



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-132-08

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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 October 1, 2008
for the Fort St. John/Dawson Creek and Tumbler Ridge Service Areas

BEFORE: L.F. Kelsey, Commissioner September 18, 2008
P.E. Vivian, Commissioner

O R D E R

WHEREAS:

- A. On September 5, 2008, PNG(N.E.) filed its 2008 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 27, 2008 natural gas forward prices; and
- B. On September 12, 2008, PNG(N.E.) refiled its 2008 Third Quarter Report (the "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 September 5, 2008 natural gas forward prices; and
- C. PNG(N.E.) requests for its FSJ/DC Division approval of decreases to gas commodity rates effective October 1, 2008 that would decrease the annual bill of a typical residential consumer by \$133 or 8.5 percent; and
- D. PNG requests for its FSJ/DC Division approval to retain the current GCVA commodity debit rate rider, GCVA Company use gas cost credit rate rider and Company use gas commodity price; and
- E. PNG(N.E.) requests for its Tumbler Ridge Division approval of a decrease to the gas commodity rate and an increase in the GCVA commodity credit rate rider, effective October 1, 2008, that would decrease the annual bill of a typical residential consumer by \$251 or 20.4 percent; and
- F. PNG(N.E.) requests for its Tumbler Ridge Division approval to retain the current GCVA Company use gas cost credit rate rider and Company use gas commodity price; and

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- G. The Commission concludes that the requested changes to the gas commodity rates and to the Tumbler Ridge GCVA commodity rate rider and retention of the other current rates should be approved, effective October 1, 2008.

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

1. In the PNG(N.E.) FSJ/DC Division and the Tumbler Ridge Division, the Commission approves decreases in gas commodity charges for core market sales customers to the rates identified under the heading "Proposed Gas Commodity Oct. 1 '08" in Table 5 of the Report, effective October 1, 2008.
2. In the PNG(N.E.) FSJ/DC Division, the Commission approves retention of the current GCVA commodity debit rate rider of \$0.351/GJ, GCVA Company use gas cost credit rate rider of \$0.102/GJ and Company use gas commodity price of \$7.211/GJ.
3. In the PNG(N.E.) Tumbler Ridge Division, the Commission approves an increase to the GCVA commodity credit rate rider from \$0.397/GJ to \$0.60/GJ, effective October 1, 2008.
4. In the PNG(N.E.) Tumbler Ridge Division, the Commission approves the retention of the current GCVA Company use gas cost credit rate rider of \$0.178/GJ and Company use gas commodity price of \$5.867/GJ.

DATED at the City of Vancouver, in the Province of British Columbia, this 18th day of September 2008.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner