

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-185-08**

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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 January 1, 2009
for the Fort St. John/Dawson Creek and Tumbler Ridge Service Areas

BEFORE: L.F. Kelsey, Commissioner
P.E. Vivian, Commissioner December 11, 2008
D.A. Cote, Commissioner

O R D E R

WHEREAS:

- A. On December 3, 2008, PNG(N.E.) filed its 2008 Fourth 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 (the "Report"); and
- B. PNG(N.E.) requests approval of decreases to gas commodity rates effective January 1, 2009 for its FSJ/DC Division; and
- C. PNG(N.E.) requests for its FSJ/DC Division approval to change the current GCVA commodity debit rate rider to a credit rider, to increase the GCVA Company use gas cost credit rate rider, to increase the Company use gas commodity price and to increase the Company use gas cost delivery rate, effective January 1, 2009; and
- D. The requested changes to the FSJ/DC gas commodity rates, GCVA rate riders and Company use gas cost delivery rate would decrease the annual bill of a typical residential consumer by \$101 or 7.4 percent; and
- E. PNG(N.E.) requests for its Tumbler Ridge Division approval of an increase to the gas commodity rate, an increase in the GCVA commodity credit rate rider, an increase to the GCVA Company use gas cost credit rate rider, to increase the Company use gas commodity price and to increase the Company use gas cost delivery rate, effective January 1, 2009; and
- F. The requested changes to the Tumbler Ridge gas commodity rate, GCVA rate riders and Company use gas cost delivery rate would decrease the annual bill of a typical residential consumer by \$65 or 6.7 percent; and

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- G. The British Columbia Utilities Commission (“the Commission”) concludes that the rate changes requested in the Report should be approved, effective January 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 gas commodity charges for core market sales customers to the rates identified under the heading “Proposed Gas Commodity Jan. 1 ‘09” in Table 5 of the Report, effective January 1, 2009.
2. In the PNG(N.E.) Tumbler Ridge Division, the Commission approves an increase in the gas commodity charge for core market sales customers to the rate identified under the heading “Proposed Gas Commodity Jan. 1 ‘09” in Table 5 of the Report, effective January 1, 2009.
3. In the PNG(N.E.) FSJ/DC Division, the Commission approves implementation of a GCVA commodity credit rate rider of \$0.387/GJ, a GCVA Company use gas cost credit rate rider of \$0.138/GJ, a Company use gas cost delivery rate of \$0.114/GJ and a Company use gas commodity price of \$7.632/GJ for price deferral accounting purposes, all effective January 1, 2009.
4. In the PNG(N.E.) Tumbler Ridge Division, the Commission approves implementation of a GCVA commodity credit rate rider of \$1.351/GJ, a GCVA Company use gas cost credit rate rider of \$0.335/GJ, a Company use gas cost delivery rate of \$0.676/GJ and a Company use gas commodity price of \$6.743/GJ for price deferral accounting purposes, all effective January 1, 2009.

DATED at the City of Vancouver, in the Province of British Columbia, this 11th day of December 2008.

BY ORDER

Original signed by:

D.A. Cote
Commissioner