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CANADA



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-108-96

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IN THE MATTER OF
the Utilities Commission Act, S.B.C. 1980, c. 60, as amended

and

An Application by Squamish Gas Co. Ltd.
for Approval to Increase Propane Rates

BEFORE: M.K. Jaccard, Chairperson; and)
L.R. Barr, Deputy Chairperson) October 30, 1996

O R D E R

WHEREAS:

- A. The Commission, by Order No. G-58-96, approved for Squamish Gas Co. Ltd. ("Squamish Gas") an increase in propane rates effective June 1, 1996 as a result of the credit balance in the Propane Cost Deferral Account being extinguished and no longer able to offset the increased cost of propane for the 1995/96 supply contract year; and
- B. The Commission, by Order No. E-12-96, approved the extension of a Propane Supply Agreement with Superior Propane Inc. which resulted in an increase in the cost of propane to the utility effective for the contract year commencing November 1, 1996; and
- C. On October 23, 1996 Squamish Gas applied to the Commission for approval to increase rates for propane customers by \$0.574/Ccf effective November 1, 1996 to recover approximately 60 percent of the forecasted increase in the cost of propane for 1996/97. The balance of the increase in the cost of propane not recovered in rates was to be placed in a Propane Cost Deferral Account. The proposed rate increase would be about 23 percent for residential customers; and
- D. On October 24, 1996 the Commission held a workshop in Squamish to discuss the forecasted increase in the cost of propane and the review of utility operations as directed in Order No. G-102-96; and
- E. The Commission has reviewed the Application and finds that approval to increase propane rates to all customers is required.

NOW THEREFORE the Commission orders as follows:

1. Pursuant to Section 67(4) of the Utilities Commission Act the Commission approves for Squamish Gas an increase in propane rates of \$0.574/Ccf to all propane customers, effective November 1, 1996. The reference price of the Propane Cost Deferral Account is to be set at \$0.1595/litre effective November 1, 1996.
2. Squamish Gas is to file, in a timely manner, an amended tariff sheet in accordance with this Order.
3. The difference between the actual cost of propane and the cost recovered in rates is to be recorded in a Propane Cost Deferral Account, the disposition of which will be decided by future Commission Order.
4. Squamish Gas is to inform all affected customers of the propane rate increase.

DATED at the City of Vancouver, in the Province of British Columbia, this 7th day of November, 1996.

BY ORDER

Original signed by:

Dr. Mark K. Jaccard
Chairperson