



May 16, 2011

Alanna Gillis
Acting Commission Secretary
B.C. Utilities Commission
6th Floor – 900 Howe Street
Vancouver, B.C., V6Z 2N3

Via email: commission_secretary@bcuc.com

Dear Ms. Gillis,

Re: British Columbia Utilities Commission (BCUC) Order G-178-10

As requested in the BCUC Order G-178-10 dated November 26, 2010, we have attached a copy of the Gas Cost Reconciliation Account (GCRA) to March 31, 2011.

In order to protect our customers from the higher than expected propane costs, the Utility made the decision to allow the GCRA to increase over the Winter with the hope that propane prices would return to more normal levels in the Spring of 2011. Unfortunately, this did not happen and as of March 31, 2011, the GCRA balance was \$274,027, an increase of \$183,748 from the GCRA's starting balance as of May 1, 2010 of \$90,279.

The Utility has attached a propane commodity price projection for the next 12 months that shows the propane costs increasing from the current high levels. If the Utility assumes that this projection is accurate, then a significant propane commodity cost increase would be required just to maintain the GCRA at its current level.

Accordingly, Sun Peaks Utilities plans to apply to the Commission by May 27th for a Gas Commodity cost increase of approximately \$4.00 per gigajoule to be effective June 1, 2011. We will review the GCRA in the late Fall and if required, we will apply to the Commission for a commodity gas rate change to be effective December 1, 2011.

Should you have any comments or questions on the above or wish to discuss any aspect of the Utility, please contact the undersigned at 250-578-5490.

Sincerely

Sun Peaks Utilities Co., Ltd.

Pat Miller
Manager, Utility Services

Attached: GCRA May 1, 2010 to March 31, 2011
12 Month Propane Commodity Price Projection

../Response to BCUC Order G 178 10 May 16 2011

Sun Peaks Utilities Co., Ltd.

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Sun Peaks Utilities Co., Ltd.

Sun Peaks Utilities / Fortis - Gas Cost Reconciliation Account (GCRA) May 1/10 - Mar 31/11

	Propane Consumption/ Delivery	Unit Price	Storage Facility Account			Commodity Reference Account			Total GCRA Balance		
			Beginning Balance	Current	Ending Balance	Beginning Balance	Current	Ending Balance			
Apr 30/10 Balance Forward			33,773.73			56,505.47			90,279.20		
May'10	Interest Charge @ 3.25%	31 d			33,773.73	84.50	33,858.23	56,505.47	171.43	56,676.90	90,535.13
	Interest Charge @ 3.25% from May 25 to May 31 on \$14,700	6 d			33,858.23	7.85	33,866.08	56,676.90		56,676.90	90,542.98
	May Storage Facility Recovery		3,667.3 GJ	\$ 2.1550	33,866.08	(7,903.0)	25,963.05	56,676.90		56,676.90	82,639.95
	May Commodity Reference Recovery		3,667.3 GJ	\$ 13.5810	25,963.05		25,963.05	56,676.90	(49,805.60)	6,871.30	32,834.35
	May Storage Facility Charge (due May 25, 2010)				25,963.05	14,700.00	40,663.05	6,871.30		6,871.30	47,534.35
	MP Energy - MP75541 - May 2		35,000	\$ 0.32463	40,663.05		40,663.05	6,871.30	11,362.05	18,233.35	58,896.40
	MP Energy - MP75641 - May 10		35,000	\$ 0.33463	40,663.05		40,663.05	18,233.35	11,712.05	29,945.40	70,608.45
	MP Energy - MP76109 - May 18		30,001	\$ 0.32648	40,663.05		40,663.05	29,945.40	9,794.73	39,740.13	80,403.18
	MP Energy - MP76109 - May 25		62,003	\$ 0.31348	40,663.05		40,663.05	39,740.13	19,436.70	59,176.83	99,839.88
			<u>162,004</u>	<u>\$ 0.32287</u>					<u>52,305.53</u>		
Jun'10	Interest Charge @ 3.50%	30 d			40,663.05	97.42	40,760.47	59,176.83	163.04	59,339.87	100,100.34
	Interest Charge @ 3.50% from June 25 to June 30 on \$14,700	5 d			40,760.47	7.05	40,767.52	59,339.87		59,339.87	100,107.39
	Jun Storage Facility Recovery		2,463.5 GJ	\$ 2.1550	40,767.52	(5,308.8)	35,458.68	59,339.87		59,339.87	94,798.54
	Jun Commodity Reference Recovery		2,463.5 GJ	\$ 13.5810	35,458.68		35,458.68	59,339.87	(33,456.79)	25,883.08	61,341.75
	Jun Storage Facility Charge (due Jun 25, 2010)				35,458.68	14,700.00	50,158.68	25,883.08		25,883.08	76,041.75
	MP Energy - MP76362 - Jun 1 re: MP76110		53,999	\$ 0.32644	50,158.68		50,158.68	25,883.08	17,627.43	43,510.51	93,669.18
	MP Energy - MP76362 - Jun 3 re: MP76110		63,300	\$ 0.32644	50,158.68		50,158.68	43,510.51	20,663.65	64,174.16	114,332.83
	MP Energy - MP76362 - Jun 7 re: MP76359		63,400	\$ 0.32644	50,158.68		50,158.68	64,174.16	20,696.30	84,870.46	135,029.13
			<u>180,699</u>	<u>\$ 0.32644</u>					<u>58,987.38</u>		
Jul'10	Interest Charge @ 3.75%	31 d			50,158.68	129.84	50,288.52	84,870.46	188.99	85,059.45	135,347.96
	Interest Charge @ 3.75% from July 25 to July 31 on \$14,700	6 d			50,288.52	9.06	50,297.58	85,059.45		85,059.45	135,357.02
	Jul Storage Facility Recovery		2,124.2 GJ	\$ 2.1550	50,297.58	(4,577.7)	45,719.93	85,059.45		85,059.45	130,779.37
	Jul Commodity Reference Recovery		2,124.2 GJ	\$ 13.5810	45,719.93		45,719.93	85,059.45	(28,848.76)	56,210.69	101,930.61
	Jul Storage Facility Charge (due Jul 25, 2010)				45,719.93	14,700.00	60,419.93	56,210.69		56,210.69	116,630.61
			<u>-</u>	<u>\$ -</u>					<u>-</u>		
Aug'10	Interest Charge @ 3.75%	31 d			60,419.93	160.19	60,580.12	56,210.69	270.91	56,481.60	117,061.71
	Interest Charge @ 3.75% from Aug 25 to Aug 31 on \$14,700	6 d			60,580.12	9.06	60,589.18	56,481.60		56,481.60	117,070.77
	Aug Storage Facility Recovery		2,609.1 GJ	\$ 2.1550	60,589.18	(5,622.6)	54,966.56	56,481.60		56,481.60	111,448.16
	Aug Commodity Reference Recovery		2,609.1 GJ	\$ 13.5810	54,966.56		54,966.56	56,481.60	(35,434.19)	21,047.41	76,013.97
	Aug Storage Facility Charge (due Aug 25, 2010)				54,966.56	14,700.00	69,666.56	21,047.41		21,047.41	90,713.97
	(42) MP77875 - Aug 17		62,029	\$ 0.31649	69,666.56		69,666.56	21,047.41	19,631.56	40,678.97	110,345.53
	(43) MP77916 - Aug 19		62,026	\$ 0.32549	69,666.56		69,666.56	40,678.97	20,188.84	60,867.81	130,534.37
	(43) MP77916 - Aug 22		62,039	\$ 0.32549	69,666.56		69,666.56	60,867.81	20,193.07	81,060.88	150,727.44
	(44) MP78273 - Aug 25		62,040	\$ 0.32549	69,666.56		69,666.56	81,060.88	20,193.40	101,254.28	170,920.84
	(44) MP78273 - Aug 29		62,041	\$ 0.33449	69,666.56		69,666.56	101,254.28	20,752.09	122,006.37	191,672.93
			<u>310,175</u>	<u>\$ 0.32549</u>					<u>100,958.96</u>		
Sep'10	Interest Charge @ 4.00%	30 d			69,666.56	199.20	69,865.76	122,006.37	185.69	122,192.06	192,057.82
	Interest Charge @ 4.00% from Sep 25 to Sep 30 on \$14,700	5 d			69,865.76	8.05	69,873.81	122,192.06		122,192.06	192,065.87
	Sep Storage Facility Recovery		3,005.8 GJ	\$ 2.1550	69,873.81	(6,477.5)	63,396.32	122,192.06		122,192.06	185,588.37
	Sep Commodity Reference Recovery		3,005.8 GJ	\$ 13.5810	63,396.32		63,396.32	122,192.06	(40,821.77)	81,370.29	144,766.60
	Sep Storage Facility Charge (due Sep 25, 2010)				63,396.32	14,700.00	78,096.32	81,370.29		81,370.29	159,466.60
	(45) MP78941 - Sep 21		62,016	\$ 0.34503	78,096.32		78,096.32	81,370.29	21,397.38	102,767.67	180,863.98
	(45) MP78941 - Sep 29		64,999	\$ 0.35203	78,096.32		78,096.32	102,767.67	22,881.60	125,649.27	203,745.58
			<u>127,015</u>	<u>\$ 0.34861</u>					<u>44,278.98</u>		

Sun Peaks Utilities Co., Ltd.

Sun Peaks Utilities / Fortis - Gas Cost Reconciliation Account (GCRA) May 1/10 - Mar 31/11

	Propane Consumption/ Delivery	Unit Price	Storage Facility Account			Commodity Reference Account			Total GCRA Balance		
			Beginning Balance	Current	Ending Balance	Beginning Balance	Current	Ending Balance			
Oct'10											
Interest Charge @ 4.00%					78,096.32	237.38	78,333.70	125,649.27	415.12	126,064.39	204,398.08
Interest Charge @ 4.00% from Oct 25 to Oct 31 on \$14,700					78,333.70	9.67	78,343.37	126,064.39		126,064.39	204,407.75
Oct Storage Facility Recovery	3,505.6	GJ	\$ 2.1550	78,343.37	(7,554.6)	70,788.80	126,064.39			126,064.39	196,853.19
Oct Commodity Reference Recovery	3,505.6	GJ	\$ 13.5810	70,788.80		70,788.80	126,064.39	(47,609.55)		78,454.83	149,243.63
Oct Storage Facility Charge (due Oct 25, 2010)				70,788.80	14,700.00	85,488.80	78,454.83			78,454.83	163,943.63
(46) MP79746 - Oct 18a	40,000	\$	0.39160	85,488.80		85,488.80	78,454.83	15,664.00		94,118.83	179,607.63
(46) MP79746 - Oct 18b	25,000	\$	0.37067	85,488.80		85,488.80	94,118.83	9,266.75		103,385.58	188,874.38
(47) MP79833 - Oct 28	62,062	\$	0.37367	85,488.80		85,488.80	103,385.58	23,190.71		126,576.29	212,065.09
	<u>127,062</u>	<u>\$</u>	<u>0.37872</u>					<u>48,121.46</u>			
Nov'10											
Interest Charge @ 4.00%					85,488.80	257.57	85,746.37	126,576.29	414.46	126,990.75	212,737.12
Interest Charge @ 4.00% from Nov 25 to Nov 30 on \$14,700					85,746.37	8.05	85,754.42	126,990.75		126,990.75	212,745.17
Nov Storage Facility Recovery	9,105.6	GJ	\$ 2.1550	85,754.42	(19,622.6)	66,131.85	126,990.75			126,990.75	193,122.60
Nov Commodity Reference Recovery	9,105.6	GJ	\$ 13.5810	66,131.85		66,131.85	126,990.75	(123,663.15)		3,327.60	69,459.45
Nov Storage Facility Charge (due Nov 25, 2010)				66,131.85	14,700.00	80,831.85	3,327.60			3,327.60	84,159.45
(48) MP80441 - Nov 3	65,000	\$	0.40852	80,831.85		80,831.85	3,327.60	26,553.80		29,881.40	110,713.25
(49) MP81251 - Nov 15	65,200	\$	0.40852	80,831.85		80,831.85	29,881.40	26,635.50		56,516.90	137,348.75
(49) MP81251 - Nov 22a	59,800	\$	0.40852	80,831.85		80,831.85	56,516.90	24,429.50		80,946.40	161,778.25
(49) MP81251 - Nov 22b	5,200	\$	0.37384	80,831.85		80,831.85	80,946.40	1,943.97		82,890.37	163,722.22
(49) MP81251 - Nov 24	64,000	\$	0.38284	80,831.85		80,831.85	82,890.37	24,501.76		107,392.13	188,223.98
(51) MP81481	62,794	\$	0.40490	80,831.85		80,831.85	107,392.13	25,425.29		132,817.42	213,649.27
	<u>321,994</u>	<u>\$</u>	<u>0.40215</u>					<u>129,489.82</u>			
Dec'10											
Interest Charge @ 4.00%					80,831.85	291.33	81,123.18	132,817.42	431.42	133,248.84	214,372.02
Interest Charge @ 4.00% from Dec 25 to Dec 31 on \$14,700					81,123.18	9.67	81,132.85	133,248.84		133,248.84	214,381.69
Dec Storage Facility Recovery	12,091.7	GJ	\$ 2.1550	81,132.85	(26,057.6)	55,075.24	133,248.84			133,248.84	188,324.08
Dec Commodity Reference Recovery	12,091.7	GJ	\$ 14.5100	55,075.24		55,075.24	133,248.84	(175,450.57)		(42,201.73)	12,873.51
Dec Storage Facility Charge (due Dec 25, 2010)				55,075.24	14,700.00	69,775.24	(42,201.73)			(42,201.73)	27,573.51
(50) MP81403 - Dec 1	61,655	\$	0.40985	69,775.24		69,775.24	(42,201.73)	25,269.30		(16,932.43)	52,842.81
(50) MP81403 - Dec 5	62,039	\$	0.40985	69,775.24		69,775.24	(16,932.43)	25,426.68		8,494.25	78,269.49
(52) MP81630 - Dec 7	65,041	\$	0.40985	69,775.24		69,775.24	8,494.25	26,657.05		35,151.30	104,926.54
(53) MP81755 - Dec 13a	1,265	\$	0.40985	69,775.24		69,775.24	35,151.30	518.46		35,669.76	105,445.00
(53) MP81755 - Dec 13b	63,736	\$	0.40004	69,775.24		69,775.24	35,669.76	25,496.95		61,166.71	130,941.95
(54) MP82325 - Dec 17	54,001	\$	0.42004	69,775.24		69,775.24	61,166.71	22,682.58		83,849.29	153,624.53
(54) MP82325 - Dec 20	61,998	\$	0.42004	69,775.24		69,775.24	83,849.29	26,041.64		109,890.93	179,666.17
(54) MP82325 - Dec 22	61,999	\$	0.42704	69,775.24		69,775.24	109,890.93	26,476.05		136,366.98	206,142.22
(54) MP82325 - Dec 29	65,001	\$	0.43404	69,775.24		69,775.24	136,366.98	28,213.03		164,580.01	234,355.25
(54) MP82325 - Dec 27	64,966	\$	0.44823	69,775.24		69,775.24	164,580.01	29,119.71		193,699.72	263,474.96
	<u>561,701</u>	<u>\$</u>	<u>0.41998</u>					<u>235,901.45</u>			
Jan'11											
Interest Charge @ 4.00%					69,775.24	275.63	70,050.87	193,699.72	452.68	194,152.40	264,203.27
Interest Charge @ 4.00% from Jan 25 to Jan 31 on \$14,700					70,050.87	9.67	70,060.54	194,152.40		194,152.40	264,212.94
Jan Storage Facility Recovery	12,592.2	GJ	\$ 2.1550	70,060.54	(27,136.2)	42,924.35	194,152.40			194,152.40	237,076.75
Jan Commodity Reference Recovery	12,592.2	GJ	\$ 14.5100	42,924.35		42,924.35	194,152.40	(182,712.82)		11,439.58	54,363.93
Jan Storage Facility Charge (due Jan 25, 2011)				42,924.35	14,700.00	57,624.35	11,439.58			11,439.58	69,063.93
(55) MP83119 - Jan 7	61,990	\$	0.41071	57,624.35		57,624.35	11,439.58	25,459.91		36,899.49	94,523.84
(56) MP83443 - Jan 10	65,002	\$	0.41071	57,624.35		57,624.35	36,899.49	26,696.97		63,596.46	121,220.81
(57) MP82852 - Jan 4	62,049	\$	0.41071	57,624.35		57,624.35	63,596.46	25,484.14		89,080.60	146,704.95
(58) MP83554 - Jan 20a	10,959	\$	0.41071	57,624.35		57,624.35	89,080.60	4,500.97		93,581.57	151,205.92
(58) MP83554 - Jan 20b	51,033	\$	0.44582	57,624.35		57,624.35	93,581.57	22,751.53		116,333.10	173,957.45

Sun Peaks Utilities Co., Ltd.

Sun Peaks Utilities / Fortis - Gas Cost Reconciliation Account (GCRA) May 1/10 - Mar 31/11

	Propane Consumption/ Delivery	Unit Price	Storage Facility Account			Commodity Reference Account			Total GCRA Balance
			Beginning Balance	Current	Ending Balance	Beginning Balance	Current	Ending Balance	
(59) MP83906 - Jan-25	65,037	\$ 0.44582	57,624.35		57,624.35	116,333.10	28,994.80	145,327.90	202,952.25
(59) MP83906 - Jan-26	53,999	\$ 0.44582	57,624.35		57,624.35	145,327.90	24,073.83	169,401.73	227,026.08
(60) MP83685 - Jan 21	65,004	\$ 0.46009	57,624.35		57,624.35	169,401.73	29,907.69	199,309.42	256,933.77
(60) MP83685 - Jan 23	65,001	\$ 0.44582	57,624.35		57,624.35	199,309.42	28,978.75	228,288.17	285,912.52
(61) MP84111 - Jan 31	54,284	\$ 0.43782	57,624.35		57,624.35	228,288.17	23,766.62	252,054.79	309,679.14
	<u>554,358</u>	<u>\$ 0.43404</u>					<u>240,615.21</u>		
Feb'11 Interest Charge @ 4.00%			57,624.35	214.98	57,839.33	252,054.79	595.76	252,650.55	310,489.88
Interest Charge @ 4.00% from Feb 25 to Feb 28 on \$14,700			57,839.33	4.83	57,844.16	252,650.55		252,650.55	310,494.71
Feb Storage Facility Recovery	12,259.4	GJ \$ 2.1550	57,844.16	(26,419.0)	31,425.15	252,650.55		252,650.55	284,075.70
Feb Commodity Reference Recovery	12,259.4	GJ \$ 14.5100	31,425.15		31,425.15	252,650.55	(177,883.89)	74,766.66	106,191.81
Feb Storage Facility Charge (due Feb 25, 2011)			31,425.15	14,700.00	46,125.15	74,766.66		74,766.66	120,891.81
(62) MP84138 - Feb 2	53,545	\$ 0.41098	46,125.15		46,125.15	74,766.66	22,005.92	96,772.58	142,897.73
(63) MP84612 - Feb 9	54,066	\$ 0.41098	46,125.15		46,125.15	96,772.58	22,220.04	118,992.62	165,117.77
(64) MP85559 - Feb-25	54,641	\$ 0.40706	46,125.15		46,125.15	118,992.62	22,242.17	141,234.79	187,359.94
(66) MP84726 - Feb 13	54,000	\$ 0.41098	46,125.15		46,125.15	141,234.79	22,192.92	163,427.71	209,552.86
(66) MP84726 - Feb 16	28,389	\$ 0.41098	46,125.15		46,125.15	163,427.71	11,667.31	175,095.02	221,220.17
(66) MP84726 - Feb 16	25,610	\$ 0.40106	46,125.15		46,125.15	175,095.02	10,271.15	185,366.17	231,491.32
(67) MP85032 - Feb-22	54,602	\$ 0.40106	46,125.15		46,125.15	185,366.17	21,898.68	207,264.85	253,390.00
(67) MP85032 - Feb-22	65,058	\$ 0.40106	46,125.15		46,125.15	207,264.85	26,092.16	233,357.01	279,482.16
	<u>389,911</u>	<u>\$ 0.40673</u>					<u>158,590.35</u>		
Mar'11 Interest Charge @ 4.00%			46,125.15	196.51	46,321.66	233,357.01	858.32	234,215.33	280,536.99
Interest Charge @ 4.00% from Mar 25 to Mar 31 on \$14,700			46,321.66	9.67	46,331.33	234,215.33		234,215.33	280,546.66
Mar Storage Facility Recovery	9,794.9	GJ \$ 2.1550	46,331.33	(21,108.0)	25,223.32	234,215.33		234,215.33	259,438.65
Mar Commodity Reference Recovery	9,794.9	GJ \$ 14.5100	25,223.32		25,223.32	234,215.33	(142,124.00)	92,091.33	117,314.65
Mar Storage Facility Charge (due Mar 25, 2011)			25,223.32	14,700.00	39,923.32	92,091.33		92,091.33	132,014.65
(65) MP85656 - Mar 6	53,990	\$ 0.41081	39,923.32		39,923.32	92,091.33	22,179.63	114,270.96	154,194.28
(65) MP85656 - Mar 6	53,999	\$ 0.41081	39,923.32		39,923.32	114,270.96	22,183.33	136,454.29	176,377.61
(68) MP85927 - Mar 1	63,135	\$ 0.41081	39,923.32		39,923.32	136,454.29	25,936.49	162,390.78	202,314.10
(68) MP85927 - Mar 8	18,876	\$ 0.41081	39,923.32		39,923.32	162,390.78	7,754.45	170,145.23	210,068.55
(68) MP85927 - Mar 8	35,964	\$ 0.44191	39,923.32		39,923.32	170,145.23	15,892.85	186,038.08	225,961.40
(68) MP85927 - Mar 14	54,345	\$ 0.44191	39,923.32		39,923.32	186,038.08	24,015.60	210,053.68	249,977.00
(69) MP86503 - Mar 16	54,423	\$ 0.44191	39,923.32		39,923.32	210,053.68	24,050.07	234,103.75	274,027.07
	<u>334,732</u>	<u>\$ 0.42426</u>					<u>142,012.42</u>		
Total propane delivered for period	3,069,651	L				Av Cost per L	\$ 0.39459		
Total propane billed for period	73,219.3	GJ							

May 1/10 - Mar 31/11 GCRA Summary		Beginning balance	33,773.73	Begin balance	56,505.47	90,279.20
	Interest Charges	2,237.18		Interest Charges	4,147.82	
	Storage facility recovery	(157,787.59)		Commodity recovery	(1,037,811.10)	
	Storage facility charge 11 mo @ \$14,700 /mo	161,700.00		Commodity charges	1,211,261.56	
	Change for period	6,149.59		Truck Delay Chgs	-	
	Ending balance Mar 31/11		39,923.32	Change for period	177,598.28	183,747.87
						274,027.07
					234,103.75	



Propane Commodity Price Projection (\$ per Litre)

	FortisBC Forecast Based on Futures May 12, 2011	MP Energy Forecast Based on Crude Oil April 28, 2011	Consensus Forecast
June 2011	\$0.3919	\$0.3680	\$0.3800
July 2011	\$0.3922	\$0.3502	\$0.3712
August 2011	\$0.3932	\$0.3658	\$0.3795
September 2011	\$0.3945	\$0.4104	\$0.4024
October 2011	\$0.3958	\$0.4229	\$0.4094
November 2011	\$0.3988	\$0.4404	\$0.4196
December 2011	\$0.4002	\$0.4799	\$0.4400
January 2012	\$0.4015	\$0.4981	\$0.4498
February 2012	\$0.3924	\$0.4810	\$0.4367
March 2012	\$0.3734	\$0.3819	\$0.3776
April 2012	\$0.3542	\$0.3909	\$0.3726
May 2012	\$0.3549	\$0.3877	\$0.3713

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