

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-80-11

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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 2011/12 Fiscal Year

BEFORE: L.F. Kelsey, Commissioner
C.A. Brown, Commissioner
N.E. MacMurchy, Commissioner
D. Morton, Commissioner
May 5, 2011

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;
- B. The current year's levy for recovering Commission expenses is based on its 2011/12 approved budget minus 2010/11 deferred revenue and expected recoveries. That figure is then divided by the total energy sales of the regulated energy utilities for calendar year 2010;
- C. The Commission's recovery of its apportioned costs to the Insurance Corporation of British Columbia (ICBC) requires a different method of cost recovery rather than by way of a levy on energy sales;
- 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, 2012. The final adjustment for the year will occur commencing with the first quarter billing in the following fiscal year of 2012/13;
- E. For ICBC the Commission has estimated the costs of the service furnished, including its Commissioner, staff and apportioned administrative office costs for 2011/12.

NOW THEREFORE the Commission orders as follows:

1. A levy, at the rate of \$0.0083490219 per GJ equivalent of energy sold for the calendar year 2010 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, 2011.
2. The following public utilities are required to pay the levy fixed for the 2011/12 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

FortisBC Energy Inc.
FortisBC Energy (Vancouver Island) Inc.
FortisBC Energy (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, ICBC shall pay the Commission's 2011/12 allocated budgeted expenses of \$700,000, in quarterly installments.
4. The Commission's cost recovery for ICBC for 2011/12 will be reviewed in the last quarter to ensure the apportioned costs to this company is appropriate.

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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 *Sixth* day of May 2011.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner

Attachment

BRITISH COLUMBIA UTILITIES COMMISSION - 2011/12 LEVY CALCULATION

A	B	C	D	E	F	G	H	I	J	K	L
Utility	Regulated Sales \$000	Regulated Volume	Unit	Converted To GJ	2011/12 Annual Assessment \$ ¹	Billing Q1	Billing Q2	Billing Q3	Billing Q4 ³		
B.C. Hydro & Power Authority ²	3,157,209	48,923.00	GW.h	176,123.000	1,470,454.78	367,613.70	367,613.70	367,613.70	367,613.68		
B.C. Transmission Corporation											
City of Nelson (Rural)	4,633	62.00	GW.h	223.000	1,861.83	465.46	465.46	465.46	465.45		
Hemlock Electrical Services Limited	233	1.30	GW.h	5.000	41.75	10.44	10.44	10.44	10.43		
FortisBC Inc. ²	195,026	2,165.00	GW.h	7,794.000	65,072.28	16,268.07	16,268.07	16,268.07	16,268.07		
Silversmith Power & Light Corporation	34	0.08	GW.h	0							
CORIX Sun Rivers & Sonoma Pines (Electric)	985	12.04	GW.h	43.000	359.01	89.75	89.75	89.75	89.76		
Yukon Electrical Co. Ltd. (Lower Post)	265	1.88	GW.h	7.000	58.44	14.61	14.61	14.61	14.61		
Insurance Corporation of British Columbia (ICBC)						175,000.00	175,000.00	175,000.00	175,000.00		
FortisBC Energy Inc.	984,967	110,343.000	GI	110,343.000	921,256.12	230,314.03	230,314.03	230,314.03	230,314.03		
Lower Mainland Division	295,785	43,379.000	GI	43,379.000	362,172.22	90,543.06	90,543.06	90,543.06	90,543.04		
Inland Division	33,320	7,070.000	GI	7,070.000	59,027.58	14,756.90	14,756.90	14,756.90	14,756.88		
Columbia Division	4,649	577.000	GI	577.000	4,817.39	1,204.35	1,204.35	1,204.35	1,204.34		
Fort Nelson Division	3,554	195.000	GI	195.000	1,628.06	407.02	407.02	407.02	407.00		
Revelstoke											
FortisBC Energy (Vancouver Island) Inc.											
Vancouver Island, Powell River and Sunshine Coast areas	193,410	31,018.000	GI	31,018.000	258,969.96	64,742.49	64,742.49	64,742.49	64,742.49		
CalGas - Kickinghorse/Canyon Ridge	312	20.000	GI	20.000	166.98	41.75	41.75	41.75	41.73		
Pacific Northern Gas (N.E.) Ltd.											
Dawson Creek and Fort St. John	26,886	4,345.000	GI	4,345.000	36,276.50	9,069.13	9,069.13	9,069.13	9,069.11		
Pacific Northern Gas (N.E.) Ltd.											
Tumbler Ridge	1,622	945.000	GI	945.000	7,889.83	1,972.46	1,972.46	1,972.46	1,972.45		
Pacific Northern Gas Ltd. (includes Granisle Grid)	63,334	4,197.000	GI	4,197.000	35,040.84	8,760.21	8,760.21	8,760.21	8,760.21		
Big White Gas Utility	920	40.000	GI	40.000	333.96	83.49	83.49	83.49	83.49		
FortisBC Energy (Whistler) Inc.	13,587	753.000	GI	753.000	6,286.81	1,571.70	1,571.70	1,571.70	1,571.71		
Port Alice Gas Inc.	384	13.000	GI	13.000	108.54	27.14	27.14	27.14	27.12		
Sun Peaks Utilities	1,519	71.500	GI	71.500	596.96	149.24	149.24	149.24	149.24		
Central Heat Distribution Limited	6,638	1,298.479	GI	1,298.479	10,841.03	2,710.26	2,710.26	2,710.26	2,710.25		
Stargas Utilities Ltd.	432	36.637	GI	36.637	305.88	76.47	76.47	76.47	76.47		
CORIX Multi-Utility Services											
Sun Rivers (gas), Panorama & Sonoma Pines	1,182	55.000	GI	55.000	459.20	114.80	114.80	114.80	114.80		
TOTAL	\$4,992,906	204,407,781.30		388,551,616	3,244,025.95	986,006.53	986,006.53	986,006.53	986,006.36		
<div> <div> 2011/12 BCUC Budget Less: 2010/11 Deferred Revenue (carried forward) Less estimated recoveries from: Natural Gas Marketers Intra-Provincial Oil Pipeline Companies & Upstream Gas Processors Insurance Corporation of British Columbia Expected direct recoveries Net BCUC 2011/ 12 Budget to be recovered through the Levy Levy Calculation: </div> <div> \$6,674,000.00 -694,974.06 5,979,025.94 -15,000.00 -20,000.00 -700,000.00 -2,000,000.00 \$3,244,025.94 \$3,244,025.94 388,551,616 </div> <div> = </div> <div> \$0.0083490219 /GJ </div> </div>											
<div> 1 Deferred Revenue from 2010/11 is applied to the 2011/12 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>											