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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-104-11**

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

and

**An Application by Sun Peaks Utilities Co., Ltd.
for Approval of a Change to Customer Rates**

BEFORE: L. F. Kelsey, Commissioner
C. A. Brown, Commissioner
D. Morton, Commissioner

June 9, 2011

ORDER

WHEREAS:

- A. By Order No. G-178-10 dated November 25, 2010, the British Columbia Utilities Commission (Commission) approved the propane commodity rate increase for the Sun Peaks Utilities Co. Ltd. (SPUCL) service area effective December 1, 2010;
- B. Pursuant to Order G-178-10, SPUCL filed with the Commission a report on the Gas Cost Recovery Account balances and forecast propane costs for the following 12 months on May 16, 2011;
- C. On May 26, 2011, SPUCL subsequently filed an application for a Gas Commodity Increase of \$4.00 per gigajoule for all Rate Groups (Residential, Small Commercial and Large Commercial customers) to be effective June 1, 2011, as a result of higher than expected and continuing higher than expected propane costs;
- D. The proposed change will increase the annual bill for a typical customer by approximately 12.9% for a townhouse, 18.7% for a detached house, 20.1% for a small commercial, and 20.5% for a large commercial hotel;
- E. Even with the proposed increase, the debit balance in the Gas Cost Recovery Account for Commodity is forecast to continue to grow;
- F. The Commission has considered the proposed change to propane charges, and finds that the change to customer rates is necessary.

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NOW THEREFORE pursuant to section 61(4) of the *Utilities Commission Act*, the Commission orders as follows:

1. The Commission approves the increase in the SPUCL Gas Commodity Charge – Propane from \$14.51/GJ to \$18.51/GJ, effective June 1, 2011.
2. SPUCL is to explain the nature of the changes by way of a bill insert and customer notice, to be submitted to the Commission for review prior to its release.
3. By November 16, 2011, SPUCL is directed to file with the Commission a report on the Gas Cost Recovery Account balances, updated forecast propane costs for the following 12 months and, if necessary, proposed changes to commodity rates to be effective December 1, 2011.

DATED at the City of Vancouver, In the Province of British Columbia, this 10th day of June, 2011.

BY ORDER

Original signed by:

D. Morton
Commissioner