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**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER G-132-15**

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

**and**

**Corix Multi-Utility Services Inc.  
Application for Approval to Change Gas Cost Recovery Charge for  
Propane Service at Panorama Mountain Resort**

**BEFORE:** L. F. Kelsey, Commissioner  
C. A. Brown, Commissioner  
H. G. Harowitz, Commissioner  
K. A. Keilty, Commissioner  
D. M. Morton, Commissioner

**August 6, 2015**

**O R D E R**

**WHEREAS:**

- A. By Order G-84-14 dated July 3, 2014, the British Columbia Utilities Commission (Commission) approved an increase in the Gas Cost Recovery Charge (GCR Charge) for Corix Multi-Utility Services Inc. (Corix) at Panorama Mountain Resort from \$15.922 to \$18.609 per gigajoule (GJ), effective July 1, 2014;
- B. On July 17, 2015, Corix filed an application with the Commission seeking approval of the following:  
(i) decrease the GCR Charge to \$15.554 per GJ, effective August 1, 2015; and (ii) recover the unaccounted for gas (UAF) of 11.31 percent reflecting the actual UAF volumes experienced by the utility over the past 12 months (Application);
- C. By Order G-151-12 dated October 18, 2012, the Commission, in directives 2 and 3, respectively, ordered that:
  2. The request by Corix to recover UAF in excess of 4 percent going forward is denied. Consistent with Order G-52-10, Corix is to continue to use the lesser of the actual UAF volumes or 4 percent in the determination of the costs to be accrued in the Gas Cost Reconciliation Account (GCRA).
  3. For any UAF volumes exceeding 4 percent post January 1, 2012, Corix may apply to the Commission to include these additional UAF volumes in the GCRA determination on an annual basis, providing detailed justification for same treatment. The Commission will

continue monitoring developments of the UAF levels and review the appropriateness of the 4 percent restriction on UAF volumes as part of the GCR Charge reviews.

- D. In the Application, in addition to the requested GCR Charge based on full UAF recovery, Corix also provides the scenario showing the GCR Charge using an UAF capped at 4 percent on the current GCRA balance;
- E. In the Application, based on full UAF recovery, Corix estimates that the GCRA has a debit balance of \$107,710 as at June 30, 2015. At 4 percent UAF, Corix estimates that the GCRA has a debit balance of \$62,377 as at June 30, 2015;
- F. The outstanding 2014 excess UAF balance is \$44,700 for the year ended December 31, 2014;
- G. In the Application, based on full UAF recovery in the GCRA, Corix requests to decrease the GCR Charge by \$3.055 per GJ from the current GCR Charge to a rate of \$15.554 per GJ, effective August 1, 2015, to adjust for the GCRA debit balance and to reflect current forecasts;
- H. In the Application, at 4 percent UAF on the current GCRA balance, Corix estimates the GCR Charge would have decreased by \$4.412 per GJ from the current GCR Charge to a rate of \$14.197 per GJ;
- I. Based on full UAF recovery, the proposed rate in the Application is equivalent to a \$107 per year or 10 percent decrease for a typical residential customer based on annual consumption of 35 GJ and a \$3,055 per year or 12 percent decrease for an average commercial customer based on annual consumption of 1,000 GJ;
- J. At 4 percent UAF recovery, the rate change is equivalent to a \$154 per year or 15 percent decrease for a typical residential customer based on annual consumption of 35 GJ and a \$4,412 per year or 18 percent decrease for an average commercial customer based on annual consumption of 1,000 GJ;
- K. In the Application, Corix submits that it is committed to resolving the excess UAF issue and intends to install metering equipment at its own cost, estimated to be \$25,500, to ensure deliveries match billing from its suppliers;
- L. On July 30, 2015, Corix filed responses to Commission information requests regarding the UAF including an alternative option to address the UAF issue; and
- M. The Commission reviewed the Application and considers that a rate change is warranted.

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

1. The Corix Multi-Utility Services Inc. (Corix) request to recover the unaccounted for gas (UAF) in excess of 4 percent through the Gas Cost Recovery Charge (GCR Charge) is denied as Corix has not demonstrated that the excess UAF issue will be addressed.
2. Corix is directed to maintain the excess UAF balance for the 2014 year in the Gas Cost Reconciliation Account (GCRA). The Commission acknowledges that Corix will install metering equipment to ensure deliveries match billing from its suppliers to address the UAF issue. Corix must file an application with the Commission for the treatment of the outstanding 2014 excess UAF balance by no later than July 31, 2017, and may apply to recover the meter installation costs by no later than July 31, 2017.
3. The GCR Charge will decrease from \$18.609 to \$14.197 per gigajoule for Corix at Panorama Mountain Resort, effective August 1, 2015, based on 4 percent UAF on the current GCRA balance.
4. Corix must notify all customers affected by the rate change.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 7<sup>th</sup> day of August 2015.

BY ORDER

*Original signed by:*

D. M. Morton  
Commissioner