



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-196-14**

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IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

Pacific Northern Gas (N.E.) Ltd.
Application for Approval of 2015 Delivery Rates and RSAM Rider
Tumbler Ridge Division

BEFORE: C. A. Brown, Panel Chair/Commissioner
K. A. Keilty, Commissioner December 12, 2014
D. M. Morton, Commissioner

WHEREAS:

- A. On November 28, 2014, Pacific Northern Gas (N.E.) Ltd. [PNG (NE)] filed an application regarding 2015 Delivery Rates and Changes to the Revenue Stabilization Adjustment Mechanism (RSAM) rate rider for the Tumbler Ridge (TR) division (Application) with the British Columbia Utilities Commission (Commission), pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA);
- B. PNG (NE) is seeking Commission approval to:
- retain the current delivery charge component of customer rates for TR effective January 1, 2015 at the same level as 2014 delivery rates established by Order G-137-14, dated September 12, 2014, since the 2015 revenue deficiency is insignificant, and
 - decrease the RSAM rate rider effective January 1, 2015 by \$0.098/GJ to \$0.471/GJ from \$0.569/GJ;
- C. PNG (NE) also seeks an interim order, pursuant to sections 89 and 90 of the UCA, to allow PNG (NE) to increase the RSAM rate rider for the TR division, as applied for in the Application, on an interim and refundable basis, effective January 1, 2015, pending a final determination of the Application; and
- D. PNG (NE) states in the Application that it plans to update its regulatory schedules for actual 2014 results and should the updated forecast result in a material revenue deficiency or sufficiency, PNG (NE) will file an updated application for the TR division proposing to create a new deferral account to capture the deficiency or sufficiency to be amortized in 2016 (Updated Application).

NOW THEREFORE the Commission orders as follows:

Regulatory Timetable

1. Pacific Northern Gas (N.E.) Ltd. [PNG (NE)] will file an updated application for the Tumbler Ridge (TR) division (Updated Application). The deadline to file the Updated Application is set out in the Regulatory Timetable attached as Appendix A. A determination on further regulatory process will be made after PNG (NE) files its Updated Application.
2. Interveners and interested parties should register their intention to intervene with the British Columbia Utilities Commission (Commission) via email or in writing, by the date established in the Regulatory Timetable attached as Appendix A. Interveners and interested parties should specifically state the nature of their interest in the Application, and identify generally the nature of the issues that they intend to pursue during the proceeding, and the nature and extent of their anticipated involvement in the Application.

Interim Rates

3. Pursuant to sections 89 and 90 of the *Utilities Commission Act* (UCA), the Commission approves the retention of the current delivery charge component of customer rates, other than the Company Use gas cost rate, for the TR division on an interim basis, effective January 1, 2015. The Company Use gas cost rate has been addressed by Order G-194-14.
4. Any differences between the interim and permanent delivery charge component of customer rates that are determined by the Commission following final disposition of the Application are subject to refund/recovery, with interest, at the average prime rate of PNG (NE)'s principal bank for its most recent year, in the manner as set out by a Commission Order that establishes permanent rates.
5. Pursuant to sections 89 and 90 of the UCA, the Commission approves for PNG (NE) TR, the Revenue Stabilization Adjustment Mechanism (RSAM) rate rider set forth in the Application on an interim basis, effective January 1, 2015.
6. Any differences between the interim and permanent RSAM rate rider that are determined by the Commission following final disposition of the Application are subject to refund/recovery, with interest, at the average prime rate of PNG (NE)'s principal bank for its most recent year, adjusted through the RSAM rate rider.
7. Pursuant to section 61 of the UCA, PNG (NE) is directed to file amended tariff sheets for the TR division, in accordance with the terms of this Order, within 15 business days of the date of this Order.

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Notice

8. PNG (NE) is to provide a copy, electronically where possible, of this Commission Order including the Regulatory Timetable attached as Appendix A, to all parties who registered and/or participated in the PNG (NE) 2014 Revenue Requirements Application proceedings.
9. PNG (NE) is to provide its TR customers with the Commission reviewed bill message notice of the interim RSAM with its next customer mailing.

DATED at the City of Vancouver, In the Province of British Columbia, this 12th day of December 2014.

BY ORDER

Original Signed By:

C. A. Brown
Panel Chair/Commissioner

Attachment

Pacific Northern Gas (N.E.) Ltd.
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Tumbler Ridge Division

REGULATORY TIMETABLE

ACTION	DATE (2015)
Intervener and Interested Party Registration Deadline	Monday, January 12
Submission of Updated Application Deadline	Monday, March 9