



ORDER NUMBER
G-64-17

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

Superior Propane Ltd.
Approval of 2016 and 2017 Permanent Rates
for Seascapes Strata Corporation BCS 776 Grid System

BEFORE:
H. G. Harowitz, Commissioner

on May 3, 2017

ORDER

WHEREAS:

- A. On April 24, 2017 and subsequently updated on April 25, 2017, Superior Propane Ltd. (Superior) filed, among other things, its revised calculations for 2016 and 2017 permanent rates in compliance with Order G-48-17;
- B. By Order G-133-15 dated August 7, 2015, the British Columbia Utilities Commission (Commission) determined that Superior is a public utility as defined in section 1 of the *Utilities Commission Act* (UCA) and is therefore providing a regulated service of delivering and selling gaseous propane to the Seascapes Strata Corporation BCS 776 (Seascapes) grid system. The Commission further directed that the current rates that Superior charges to its customers at Seascapes be made interim until such time as Superior files, and receives approval for, a rate structure and rates which are in accordance with sections 58-61 of the UCA;
- C. On November 28, 2016, the Commission issued Order G-172-16 and accompanying Reasons for Decision approving, among other things, Superior's 2016 revenue requirement and rate structure and the mechanism for setting rates beyond 2016 in respect of Superior's operation of the Seascapes grid system;
- D. On December 22, 2016, Seascapes filed an application for reconsideration and variance of Order G-172-16 pursuant to section 99 of the UCA seeking a reconsideration of the Commission's determinations regarding the amount of insurance costs allowed in the 2016 revenue requirement, and the oversight of the cost of gas;
- E. By letter dated January 17, 2017, the Commission established the first phase of the reconsideration process;
- F. By Order G-29-17 and accompanying Reasons for Decision dated March 3, 2017, the Commission established the second phase of the reconsideration process with regard to insurance costs and dismissed Seascapes' request for reconsideration and variance related to the oversight of the cost of gas;
- G. On March 20, 2017, Seascapes and Superior filed a joint letter informing the Commission that the parties have come to a mutual agreement regarding insurance costs, recommending a reduction from the originally

approved \$22,500 to \$15,500. The impact of the reduction in the cost of insurance is a reduction to the 2016 revenue requirement approved by Order G-172-16 from a total of \$75,293 to \$68,293;

- H. By Order G-48-17 dated March 24, 2017, the Commission determined that the mutual agreement filed by Seascapes and Superior results in just and reasonable rates and approved the revised 2016 revenue requirement; and
- I. The Commission reviewed Superior's compliance filing to Order G-48-17 and approves the 2016 and 2017 rates on a permanent basis.

NOW THEREFORE pursuant to sections 58-61 of the *Utilities Commission Act*, the British Columbia Utilities Commission orders as follows:

1. Superior Propane Ltd.'s 2016 and 2017 rates to be charged to Seascapes Strata Corporation BCS 776 customers, as outlined below, are approved as permanent, effective January 1, 2016:

	2016	2017
Basic charge	\$18.00 per month	\$18.28 per month
Facilities charge	22.36 cents per litre	23.15 cents per litre
Cost of propane	Sum of: (i) the commodity price based on the 15th of the month posted at Superior Gas Liquids; (ii) secondary freight charge; and (iii) propane variance charge	Sum of: (i) the commodity price based on the 15th of the month posted at Superior Gas Liquids; (ii) secondary freight charge; and (iii) propane variance charge

2. Superior Propane Ltd. is approved to recover the variance between interim and permanent 2016 and 2017 rates from Seascapes Strata Corporation BCS 776 customers through a one-time charge to be billed out by the end of June 2017.
3. Superior Propane Ltd.'s request to extend the filing deadline of its annual report to the Commission until June 20, 2017 is approved.

DATED at the City of Vancouver, in the Province of British Columbia, this 3rd day of May 2017.

BY ORDER

Original signed by:

H. G. Harowitz
Commissioner