



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-27-09

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcuc.com>

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

and

An Application by Pacific Northern Gas Ltd.
regarding Natural Gas Commodity Charges effective April 1, 2009
for the PNG-West and Granisle Service Areas

BEFORE: L.F. Kelsey, Commissioner
P.E. Vivian, Commissioner March 19, 2009
D.A. Cote, Commissioner

O R D E R

WHEREAS:

- A. On March 12, 2009, Pacific Northern Gas Ltd. ("PNG", "PNG-West") filed its 2009 First Quarter Report on gas supply costs and Gas Cost Variance Account ("GCVA") balances for PNG-West and Granisle, based on February 24, 2009 natural gas and propane forward prices (the "Report"); and
- B. The 2009 First Quarter Report forecasts that commodity cost recoveries at current rates would be 1.226 percent of costs for the following 12 months for PNG-West and requests approval for the PNG-West Division to decrease gas commodity rates effective April 1, 2009; and
- C. PNG requests approval for the PNG-West Division, to increase the GCVA commodity credit rate rider, to reduce the GCVA Company use gas cost debit rate rider, to decrease the Company use gas cost delivery rate and to decrease the Company use gas commodity price for price deferral accounting purposes, effective April 1, 2009; and
- D. The requested changes to the gas commodity rates, GCVA rate riders and Company use gas cost delivery rate would decrease the annual bill of a typical residential consumer by \$115 or 8.1 percent; and
- E. The 2009 First Quarter Report forecasts that for Granisle the commodity cost recoveries at current rates would be 1.047 percent of costs for the following 12 months and requests no changes to the Granisle Propane Division's propane commodity rate and the GCVA commodity debit rate rider; and
- F. The British Columbia Utilities Commission (the "Commission") concludes that the rate changes requested in the Report should be approved, effective April 1, 2009.

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

1. The Commission approves decreases in gas commodity charges for core market sales customers to the rates identified under the heading "Proposed Gas Commodity Apr. 1 '09" in Table 5 of the Report, effective April 1, 2009.
2. In the PNG-West Division, the Commission approves a GCVA commodity credit rate rider of \$0.523/GJ, a GCVA Company use gas cost debit rate rider of \$0.006/GJ, a Company use gas cost delivery rate of \$0.151/GJ and a Company use gas commodity price of \$6.490/GJ for price deferral accounting purposes, all effective April 1, 2009.
3. In Granisle, the Commission approves of making no changes to the rates that became effective January 1, 2009.

DATED at the City of Vancouver, in the Province of British Columbia, this 19th day of March 2009.

BY ORDER

Original signed by:

D.A. Cote
Commissioner