



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-131-08**

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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 Ltd. ("PNG")
regarding Natural Gas Commodity Charges effective October 1, 2008
for the PNG-West and Granisle 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 filed its 2008 Third Quarter Report on gas supply costs and Gas Cost Variance Account ("GCVA") balances for PNG-West and Granisle, based on August 27, 2008 natural gas and propane forward prices; and
- B. On September 12, 2008, PNG refiled its 2008 Third Quarter Report (the "Report") on gas supply costs and Gas Cost Variance Account ("GCVA") balances for PNG-West and Granisle, based on September 5, 2008 natural gas and propane forward prices; and
- C. PNG requests for the PNG-West Division approval of decreases to gas commodity rates effective October 1, 2008 that would decrease the annual bill of a typical residential consumer by \$86 or 5.8 percent; and
- D. PNG requests for the PNG-West Division approval to retain the current GCVA commodity debit rate rider, GCVA Company use gas cost debit rate rider and Company use gas commodity price; and
- E. PNG requests that the Granisle Propane Division's current propane commodity rate and GCVA commodity debit rate rider be retained; and
- F. The Commission concludes that the requested changes to the gas commodity rates and retention of the other current rates should be approved, effective October 1, 2008.

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NOW THEREFORE pursuant to Section 61(4) of the 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 Oct. 1 '08" in Table 5 of the Report, effective October 1, 2008.
2. In the PNG-West Division, the Commission approves retention of the current GCVA commodity debit rate rider of \$0.049/GJ, GCVA Company use gas cost debit rate rider of \$0.050/GJ and Company use gas commodity price of \$7.436/GJ.
3. In Granisle, the Commission approves retention of the current propane gas commodity charge of \$22.268/GJ and GCVA commodity debit rate rider of \$2.314/GJ, effective October 1, 2008.

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