



**ORDER NUMBER**  
**G-252-18**

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

and

Resort Gas Ltd.  
2019 Revenue Requirements Application

**BEFORE:**

B. A. Magnan, Commissioner

on December 21, 2018

**ORDER**

**WHEREAS:**

- A. On December 12, 2018, Sun Peaks Mountain Resort Municipality (Sun Peaks Municipality), formerly Sun Peaks Utilities Co. Ltd (SPUCL), filed with the British Columbia Utilities Commission (BCUC) on behalf of Resort Gas Ltd. (Resort Gas) a request to extend the filing date of its revenue requirement application (RRA) from October 31, 2018 to March 31, 2019. The request would vary Directive 1(a) of Order G-161-17, which directed Resort Gas to file with the BCUC an RRA within 365 days from the transfer of the gas utility operations from Sun Peaks Municipality to Resort Gas;
- B. On August 3, 2017, SPUCL applied to the BCUC pursuant to section 52 of the *Utilities Commission Act* for approval of the sale of all of the assets and liabilities relating to the gas utility currently operated by SPUCL to Resort Gas;
- C. SPUCL submitted that the transfer was considered necessary as Sun Peaks Municipality intends to take over the provision of water and wastewater services to its residents by acquiring all of the shares of SPUCL from Sun Peaks Resort LLP. Before the sale of the shares occurred, the gas assets and gas-related liabilities were required to be transferred to the newly created Resort Gas in order for Sun Peaks Resort LLP to retain ultimate ownership of the propane gas utility;
- D. On October 24, 2017, the BCUC issued Order G-161-17 approving the transfer of SPUCL gas utility operations to Resort Gas subject to conditions including, but not limited to, Directive 1(a): "Resort Gas Ltd. shall submit to the Commission, for approval, a revenue requirements application no later than 365 days from the transfer of the gas utility operations to Resort Gas Ltd.";
- E. Sun Peaks Municipality confirmed that the transfer of gas utility operations was completed on October 31, 2017;
- F. Sun Peaks Municipality submits that it is currently exploring options to retrofit its propane distribution system to operate on an alternative fuel source to reduce energy commodity rates and carbon emissions.

Sun Peaks Municipality provided the BCUC with a memorandum of understanding indicating it is currently undertaking an assessment to determine the feasibility of modifying the propane distribution system to operate on natural gas and exploring design alternatives to bring natural gas to Sun Peaks;

- G. On October 15, 2018, Sun Peaks Municipality applied for a 2-month extension to the RRA filing date from October 31, 2018 to December 31, 2018, to allow for further review of the proposed transition to natural gas;
- H. On October 22, 2018, as an interim measure to allow for further review, the BCUC granted a 2-month extension of the filing date from October 31, 2018 to December 31, 2018;
- I. Sun Peaks Municipality submits that it is beneficial to its RRA to have 12 full months of financial statements for Resort Gas. Sun Peaks Municipality anticipates the 2018 financial statements will be finalized prior to March 31, 2019;
- J. Sun Peaks Municipality requests an extension to file its RRA, pending the outcome of its system assessment and 2018 financial statements; and
- K. The BCUC has reviewed the request and determines a variance to Directive 1(a) of Order G-161-17 is warranted.

**NOW THEREFORE**, pursuant to section 77 of the *Utilities Commission Act*, the BCUC orders as follows:

- 1. Directive 1(a) of Order G-161-17 is varied, and Sun Peaks Municipality's request on behalf of Resort Gas for an extension to the filing date of its revenue requirements application is approved. Resort Gas is directed to file its revenue requirements application with the BCUC by March 31, 2019.
- 2. The BCUC will hold confidential the memorandum of understanding regarding the conversion of Sun Peaks Municipality's propane distribution system to natural gas, on the basis that it contains commercially sensitive information.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 21st day of December 2018.

BY ORDER

*Original Signed By:*

B. A. Magnan  
Commissioner