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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-84-08

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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 2008/09 Fiscal Year**

BEFORE: R.H. Hobbs, Chair May 22, 2008

O R D E R

WHEREAS:

- A. Section 125 of the Utilities Commission Act (“the Act”) enables the British Columbia Utilities Commission (“the Commission”) to recover its expenses arising in each fiscal year commencing April 1 from the administration of the Act, 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; and
- B. The current year’s levy for recovering Commission expenses is based on its 2008/09 approved budget minus 2007/08 deferred revenue and expected recoveries. That figure is then divided by the total energy sales of the regulated energy utilities for calendar year 2007; and
- C. The Commission’s recovery of its apportioned costs to the Insurance Corporation of British Columbia (“ICBC”) and British Columbia Transmission Corporation (“BCTC”) requires a different method of cost recovery rather than by way of a levy on energy sales; and
- 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 or expenses incurred during the fiscal year ending March 31, 2009. The final adjustment for the year will occur commencing with the first quarter billing in the following fiscal year of 2009/10; and
- E. For ICBC and BCTC the Commission has estimated the costs of the service furnished, including its Commissioner, staff and apportioned administrative office costs for 2008/09, and may adjust the last quarterly billing to these companies.

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NOW THEREFORE the Commission orders as follows:

1. A levy, at the rate of \$0.0053790709 per GJ equivalent of energy sold for the calendar year 2007 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, 2008.
2. The following public utilities are required to pay the levy fixed for the 2008/09 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

Terasen Gas Inc.
Terasen Gas (Vancouver Island) Inc.
Terasen Gas (Whistler) Inc.
Pacific Northern Gas Ltd.
Pacific Northern Gas (N.E.) Ltd.
Big White Gas Utility
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

Steam Heat Utility

Central Heat Distribution Limited

3. Pursuant to Section 125 of the Act and the regulation of the Insurance Corporation of British Columbia (“ICBC”) and British Columbia Transmission Corporation (“BCTC”), ICBC and BCTC shall pay the Commission’s 2008/09 allocated budgeted expenses of \$640,000 each, in quarterly installments.

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4. The Commission's cost recovery for ICBC and BCTC for 2008/09 will be reviewed in the last quarter to ensure the apportioned costs to these companies is appropriate.
5. Pursuant to Levy Regulation 283/88 and Letter No. 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, 2008:

| | |
|---|---------|
| 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 Pipeline 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 |
| Enerplus Resources Fund - 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 2008 is estimated to be \$25,000.00.

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of May 2008.

BY ORDER

Original signed by:

Robert H. Hobbs
Chair

Attachment

APPENDIX A
to Order No. G-84-08
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BRITISH COLUMBIA UTILITIES COMMISSION - 2008/09 LEVY CALCULATION

| A | B | C | D | E | F | I | J | K | L |
|--|--------------------------|-----------------------|------|--------------------|--|-------------------|-------------------|-------------------|----------------------------|
| Utility | Regulated Sales \$000 | Regulated Volume | Unit | Converted To GJ | 2007/08 Annual Assessment \$ ¹ | Billing Q1 | Billing Q2 | Billing Q3 | Billing Q4 ³ |
| B.C. Hydro & Power Authority ² | 2,802,645 | 52,193.29 | GW.h | 187,896,000 | 1,010,705.45 | 252,676.36 | 252,676.36 | 252,676.36 | 252,676.37 |
| B.C. Transmission Corporation | | | | | | 160,000.00 | 160,000.00 | 160,000.00 | 160,000.00 |
| City of Nelson (Rural) | 4,356 | 61.77 | GW.h | 222,000 | 1,194.15 | 298.54 | 298.54 | 298.54 | 298.53 |
| Hemlock Valley | 288 | 1.56 | GW.h | 6,000 | 32.27 | 8.07 | 8.07 | 8.07 | 8.06 |
| FortisBC Inc. ² | 209,651 | 3,090.37 | GW.h | 11,125,000 | 59,842.14 | 14,960.54 | 14,960.54 | 14,960.54 | 14,960.52 |
| Silversmith Power & Light Corporation | 28 | 0.06 | GW.h | 200 | 1.08 | | | | |
| CORIX Sun Rivers & Sonoma Pines (Electric) | 514 | 7.87 | GW.h | 28,000 | 150.61 | 37.65 | 37.65 | 37.65 | 37.66 |
| Yukon Electrical Co. Ltd. (Lower Post) | 110 | 0.73 | GW.h | 3,000 | 16.14 | 4.04 | 4.04 | 4.04 | 4.02 |
| Insurance Corporation of British Columbia (ICBC) | | | | | | 160,000.00 | 160,000.00 | 160,000.00 | 160,000.00 |
| Terasen Gas Inc. | | | | | | | | | |
| Lower Mainland Division | 1,120,148 | 124,064,000 | GJ | 124,064,000 | 667,348.75 | 166,837.19 | 166,837.19 | 166,837.19 | 166,837.18 |
| Inland Division | 330,967 | 52,635,000 | GJ | 52,635,000 | 283,127.27 | 70,781.82 | 70,781.82 | 70,781.82 | 70,781.81 |
| Columbia Division | 34,911 | 5,825,000 | GJ | 5,825,000 | 31,333.07 | 7,833.27 | 7,833.27 | 7,833.27 | 7,833.26 |
| Fort Nelson Division | 5,077 | 825,000 | GJ | 825,000 | 4,437.73 | 1,109.43 | 1,109.43 | 1,109.43 | 1,109.44 |
| Revelstoke | 3,583 | 209,000 | GJ | 209,000 | 1,124.23 | 281.06 | 281.06 | 281.06 | 281.05 |
| Terasen Gas (Vancouver Island) Inc. | | | | | | | | | |
| Vancouver Island, Powell River and | | | | | | | | | |
| Sunshine Coast areas | 189,319 | 35,597,000 | GJ | 35,597,000 | 191,478.70 | 47,869.68 | 47,869.68 | 47,869.68 | 47,869.66 |
| CalGas - Kickinghorse | 266 | 20,000 | GJ | 20,000 | 107.58 | 26.90 | 26.90 | 26.90 | 26.88 |
| Pacific Northern Gas (N.E.) Ltd. | | | | | | | | | |
| Dawson Creek and Fort St. John | 34,146 | 4,657,000 | GJ | 4,657,000 | 25,050.32 | 6,262.58 | 6,262.58 | 6,262.58 | 6,262.58 |
| Pacific Northern Gas (N.E.) Ltd. | | | | | | | | | |
| Tumbler Ridge | 1,790 | 923,000 | GJ | 923,000 | 4,964.88 | 1,241.22 | 1,241.22 | 1,241.22 | 1,241.22 |
| Pacific Northern Gas Ltd. | 49,880 | 7,616,000 | GJ | 7,616,000 | 40,966.99 | 10,241.75 | 10,241.75 | 10,241.75 | 10,241.74 |
| Pacific Northern Gas Ltd. (Granisle Grid) | 332 | 14,000 | GJ | 14,000 | 75.31 | 18.83 | 18.83 | 18.83 | 18.82 |
| Big White Gas Utility | 797 | 38,000 | GJ | 38,000 | 204.40 | 51.10 | 51.10 | 51.10 | 51.10 |
| Terasen Gas (Whistler) Inc. | 10,496 | 742,000 | GJ | 742,000 | 3,991.27 | 997.82 | 997.82 | 997.82 | 997.81 |
| Port Alice Gas Inc. | 416 | 16,000 | GJ | 16,000 | 86.07 | 21.52 | 21.52 | 21.52 | 21.51 |
| Sun Peaks Utilities | 1,908 | 83,000 | GJ | 83,000 | 446.46 | 111.62 | 111.62 | 111.62 | 111.60 |
| Central Heat Distribution Limited | 6,037 | 1,289,000 | GJ | 1,289,000 | 6,933.62 | 1,733.41 | 1,733.41 | 1,733.41 | 1,733.39 |
| Stargas Utilities Ltd. | 325 | 33,000 | GJ | 33,000 | 177.51 | 44.38 | 44.38 | 44.38 | 44.37 |
| CORIX Multi-Utility Services | | | | | | | | | |
| Sun Rivers (gas), Panorama & Sonoma Pines | 1,157 | 58,000 | GJ | 58,000 | 311.99 | 78.00 | 78.00 | 78.00 | 77.99 |
| TOTAL | 4,809,147 | 234,699,355.65 | | 433,924,200 | 2,334,107.99 | 903,526.78 | 903,526.78 | 903,526.78 | 903,526.57 |
| 2008/09 BCUC Budget | | | | | | | | | |
| Less: 2007/08 Deferred Revenue (carried forward) | | | | | | | | | |
| Less estimated recoveries from: | | | | | | | | | |
| Natural Gas Marketers | | | | | | | | | |
| Intra-Provincial Oil Pipeline Companies & | | | | | | | | | |
| Upstream Gas Processors | | | | | | | | | |
| Insurance Corporation of British Columbia | | | | | | | | | |
| B.C. Transmission Corporation | | | | | | | | | |
| Expected direct recoveries from Public Hearings | | | | | | | | | |
| Net BCUC 2008/09 Budget to be recovered through the Levy | | | | | | | | | |
| Levy Calculation: | | | | | | | | | |
| = | | | | | | | | | |
| \$0.0053790685 /GJ | | | | | | | | | |

- Deferred Revenue from 2007/08 is applied to the 2008/09 assessment.
- Sales and Volumes for BC Hydro and FortisBC are net of figures for other distribution utilities.
- The 4th Quarterly assessment and billing will be reviewed by the Commission at the beginning of the last quarter
- Sales and volumes for Princeton Light and Power are combined with FortisBC's as both utilities were amalgamated in 2007.
- Sales and volumes for Terasen (Squamish) are combined with Terasen Gas figures as both utilities were amalgamated in 2007.