

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-82-10

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



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

and

Recovery of Commission Costs
for the 2010/11 Fiscal Year

BEFORE: L.F. Kelsey, Commissioner May 13, 2010
D.A. Cote, Commissioner

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 2010/11 approved budget minus 2009/10 deferred revenue and expected recoveries. That figure is then divided by the total energy sales of the regulated energy utilities for calendar year 2009; 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, 2011. The final adjustment for the year will occur commencing with the first quarter billing in the following fiscal year of 2011/12; 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 2010/11; and
- F. On April 28, 2010, the Province introduced Bill 17-the Clean Energy Act that requires, among other items, that BCTC is to amalgamate with BC Hydro as of July 5, 2010; and
- G. The Commission has calculated the 2010/2011 levy on the basis of a full-year's allocation to BCTC. The Commission will recalculate the levy in the event of an amalgamation of BCTC and BC Hydro.

NOW THEREFORE the Commission orders as follows:

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-82-10

2

1. A levy, at the rate of \$0.0088236508 per GJ equivalent of energy sold for the calendar year 2009 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, 2010.
2. The following public utilities are required to pay the levy fixed for the 2010/11 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/Canyon Ridge

Steam Heat Utility

Central Heat Distribution Limited

3. Pursuant to section 125 of the Act and the regulation of the ICBC and BCTC, ICBC and BCTC shall pay the Commission's 2010/11 allocated budgeted expenses of \$640,000 each, in quarterly installments.
4. The Commission's cost recovery for ICBC for 2010/11 will be reviewed in the last quarter to ensure the apportioned costs to these companies is appropriate.

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-82-10

3

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, 2011:

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 2011 is estimated to be \$15,000.00.

DATED at the City of Vancouver, in the Province of British Columbia, this 13th day of May 2010.

BY ORDER

Original signed by:

D.A. Cote
Commissioner

Attachment

BRITISH COLUMBIA UTILITIES COMMISSION - 2010/11 LEVY CALCULATION

A	B	C	D	E	F	I	J	K	L
Utility	Regulated Sales \$000	Regulated Volume	Unit	Converted To GJ	2010/11 Annual Assessment \$ ¹	Billing Q1	Billing Q2	Billing Q3	Billing Q4 ¹
B.C. Hydro & Power Authority ²	2,808,389	49,246.00	GW.h	177,286,000	1,564,309.76	391,077.44	391,077.44	391,077.44	391,077.44
B.C. Transmission Corporation						160,000.00	160,000.00	160,000.00	160,000.00
City of Nelson (Rural)	4,919	67.01	GW.h	241,000	2,126.50	531.63	531.63	531.63	531.61
Hemlock Electrical Services Limited	256	1.40	GW.h	5,000	44.12	11.03	11.03	11.03	11.03
FortisBC Inc. ²	188,626	2,229.00	GW.h	8,024,000	70,800.97	17,700.24	17,700.24	17,700.24	17,700.25
Silversmith Power & Light Corporation	34	0.08	GW.h	0					
CORIX Sun Rivers & Sonoma Pines (Electric)	849	11.76	GW.h	42,000	370.59	92.65	92.65	92.65	92.64
Yukon Electrical Co. Ltd. (Lower Post)	133,097	1.00	GW.h	4,000	35.29	8.82	8.82	8.82	8.83
Insurance Corporation of British Columbia (ICBC)						160,000.00	160,000.00	160,000.00	160,000.00
Terasen Gas Inc.									
Lower Mainland Division	1,045,859	119,931,000	GJ	119,931,000	1,058,229.26	264,557.32	264,557.32	264,557.32	264,557.30
Inland Division	321,962	45,828,000	GJ	45,828,000	404,370.27	101,092.57	101,092.57	101,092.57	101,092.56
Columbia Division	34,764	5,698,000	GJ	5,698,000	50,277.16	12,569.29	12,569.29	12,569.29	12,569.29
Fort Nelson Division	5,081	646,000	GJ	646,000	5,700.08	1,425.02	1,425.02	1,425.02	1,425.02
Revelstoke	3,335	214,000	GJ	214,000	1,888.26	472.07	472.07	472.07	472.05
Terasen Gas (Vancouver Island) Inc.									
Vancouver Island, Powell River and Sunshine Coast areas	204,559	31,178,000	GJ	31,178,000	275,103.78	68,775.95	68,775.95	68,775.95	68,775.93
CalGas - Kickinghorse/Canyon Ridge	310	21,000	GJ	21,000	185.30	46.33	46.33	46.33	46.31
Pacific Northern Gas (N.E.) Ltd.									
Dawson Creek and Fort St. John	31,926	4,915,000	GJ	4,915,000	43,368.24	10,842.06	10,842.06	10,842.06	10,842.06
Pacific Northern Gas (N.E.) Ltd.									
Tumbler Ridge	1,794	1,052,000	GJ	1,052,000	9,282.48	2,320.62	2,320.62	2,320.62	2,320.62
Pacific Northern Gas Ltd. (Includes Granisle Grid)	49,201	6,178,000	GJ	6,178,000	54,512.51	13,628.13	13,628.13	13,628.13	13,628.12
Big White Gas Utility	878	40,966	GJ	40,966	361.47	90.37	90.37	90.37	90.36
Terasen Gas (Whistler) Inc.	14,946	649,000	GJ	649,000	5,726.55	1,431.64	1,431.64	1,431.64	1,431.63
Port Alice Gas Inc.	377	13,680	GJ	13,680	120.71	30.18	30.18	30.18	30.17
Sun Peaks Utilities	2,061	84,000	GJ	84,000	741.19	185.30	185.30	185.30	185.29
Central Heat Distribution Limited	6,991	1,384,160	GJ	1,384,160	12,213.34	3,053.34	3,053.34	3,053.34	3,053.32
Stargas Utilities Ltd.	601	37,457	GJ	37,457	330.51	82.63	82.63	82.63	82.62
CORIX Multi-Utility Services									
Sun Rivers (gas), Panorama & Sonoma Pines	1,250	56,000	GJ	56,000	494.12	123.53	123.53	123.53	123.53
TOTAL				403,528,263	3,560,592.46	1,210,148.16	1,210,148.16	1,210,148.16	1,210,147.98
<div> <div> 2010/11 BCUC Budget \$6,211,000.00 Less: 2009/10 Deferred Revenue (carried forward) <u>-335,407.52</u> 5,875,592.48 Less estimated recoveries from: Natural Gas Marketers <u>-15,000.00</u> Intra-Provincial Oil Pipeline Companies & Upstream Gas Processors <u>-20,000.00</u> Insurance Corporation of British Columbia <u>-640,000.00</u> B.C. Transmission Corporation <u>-640,000.00</u> Expected direct recoveries from Public Hearings <u>-1,000,000.00</u> Net BCUC 2010/11 Budget to be recovered through the Levy <u>\$3,560,592.48</u> </div> <div> 1 Deferred Revenue from 2009/10 is applied to the 2010/11 assessment. 2 Sales and Volumes for BC Hydro and FortisBC are net of figures for other distribution utilities. 3 The 4th Quarterly assessment and billing will be reviewed by the Commission at the beginning of the last quarter </div> </div>									
Levy Calculation:	\$3,560,592.48								
	403,528,263				=	\$0.0088236508	/GJ		