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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-108-15

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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 2015/16 Fiscal Year

BEFORE: L. F. Kelsey, Commissioner
H. G. Harowitz, Commissioner June 25, 2015
K. A. Keilty, Commissioner
D. M. Morton, Commissioner

O R D E R

WHEREAS:

- A. Section 125 of the *Utilities Commission Act* (Act) enables the British Columbia Utilities Commission (Commission) to recover its expenses arising from the administration of the Act, in each fiscal year commencing April 1 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 Commission drafted its 2015/2016 budget and by letter dated June 11, 2015 consulted with the regulated utilities regarding the implications of the provincial government's Independent Review Report of the Commission (Report). The Commission requested that if the regulated utilities have questions on the information provided in its June 11, 2015 letter that they contact the Commission by June 17, 2015;
- C. To provide sufficient time for the consultation to occur, by Order G-73-15 the Commission established a levy for the first quarter of 2015/2016 at the same level as the fourth quarter installment billing of Commission Order G-64-14;
- D. The Commission received questions from two utilities about their expected quarterly levy assessments for quarters two, three and four. The requested information was provided;
- E. The current year's levy for recovering Commission expenses is based on its 2015/16 forecast expenses, the expected cost of Strategic Initiatives that will be incurred to comply with the Report's recommendations and reduction for an over-recovery of expected costs from 2014/15. That figure is then divided by the total energy sales of the regulated energy utilities for the calendar year 2014;
- F. The Commission's recovery of the apportioned cost 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;

- G. The levy calculation for remainder of 2015/16 will be applied on a go-forward basis where the difference between the annual allocation and the first quarter levy will be recovered over quarters two, three and four. The Commission may adjust the fourth quarter billing in order to account for additional revenues or costs that may be received or incurred during the fiscal year ending March 31, 2016;
- H. For ICBC the Commission has estimated the costs of the service furnished, including its staff and apportioned administrative office costs for 2015/16.

NOW THEREFORE the Commission orders as follows:

1. A levy, at the rate of \$0.0146897035 per GJ equivalent of energy sold for the calendar year 2014 is fixed for the 2015/16 fiscal year. The following public utilities are required to pay the levy, 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.
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

Thermal Energy Utilities

Creative Energy Vancouver Platforms Inc.
Dockside Green Energy
River District Energy Inc.
Corix Multi-Utility Services Inc. - UniverCity
FortisBC Alternative Energy Services Inc. - Delta School District #37

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2. Pursuant to section 125 of the Act and the regulation of ICBC, ICBC shall pay the Commission's 2015/16 allocated budgeted expenses of \$700,000.00 in quarterly installments.
3. The Commission's cost recovery for ICBC for 2015/16 will be reviewed in the last quarter of 2015/16 to ensure the apportioned costs to this company is appropriate.
4. Pursuant to Levy Regulation 283/88 and Letter 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, 2015:

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
Canadian Natural Resources Limited - 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

5. The natural gas marketers shall each pay an annual levy of \$1,000 for the residential and commercial unbundling program for fiscal year 2015/16.

DATED at the City of Vancouver, in the Province of British Columbia, this 26th day of June 2015.

BY ORDER

Original signed by:

D.M. Morton
Commissioner

BRITISH COLUMBIA UTILITIES COMMISSION - 2015/16 LEVY CALCULATION

A	B	C	D	E	F	G	H	I	J	K	L
Utility	Regulated Sales \$000	Regulated Volume	Unit	Converted To GJ	2015/16 Annual Assessment \$ ²	Billing Q1	Billing Q2	Billing Q3	Billing Q4 ³		
B.C. Hydro & Power Authority ²	4,098,744,000	50934.00	GW.h	183,362,000	2,693,533.42	712,947.95	660,195.16	660,195.16	660,195.15		
City of Nelson (Rural)	6,351,210	63.6	GW.h	229,000	3,363.94	886.54	825.80	825.80	825.80		
Hemlock Utility Services Ltd.	252473.42	1.75	GW.h	6,000	88.14	23.64	21.50	21.50	21.50		
FortisBC Inc. ²	273,955,048	2,599.00	GW.h	9,356,000	137,436.87	35,690.15	33,915.57	33,915.57	33,915.58		
Silversmith Power & Light Corporation	3032.62	0.02	GW.h	0	0.00	0.00	0.00	0.00	0.00		
CORIX Sun Rivers & Sonoma Pines (Electric)	1,641,436	16.149	GW.h	58,000	852.00	224.59	209.14	209.14	209.13		
Yukon Electrical Co. Ltd. (Lower Post)	722880	0.72	GW.h	3,000	44.07	11.82	10.75	10.75	10.75		
Insurance Corporation of British Columbia						175,000.00	175,000.00	175,000.00	175,000.00		
FortisBC Energy Inc.											
Lower Mainland Division	892,981	113,833,000	GJ	113,833,000	1,672,173.02	470,532.33	400,546.90	400,546.90	400,546.89		
Inland Division	277,761	51,167,000	GJ	51,167,000	751,628.06	194,731.57	185,632.16	185,632.16	185,632.17		
Columbia Division	30,220	9,519,000	GJ	9,519,000	139,831.29	38,913.21	33,639.36	33,639.36	33,639.36		
Fort Nelson Division	4,197	656,000	GJ	656,000	9,636.45	2,533.52	2,367.64	2,367.64	2,367.65		
Revelstoke	4,405	209,000	GJ	209,000	3,070.15	795.91	758.08	758.08	758.08		
FortisBC Energy (Vancouver Island) Inc.											
Vancouver Island, Powell River and Sunshine Coast areas	180,132	19,313,000	GJ	19,313,000	283,702.24	77,865.82	68,612.14	68,612.14	68,612.14		
CalGas - Kickinghorse/Canyon Ridge	390195.57	22,116	GJ	22,116	324.88	86.67	79.40	79.40	79.41		
Pacific Northern Gas (N.E.) Ltd.											
Dawson Creek and Fort St. John	30,984,742	4,877,417	GJ	4,877,417	71,647.81	17,458.93	18,062.96	18,062.96	18,062.96		
Pacific Northern Gas (N.E.) Ltd.											
Tumbler Ridge	2,611,967	828,553	GJ	828,553	12,171.20	3,207.30	2,987.97	2,987.97	2,987.96		
Pacific Northern Gas Ltd. (includes Granisle Grid)	45,038,914	3,976,653	GJ	3,976,653	58,415.85	23,381.02	11,678.28	11,678.28	11,678.27		
Big White Gas Utility	1,123,219	34,485	GJ	34,485	506.57	153.66	117.64	117.64	117.63		
FortisBC Energy (Whistler) Inc.	11224	720,000	GJ	720,000	10,576.59	2,781.76	2,598.28	2,598.28	2,598.27		
Port Alice Gas Inc.	331,794	10,637	GJ	10,637	156.25	50.24	35.34	35.34	35.33		
Sun Peaks Utilities	1,749	79	GJ	79	1.16	291.58	-96.81	-96.81	-96.80		
Creative Energy Vancouver Platforms Inc. (formerly CHDL)	7,241,719	1,257,584	GJ	1,257,584	18,473.54	5,341.76	4,377.26	4,377.26	4,377.26		
Stargas Utilities Ltd.	251020	39,671	GJ	39,671	582.76	154.25	142.84	142.84	142.83		
CORIX Multi-Utility Services											
Sun Rivers (gas), Panorama & Sonoma Pines	1,157,428	63,251	GJ	63,251	929.14	267.94	220.40	220.40	220.40		
Dockside Green Energy	182,959	6,265	GJ	6,265	92.03	27.59	21.48	21.48	21.48		
River District Energy	129	4,425	GJ	4,425	65.00	15.76	16.41	16.41	16.42		
Corix UniverCity NUS	325,487	10,619	GJ	10,619	155.99	31.53	41.49	41.49	41.48		
FortisBC Alternative Energy Services Inc. - Delta School District #37	342,195	17,347	GJ	17,347	254.82	35.58	73.08	73.08	73.08		
TOTAL					399,580,102	5,869,713.24	1,763,442.62	1,602,090.22	1,602,090.22	1,602,090.18	
2015/16 BCUC Forecast Expenses	\$8,314,415.50										
2015/16 BCUC Forecast - Strategic Initiatives	\$445,255.75										
2015/16 BCUC Forecasted Direct Recoveries	-\$1,400,000.00										
Plus: 2014/15 Deferred Recovery	-760,958.01										
	6,598,713.24										
BCUC Less Fixed Annual Fees:											
Natural Gas Marketers	-9,000.00										
Intra-Provincial Oil Pipeline Companies & Upstream Gas Processors	-20,000.00										
Insurance Corporation of British Columbia	-700,000.00										
2015/16 Net Forecast Expenses to be recovered through the Levy	\$5,869,713.24										
Levy Calculation:	\$5,869,713.24										
	399,580,102				\$0.0146897035 / GJ						
				=							

1 Recovery Deficit from 2014/15 is applied to the 2015/16 assessment.

2 Sales and Volumes for BC Hydro and FortisBC are net of figures for other distribution utilities.

3 The 1st Quarterly assessment and billing was set by Order G-73-15.

4 The 4th Quarterly assessment and billing will be reviewed by the Commission at the beginning of the last quarter.