



**ORDER NUMBER**  
**G-286-21**

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

and

Resort Gas Ltd.  
British Columbia Utilities Commission Proceeding to Set Delivery Rates for Resort Gas Ltd.

**BEFORE:**  
T. A. Loski, Commissioner

on September 29, 2021

**ORDER**

**WHEREAS:**

- A. On June 29, 2021, Resort Gas Ltd. (Resort Gas) filed a request with the British Columbia Utilities Commission (BCUC) to extend the filing deadline of its revenue requirements application (RRA) from June 30, 2021 to December 31, 2021 to allow for discussions with FortisBC Alternate Energy Services regarding the possible transition to a natural gas pipeline and due to the retirement of senior staff in 2020 (Application);
- B. By Order G-161-17, the BCUC approved Sun Peaks Utilities Co., Ltd. (SPUCL) to transfer its gas utility operations to Resort Gas, subject to several conditions, including the requirement for Resort Gas to file its RRA with the BCUC within 365 days from the transfer of gas utility operations to Resort Gas;
- C. On October 31, 2017, the transfer of the gas utility operations from SPUCL to Resort Gas was completed;
- D. Between October 22, 2018 and March 12, 2021, the BCUC approved five previous requests from Resort Gas to extend the filing deadline of its RRA set by Order G-161-17. The most recent extension request, prior to the Application, dated January 29, 2021 was approved by BCUC letter dated March 12, 2021, which extended the filing deadline to June 30, 2021;
- E. The existing delivery rates for Resort Gas are the same as those approved by Order G-149-16 for SPUCL, as follows (Existing Delivery Rates):
  - a. Rate Group 1 Residential: \$2.8175 per GJ;
  - b. Rate Group 2 Small Commercial: \$2.8175 per GJ;
  - c. Rate Group 3 Large Commercial: \$3.3175 per GJ;
- F. On August 20, 2021, the BCUC issued BCUC staff questions on the Application to Resort Gas;
- G. On September 7, 2021, Resort Gas submitted responses to BCUC staff questions on the Application; and

- H. The BCUC has reviewed the Application and considers that an extension to the filing of the RRA is warranted. On its own motion, the BCUC also finds it necessary to initiate a proceeding to set delivery rates for Resort Gas.

**NOW THEREFORE** pursuant to sections 58, 77 and 90 of the *Utilities Commission Act*, the BCUC orders as follows:

1. Directive 1(a) of Order G-161-17, as amended by Orders G-252-18, G-96-19, and G-1-20, is varied as follows: Resort Gas's request for an extension to the filing deadline of an RRA is approved. Resort Gas Ltd. shall submit to the BCUC, for approval, a revenue requirements application no later than December 31, 2021.
2. For the reasons outlined in Appendix B to this order, a proceeding is hereby established to set delivery rates for Resort Gas, to be effective January 1, 2022.
3. A regulatory timetable is established, as set out in Appendix A to this order, for the review of permanent delivery rates effective January 1, 2022. Further process will be determined following the filing of the Resort Gas RRA on or before December 31, 2021.
4. Resort Gas is directed to set the Existing Delivery Rates as interim and recoverable or refundable, effective January 1, 2022.
5. Resort Gas is directed to provide notice to its customers that the BCUC has initiated a proceeding to review the delivery rates for Resort Gas and the Existing Delivery Rates will be interim, effective January 1, 2022, no later than Monday, November 1, 2021.
6. The BCUC will determine how any variance between approved interim and permanent delivery rates, with interest calculated at the average prime rate of Resort Gas' principal bank for its most recent year, will be refunded to or collected from ratepayers at the time the BCUC renders its final decision on permanent rates for Resort Gas.
7. Resort Gas is directed to file for endorsement the interim tariff pages, effective January 1, 2022, no later than December 1, 2021.
8. Resort Gas is directed to contact the BCUC within 15 days of the date of this order to discuss the RRA and interim tariff pages.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 29<sup>th</sup> day of September 2021.

BY ORDER

*Original signed by:*

T. A. Loski  
Commissioner

Attachments

Resort Gas Ltd.  
British Columbia Utilities Commission Proceeding to Set Delivery Rates for Resort Gas Ltd.

**REGULATORY TIMETABLE**

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Action	Date (2021)
Resort Gas to notify customers of BCUC proceeding and interim rate	Monday, November 1
Resort Gas to file the Revenue Requirements Application	Friday, December 31
BCUC Information Request (IR) No. 1 to Resort Gas	To be determined
Resort Gas responses to BCUC IR No. 1	To be determined
Further process	To be determined

Resort Gas Ltd.

British Columbia Utilities Commission Proceeding to Set Delivery Rates for Resort Gas Ltd.

**REASONS FOR DECISION**

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## **1.0 Introduction**

On June 29, 2021, Resort Gas Ltd. (Resort Gas) filed a request with the British Columbia Utilities Commission (BCUC) to extend the filing deadline of its revenue requirements application (RRA) from June 30, 2021 to December 31, 2021 to allow for discussions with FortisBC Alternate Energy Services regarding the possible transition to a natural gas pipeline and due to the retirement of senior staff in 2020 (Application).

Prior to the Application, Resort Gas filed five requests to extend the filing deadline of its RRA set by Order G-161-17, primarily to allow for the assessment of the possible transition from the propane system to a natural gas pipeline and for Resort Gas to gather further financial information to support a complete rate application. The BCUC approved each of these five previous requests from Resort Gas.<sup>1</sup> The most recent extension request, approved by BCUC letter dated March 12, 2021, extended the filing deadline to June 30, 2021.

In the Application, Resort Gas requests a sixth extension to the RRA filing deadline to December 31, 2021.

## **2.0 Background**

By Order G-161-17 dated October 24, 2017, the BCUC approved Sun Peaks Utilities Co., Ltd. (SPUCL or Sun Peaks) to transfer its gas utility operations to Resort Gas, subject to several conditions, including the requirement for Resort Gas to file its RRA with the BCUC within 365 days from the transfer of gas utility operations to Resort Gas. The transfer of the gas utility operations from SPUCL to Resort Gas was completed on October 31, 2017.

The existing delivery rates for Resort Gas are the same as those approved by Order G-149-16 for SPUCL on September 22, 2016, as follows (Existing Delivery Rates):

- a. Rate Group 1 Residential: \$2.8175 per GJ;
- b. Rate Group 2 Small Commercial: \$2.8175 per GJ; and
- c. Rate Group 3 Large Commercial: \$3.3175 per GJ.

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<sup>1</sup> Resort Gas RRA Extension Request dated October 15, 2018 was approved by BCUC letter dated October 22, 2018; Resort Gas RRA Extension Request dated December 14, 2018 was approved by BCUC Order G-252-18 on December 21, 2018; Resort Gas RRA Extension Request dated March 27, 2019 was approved by BCUC Order G-96-19 on May 2, 2019; Resort Gas RRA Extension Request dated December 6, 2019 was approved by BCUC Order G-1-20 on January 2, 2020; and Resort Gas RRA Extension Request dated January 29, 2021 was approved by BCUC letter dated March 12, 2021.

### 3.0 Panel Determination

The current Application is the sixth request from Resort Gas to extend the filing deadline for its RRA, since the original directive in BCUC Order G-161-17. The Panel is concerned with the continuous delays of the filing of the Resort Gas RRA in particular, since the last BCUC hearing to set delivery rates was almost five years ago in 2016 and for a different utility, Sun Peaks. Consequently, the current delivery rates for Resort Gas have not been reviewed by the BCUC since before the change in ownership from Sun Peaks to Resort gas in 2017.

For these reasons, the Panel considers it appropriate to review and set delivery rates for Resort Gas, to be effective January 1, 2022, which will provide time for Resort Gas to prepare its RRA to be filed on or before December 31, 2021. The Panel also considers it appropriate to set the Existing Delivery Rates as interim, effective January 1, 2022. This will allow for any variance between approved interim and permanent delivery rates to be refunded to or collected from ratepayers at the time the Panel renders its final decision on permanent rates for Resort Gas.

**The Panel approves the extension request for Resort Gas to file the RRA no later than December 31, 2021.** Pursuant to sections 58 and 90 of the *Utilities Commission Act*, the BCUC has the authority to initiate a hearing on its own motion and to set interim rates. **A proceeding is hereby established to set delivery rates for Resort Gas, to be effective January 1, 2022. Resort Gas is directed to set the Existing Delivery Rates as interim and recoverable or refundable, effective January 1, 2022.**