



ORDER NUMBER
G-338-19

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

and

Resort Gas Ltd.
Gas Cost Reconciliation Account and Commodity Rate Increase

BEFORE:

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

on December 19, 2019

ORDER

WHEREAS:

- A. On December 3, 2019, on behalf of Resort Gas Ltd. (Resort Gas), Sun Peaks Mountain Resort Municipality 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 \$0.78 per gigajoule (GJ) in the Total Gas Commodity Charge from the current rate of \$13.521/GJ to \$14.301/GJ for each rate group (Residential, Small Commercial, and Large Commercial), effective January 1, 2020 (Application);
- B. By Order G-123-19 dated June 6, 2019, the BCUC approved a decrease in the Total Gas Commodity Charge to \$13.521/GJ for Resort Gas, effective July 1, 2019;
- C. Resort Gas's commodity and transportation costs (Commodity portion) and storage costs (Storage portion) are tracked through two separate balances within the GCRA. The GCRA Report shows a \$102,655 surplus balance in the Commodity portion of the GCRA and a \$2,621 deficit balance in the Storage portion of the GCRA, for a total net GCRA surplus balance of \$102,655 as of October 31, 2019;
- D. The requested \$0.78/GJ increase in the Total Gas Commodity Charge comprises of:
 - i. An increase in the Gas Commodity Charge – Propane of \$1.1360 0/GJ from \$12.2170/GJ to \$13.3530/GJ;
 - ii. A decrease in the Gas Commodity Charge – Storage of \$0.2110/GJ from \$1.7650/GJ to \$1.5540/GJ; and
 - iii. A decrease in the Gas Commodity Charge – GCRA of \$0.1450/GJ from (\$0.4610)/GJ to (\$0.6060)/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 a 12-month period;
- F. The requested rate changes using current delivery rates would result in an increase in the annual bill before taxes of \$14.04 for an average townhouse consuming 18 GJ annually and \$66.30 for an average single-family house residential customer consuming 85 GJ annually; and
- G. The BCUC reviewed the GCRA Report and considers that Resort Gas's requested rate changes are warranted.

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

1. The revised tariff page as filed within the Application is accepted for filing.
2. Resort Gas commodity rates are set as follows for each rate group (Residential, Small Commercial, and Large Commercial), effective January 1, 2020:

Gas Commodity Charges	Rate (per GJ)
Gas Commodity Charge – Propane	\$13.353
Gas Commodity Charge – Storage	\$1.554
Gas Commodity Charge – GCRA	(\$0.606)
Total Gas Commodity Charge	\$14.301

3. Resort Gas is to inform its customers of the approved rates in a timely manner by way of a customer notice.
4. Resort Gas is directed to file a report with the BCUC by May 31, 2020, 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 19th day of December 2019.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner