



ORDER NUMBER
G-74-22

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:

T. A. Loski, Panel Chair
B. A. Magnan, Commissioner
A. Pape-Salmon, Commissioner

March 14, 2022

ORDER

WHEREAS:

- A. On December 8, 2021, 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 \$9.94 per gigajoule (GJ) in the Total Gas Commodity Charge from the current rate of \$14.00/GJ to \$23.94/GJ for each rate group (Residential, Small Commercial and Large Commercial), effective January 1, 2022 (Application);
- B. By Order G-193-21 dated June 24, 2021, the BCUC set Resort Gas's commodity rates as follows for each rate group (Residential, Small Commercial and Large Commercial), effective July 1, 2021 (Existing Commodity Rates):

Gas Commodity Charges	Rate (per GJ)
Gas Commodity Charge – Propane	\$13.60
Gas Commodity Charge – Storage	\$1.90
Gas Commodity Charge – GCRA	(\$1.50)
Total Gas Commodity Charge	\$14.00

- C. The requested \$9.94/GJ increase in the Total Gas Commodity Charge comprises of:
- i. An increase in the Gas Commodity Charge – Propane from \$13.60/GJ to 21.41/GJ;
 - ii. An increase in the Gas Commodity Charge – Storage from \$1.90/GJ to 2.03/GJ; and
 - iii. An increase in the Gas Commodity Charge – GCRA from (\$1.50/GJ) to 0.50/GJ;
- D. 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;
- E. The requested rate changes using current delivery rates would result in an increase in the annual bill before taxes of \$178.92 for an average townhouse consuming 18 GJ annually and \$844.90 for an average single-family house residential customer consuming 85 GJ annually;

- F. By Order G-380-21 dated December 16, 2021, the BCUC initiated a public hearing process and established a regulatory timetable for review of the Application, and set the Existing Commodity Rates as interim and refundable, effective January 1, 2022;
- G. By Order G-4-22 dated January 10, 2022, the BCUC established further regulatory process, which included intervener registration and one round of BCUC and intervener information requests (IR);
- H. The BCUC did not receive any requests to intervene for this proceeding;
- I. By letters dated February 16, 2022 and March 8, 2022, Resort Gas filed public and confidential responses to BCUC IR No. 1, respectively; and
- J. The BCUC has completed its review of the Application and determines 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. Resort Gas' request to increase the Total Gas Commodity Charge from the current rate of \$14.00/GJ to \$23.94/GJ, is approved.
- 2. The revised tariff page as filed within the Application is accepted for filing.
- 3. Resort Gas' commodity rates are set as follows for each rate group (Residential, Small Commercial, and Large Commercial), effective January 1, 2022.

Gas Commodity Charges	Rate (per GJ)
Gas Commodity Charge – Propane	\$21.410
Gas Commodity Charge – Storage	\$2.030
Gas Commodity Charge – GCRA	\$0.500
Total Gas Commodity Charge	\$23.940

- 4. Resort Gas is directed to inform its customers of the approved rates, within 30 days of the issuance of this order, by way of a customer notice.
- 5. Resort Gas is directed to file a report with the BCUC by September 30, 2022, on the GCRA balance, 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.
- 6. Resort Gas is directed to file with the BCUC its propane supply agreement within 15 days of the contract execution date.
- 7. Resort Gas is directed to file with the BCUC, within 30 days of the date of this order, a proposal of how it intends to recover the accumulated GCRA variance between the interim rate of \$14.00/GJ and the approved permanent rate of \$23.94/GJ, effective January 1, 2022.

DATED at the City of Vancouver, in the Province of British Columbia, this 14th day of March 2022.

BY ORDER

Original signed by:

T. A. Loski
Commissioner