

## News Release

October 27, 2020

### NOTICE OF DECISION

The Public Utilities Board (Board) approved an application from Stittco Utilities Man Ltd (Stittco), a propane distributor in Thompson, Flin Flon and Snow Lake, Manitoba, to approve its 2021 revenue requirement and its 2021 rate base. These approvals represent an 8% decrease in Stittco's total non-commodity revenue requirement from the level previously approved by the Board. Non-commodity costs include costs incurred by Stittco for the distribution of propane to customers. Rate base is the value of property upon which the utility is allowed to earn a specified rate of return, which remains at 10%.

The Board also approved a change to the commodity recovery rate. The current commodity rate of \$1.1883/m<sup>3</sup> will increase to \$1.2407/m<sup>3</sup> effective November 1, 2020. This revised rate represents an 11% increase in Stittco's commodity rate.

The approved delivery charges, along with the existing commodity rate and basic monthly charge, are expected to slightly decrease the average residential propane monthly bills by approximately 0.6% when compared to the propane rates approved for August 1, 2020. Actual customer impacts will depend on propane consumption.

The commodity portion of Stittco's propane rates is reviewed quarterly and the next review will be for February 1, 2021. The non-commodity portion of Stittco's propane rates is reviewed annually and the next review will be for November 1, 2021.

The Board is an impartial tribunal and regulator, arm's length from government, which acts in the public interest.

Board Order 127/20, contains additional information on Stittco's Application and the Board's decision. The Order is available on the Board's website at [www.pubmanitoba.ca](http://www.pubmanitoba.ca), or through the Board's Office.

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