

### BRITISH COLUMBIA UTILITIES COMMISSION

ORDER

NUMBER G-51-08

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

and

An Application by Pacific Northern Gas (N.E.) Ltd. ("PNG(N.E.)") regarding Natural Gas Commodity Charges effective April 1, 2008 for the PNG Fort St. John/Dawson Creek and Tumbler Ridge Service Areas

**BEFORE:** L.F. Kelsey, Commissioner March 19, 2008

P.E. Vivian, Commissioner

#### ORDER

### WHEREAS:

- A. On March 13, 2008, PNG (N.E.) filed its 2008 First Quarter Report (the "Report") on gas supply costs and Gas Cost Variance Account ("GCVA") balances for Fort St. John/Dawson Creek and Tumbler Ridge, based on February 27, 2008 natural gas and propane forward prices; and
- B. PNG requests for PNG (N.E.) increases to gas commodity rates and Company use gas cost charges effective April 1, 2008 that would, for example, increase the annual bills of a typical residential consumer in Fort St. John/Dawson Creek by \$58 or 4.5 percent and a typical residential customer in Tumbler Ridge by \$183 or 23.3 percent; and
- C. The Commission concludes that the requested changes to Gas Supply Charges and GCVA rate riders should be approved; and
- D. The Commission has considered the magnitude of the requested changes to the Company use gas cost rates for Fort St. John/Dawson Creek and Tumbler Ridge in relation to the corresponding GCVA balances and the effect such changes would have on Delivery Charges, and concludes that the requested changes to the Company use gas cost rates and the commodity prices for the Company use gas price deferral accounts would not be in the public interest at this time.

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**NOW THEREFORE** pursuant to Section 61(4) of the Act the Commission orders the following:

- 1. In the PNG (N.E.) Fort St. John/Dawson Creek Division and the Tumbler Ridge Division, the Commission approves increases in Gas Supply Charges for core market sales customers to the rates identified under the heading "Proposed Gas Commodity Apr. 1 '08" in Table 5 of the Report, effective April 1, 2008.
- 2. In the PNG (N.E.) Fort St. John/Dawson Creek Division, the Commission approves a change in the GCVA commodity rate rider from a credit rider of \$0.256/GJ to a zero rider, effective April 1, 2008.
- 3. In the PNG (N.E.) Tumbler Ridge Division, the Commission accepts the recommendation of a continuation of the current GCVA commodity credit rate rider of \$1.491/GJ, effective April 1, 2008.
- 4. In the PNG (N.E.) Fort St. John/Dawson Creek Division and Tumbler Ridge Division, the Commission denies the request to increase the Company Use gas cost rates and the commodity prices for the Company use gas price deferral accounts, effective April 1, 2008.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 25<sup>th</sup> day of March 2008.

BY ORDER

Original signed by

L.F. Kelsey Commissioner