



**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER** G-110-09

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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.  
regarding Natural Gas Commodity Charges effective October 1, 2009  
for the Fort St. John/Dawson Creek and Tumbler Ridge Service Areas

**BEFORE:** L.F. Kelsey, Commissioner  
P.E. Vivian, Commissioner September 17, 2009

**O R D E R**

**WHEREAS:**

- A. On September 10, 2009, Pacific Northern Gas (N.E.) Ltd. ("PNG(N.E.)") filed with the British Columbia Utilities Commission ("Commission") its 2009 Third Quarter Report on gas supply costs and Gas Cost Variance Account ("GCVA") balances for its Fort St. John/Dawson Creek ("FSJ/DC") and Tumbler Ridge Divisions, based on August 24, 2009 natural gas forward prices (the "Report"); and
- B. The Report forecasts for the FSJ/DC Division that the ratio of gas commodity cost recoveries at current rates to forecast gas commodity costs over the following 12 months would be 1.241 and requests approval to decrease FSJ/DC Division gas commodity rates effective October 1, 2009; and
- C. PNG(N.E.) requests approval for its FSJ/DC Division, to make no changes to the current GCVA commodity credit rate rider of \$0.787/GJ; and
- D. PNG(N.E.) requests approval for its FSJ/DC Division to make no changes to the current Company use GCVA gas cost credit rate rider of \$0.081/GJ, Company use gas cost delivery rate of \$0.094/GJ and Company use gas commodity price of \$6.238/GJ for price deferral accounting purposes; and
- E. The requested changes to the gas commodity rates would decrease the annual bill of a typical residential consumer by \$120 or 11.7 percent; and
- F. The Report forecasts for the Tumbler Ridge Division that the ratio of gas commodity cost recoveries at current rates to forecast gas commodity costs over the following 12 months would be 2.156; and
- G. PNG(N.E.) requests approval for its Tumbler Ridge Division to make no change to the current gas commodity rate of \$4.244/GJ and to increase the GCVA commodity credit rate rider to \$2.156/GJ, effective October 1, 2009; and

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- H. PNG(N.E.) requests approval for its Tumbler Ridge Division to make no changes to the current Company use GCVA gas cost credit rate rider of \$0.041/GJ, Company use gas cost delivery rate of \$0.477/GJ and Company use gas commodity price of \$4.589/GJ for price deferral accounting purposes, effective October 1, 2009; and
- I. The requested change to the Tumbler Ridge Division GCVA credit rate rider would decrease the annual bill of a typical residential consumer by \$96 or 12.9 percent; and
- J. The Commission concludes that the rate changes requested in the Report should be approved, effective October 1, 2009.

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

1. In the PNG(N.E.) FSJ/DC Division, the Commission approves decreases in the gas commodity charges for core market sales customers to the rates identified under the heading "Proposed Gas Commodity Oct. 1'09" in Table 5 of the Report, effective October 1, 2009.
2. In the PNG(N.E.) FSJ/DC Division, the Commission approves making no change to the current GCVA commodity credit rate rider of \$0.787/GJ.
3. In the PNG(N.E.) Tumbler Ridge Division, the Commission approves making no change to the current gas commodity rate of \$4.244/GJ and to increase the GCVA commodity credit rate rider to \$2.156/GJ, effective October 1, 2009.
4. In the PNG(N.E.) FSJ/DC and Tumbler Ridge Divisions, the Commission approves making no changes to current Company use GCVA gas cost credit rate riders of \$0.081/GJ and \$0.041/GJ, respectively, Company use gas cost delivery rates of \$0.094/GJ and \$0.477/GJ, respectively and Company use gas commodity prices of \$6.238/GJ and \$4.589/GJ, respectively, for price deferral accounting purposes.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 17<sup>th</sup> day of September 2009.

BY ORDER

*Original signed by:*

L.F. Kelsey  
Commissioner