBER G-73-13

3

5. Pursuant to Levy Regulation 283/88 and Letter 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, 2013:

| Keyera Energy (formerly Coastal Canada Field Services Inc. – Caribou area) | \$1,000 |
|--|---------|
| Canadian Natural Resources Limited - West Stoddart Plant | \$1,000 |
| Spectra Energy Midstream Corporation | |
| (Peggo, Midwinter, Tooga, Sunrise, Jedney I, II, Boundary Lake, West Doe | |
| and Highway Transportation & Processing Facilities) | \$8,000 |
| Plateau Pipe Line 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 |
| Canadian Natural Resources Limited - Inga Oil Pipeline | \$1,000 |
| Trans Mountain (Jet Fuel) Inc. | \$1,000 |
| AltaGas Ltd. (Blair Creek transportation and processing facility) | \$1,000 |
| Spectra Energy Midstream (Sunrise, West Doe processing and pipeline facilities) | \$2,000 |

6. The cost recovery revenue from natural gas marketers for the residential and commercial unbundling program for 2013 is estimated to be \$13,000.00.

DATED at the City of Vancouver, in the Province of British Columbia, this 9th day of May 2013.

BY ORDER

Original signed by:

D.M. Morton Commissioner

Attachment

BRITISH COLUMBIA UTILITIES COMMISSION - 2013/14 LEVY CALCULATION

| Utility B.C. Hydro & Power Authority ² City of Nelson (Rural) Hemlock Electrical Services Limited Fortis BC Inc. ² | Regulated Sales \$000 3,670,597 5,606 290 220,953 34 | Regulated Volume 49994.00 63.4 1.53 2,243.00 | Unit GW.h GW.h | Converted To GJ 179,978,000 228,000 | 2013/14 Annual Assessment \$ ¹ 2,265,229.29 | Billing Q1 566,307.32 | Billing Q2 566,307.32 | Billing Q3 566,307.32 | Billing Q4 ³ 566,307.33 |
|---|--|---|----------------------|--|--|-----------------------------|-----------------------------|-----------------------------|--|
| B.C. Hydro & Power Authority ² City of Nelson (Rural) Hemlock Electrical Services Limited | 3,670,597 5,606 290 220,953 34 | 49994.00 63.4 1.53 | | 179,978,000 | 2,265,229.29 | 566,307.32 | | | 566,307.33 |
| City of Nelson (Rural) Hemlock Electrical Services Limited | 5,606 290 220,953 34 | 63.4 | | | | | 000,0000 | 000,001.00 | 000,000.000 |
| Hemlock Electrical Services Limited | 290 220,953 34 | 1.53 | GW.h | 228,000 | 2.000.04 | | | | |
| | 220,953 34 | | | | 2,869.64 | 717.41 | 717.41 | 717.41 | 717.41 |
| | 220,953 34 | | GW.h | 6,000 | 75.52 | 18.88 | 18.88 | 18.88 | 18.88 |
| | 34 | 2.243.00 | GW.h | 8,075,000 | 101,633.12 | 25,408.28 | 25,408.28 | 25,408.28 | 25,408.28 |
| Silversmith Power & Light Corporation | | 0.08 | GW.h | 8,073,000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| CORIX Sun Rivers & Sonoma Pines (Electric) | | 14.33 | GW.h | 52,000 | 654.48 | 163.62 | 163.62 | 163.62 | 163.62 |
| CORIX Sun Rivers & Sonoma Pines (Electric) | 1,356 | 14.33 | GW.II | 52,000 | 054.48 | 103.02 | 103.02 | 103.02 | 103.02 |
| Yukon Electrical Co. Ltd. (Lower Post) | 240 | 0.74 | GW.h | 3,000 | 37.76 | 9.44 | 9.44 | 9.44 | 9.44 |
| Insurance Corporation of British Columbia (ICBC) | | | | | | 175,000.00 | 175,000.00 | 175,000.00 | 175,000.00 |
| FortisBC Energy Inc. | | | | | | | | | |
| Lower Mainland Division | 882,353 | 120,146,000 | GJ | 120,146,000 | 1,512,175.02 | 378,043.76 | 378,043.76 | 378,043.76 | 378,043.74 |
| Inland Division | 268,392 | 49,062,000 | GJ | 49,062,000 | 617,501.47 | 154,375.37 | 154,375.37 | 154,375.37 | 154,375.36 |
| Columbia Division | 29,114 | 8,888,000 | GJ | 8,888,000 | 111,865.66 | 27,966.42 | 27,966.42 | 27,966.42 | 27,966.40 |
| Fort Nelson Division | 3,972 | 591,000 | GJ | 591.000 | 7,438.41 | 1,859.60 | 1,859.60 | 1,859.60 | 1,859.61 |
| Revelstoke | 3,506 | 176,000 | GJ | 176,000 | 2,215.16 | 553.79 | 553.79 | 553.79 | 553.79 |
| FortisBC Energy (Vancouver Island) Inc. | 0,000 | , | | | | | | | |
| Vancouver Island, Powell River and | | | | | | | | | |
| Sunshine Coast areas | 189,971 | 19,417,000 | GJ | 19,417,000 | 244,385.19 | 61,096.30 | 61,096.30 | 61,096.30 | 61,096.29 |
| CalGas - Kickinghorse/Canyon Ridge | 321 | 21,000 | GJ | 21,000 | 264.31 | 66.08 | 66.08 | 66.08 | 66.07 |
| Pacific Northern Gas (N.E.) Ltd. | | • | | , | | | | | |
| Dawson Creek and Fort St. John | 23,829 | 4,399,000 | GJ | 4,399,000 | 55,366.45 | 13,841.61 | 13,841.61 | 13,841.61 | 13,841.62 |
| Pacific Northern Gas (N.E.) Ltd. | , | ,,,,,,, | | ,,,,,, | | , | , | | , |
| Tumbler Ridge | 2,139 | 1,024,000 | GJ | 1,024,000 | 12,888.21 | 3,222.05 | 3,222.05 | 3,222.05 | 3,222.06 |
| Pacific Northern Gas Ltd. (includes Granisle Grid) | 51,979 | 4,054,000 | GJ | 4,054,000 | 51,024.23 | 12,756.06 | 12,756.06 | 12,756.06 | 12,756.05 |
| Big White Gas Utility | 923 | 42,000 | GJ | 42,000 | 528.62 | 132.16 | 132.16 | 132.16 | 132.14 |
| FortisBC Energy (Whistler) Inc. | 11,269 | 725,000 | | 725,000 | 9,124.96 | 2,281.24 | 2,281.24 | 2,281.24 | 2,281.24 |
| Port Alice Gas Inc. | 358 | 13,000 | GJ | 13,000 | 163.62 | 40.91 | 40.91 | 40.91 | 40.89 |
| Sun Peaks Utilities | 2,012 | 74,000 | GJ | 74,000 | 931.37 | 232.84 | 232.84 | 232.84 | 232.85 |
| Central Heat Distribution Limited | 7,106 | 1,395,000 | GJ | 1,395,000 | 17,557.67 | 4,389.42 | 4,389.42 | 4,389.42 | 4,389.41 |
| Central freat Distribution Entitled | 7,100 | 1,393,000 | 03 | 1,393,000 | 17,557.07 | 4,383.42 | 4,369.42 | 4,389.42 | 4,369.41 |
| Stargas Utilities Ltd. | 217 | 38,000 | GJ | 38,000 | 478.27 | 119.57 | 119.57 | 119.57 | 119.56 |
| CORIX Multi-Utility Services | | | | , | | | | | |
| Sun Rivers (gas), Panorama & Sonoma Pines | 1,159 | 64,000 | GJ | 64,000 | 805.51 | 201.38 | 201.38 | 201.38 | 201.37 |
| Dockside Green Energy | 182 | 7,000 | GJ | 7,000 | 88.10 | 22.03 | 22.03 | 22.03 | 22.01 |
| River District Energy | 27 | 1,500 | GJ | 1,500 | 18.88 | 4.72 | 4.72 | 4.72 | 4.72 |
| Corix UniverCity NUS | 85 | 3,000 | GJ | 3,000 | 37.76 | 9.44 | 9.44 | 9.44 | 9.44 |
| | | | | | | | | | |
| TOTAL | | | | 398,482,500 | 5,015,358.68 | 1,428,839.70 | 1,428,839.70 | 1,428,839.70 | 1,428,839.58 |
| 2013/14 BCUC Budget | \$6,674,000.00 | | | | | | | | |
| Plus: 2012/13 Deferred Recovery | 574,358.68 | | | | 1 Recovery Deficit | from 2012/13 is | applied to the 20 | 13/14 assessme | nt. |
| | 7,248,358.68 | | | | 2 Sales and Volum | | | | - |
| Less estimated recoveries from: | 7,2 10,550.00 | | | | other distribution | | | ice of figures for | |
| Natural Gas Marketers | -13,000.00 | | | | 3 The 4 th Quarterly | | معمط النبيجية الطا | usianuad bu tha Ca | |
| | -15,000.00 | | | | | | _ | vieweu by the Co | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, |
| Intra-Provincial Oil Pipeline Companies & | 20,000,00 | | | | at the beginning | of the last quart | ei | | |
| Upstream Gas Processors | -20,000.00 | | | | | | | | |
| Insurance Corporation of British Columbia | -700,000.00 | | | | | | | | |
| Expected direct recoveries Net BCUC 2013/14 Budget to be recovered through the Levy | -1,500,000.00 \$5,015,358.68 | | | | | | | | |
| and a series of the series of | Ç5,515,550.08 | | | | | | | | |
| Levy Calculation: | \$5,015,358.68 | | | | | | | | |
| | 398,482,500 | = | | <u>\$0.0125861454</u> | /GJ | | | | |