

BRITISH COLUMBIA UTILITIES COMMISSION

ORDER NUMBER

G-174-06

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

and

An Application by Big White Gas Utility Ltd. for 2006 Revenue Requirements

BEFORE: L.F. Kelsey, Commissioner

December 21, 2006

L.A. Zaozirny, Commissioner

ORDER

WHEREAS:

- A. On June 14, 2006, Big White Gas Utility Ltd. ("Big White", "the Utility") filed its 2006 Revenue Requirements Application ("the Application") pursuant to Sections 23, 58, 60 and 61 of the Utilities Commission Act ("the Act"); and
- B. In the June 14, 2006 Application, Big White requested an amendment to Special Rate Schedule, effective immediately or in the alternative as at September 1, 2006, and to further amend its General Terms and Conditions of supplying services to its end users at Big White Ski Resort on a permanent basis. The Application proposed an overall increase of 4.910 percent in the rates of the Propane Tariff; and
- C. The Application was filed to comply with Commission Order No. G-64-05 which directed Big White to file by April 28, 2006 an application for revenue requirements and revised tariff rate schedules for its fiscal year commencing on June 1, 2006; and
- D. Big White in its October 27, 2006 letter to the Commission indicated that the Utility would be reviewing the Sun Peaks Utilities Co. Ltd Revenue Requirements Application which proposes an alternate regulatory methodology that may be applicable to Big White. Big White anticipated completing its revised Application within the next two week period. In its letter Big White understands that it will continue to operate on the basis of its approved and existing tariff until such time as the revised Application is to be received by the Commission; and
- E. On December 19, 2006, Big White filed a letter that provides a status update regarding its 2006 Revenue Requirements Application ("December Filing"). The December Filing noted that in order to revise its Application, the Utility would likely retain an outside consultant. Big White anticipates it would not be able to file a revised Application until May of 2007 (following the ski season) at the very earliest. Also the December Filing indicates that Big White is in discussions with another company for the possible purchase and sale of the propane utility; and
- F. The December Filing proposes that the Commission consider granting an extension for the filing of its revised Revenue Requirements Application on the following basis:

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- Big White be allowed to continue to operate under its existing and approved tariff, without implementing any of the changes or increases outlined in the Application (thereby maintaining the "status quo" on all operations and billings concerning the Utility), until such time as Big White files an approved Revenue Requirements Application; and
- In the event Big White does not sell the propane utility to a purchaser, Big White will be required to file an amended 2006 and/or a new 2007 revenue requirements application by June 1, 2007; or
- In the event Big White sells the propane utility to a purchaser, Big White will not be required to file an amended Application on the basis that it maintains the status quo and continues to operate in accordance with its existing and approved tariff rates. Further Big White will inform the Commission of the status of the proposed sale and thereafter any purchaser of the Utility will be required to deal with the Commission directly to address the revenue requirements filing obligations, and will be given a reasonable period of time to comply with same; and
- G. The December Filing anticipates that if the Commission allows the current tariff to remain in effect for the balance of the 2006-2007 fiscal year, Big White forecasts its resulting net income to May 31, 2007 will be a loss of \$5,168; and
- H. The Commission has reviewed the Big White Application and December Filing and finds that interim rates commencing January 1, 2007 should be established.

NOW THEREFORE pursuant to Sections 58 and 89 of the Act, the Commission orders as follows:

- 1. The Commission approves for Big White the current Propane Tariff rate schedules as interim, effective with consumption commencing on January 1, 2007.
- 2. Big White is to inform the Commission of the status of the sale of the propane utility by May 31, 2007 or earlier.
- 3. Big White (or if the propane utility is sold, the purchaser) is directed to file an amended 2006 Revenue Requirements Application, updated for actual results, along with a new 2007 Revenue Requirements Application (for the period June 1, 2007 to May 31, 2008), all by June 1, 2007.

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of December 2006.

BY ORDER

Original signed by

L.F. Kelsey Commissioner