



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-148-09**

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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 Ltd.
regarding Natural Gas Commodity Charges effective January 1, 2010
for the PNG-West and Granisle Service Areas

BEFORE: L.F. Kelsey, Commissioner
P.E. Vivian, Commissioner December 3, 2009
D.A. Cote, Commissioner

O R D E R

WHEREAS:

- A. On November 23, 2009, Pacific Northern Gas Ltd. ("PNG", "PNG-West") filed with the British Columbia Utilities Commission ("Commission") its 2009 Fourth Quarter Report on gas supply costs and Gas Cost Variance Account ("GCVA") balances for PNG-West and Granisle, based on November 19, 2009 natural gas and propane forward prices (the "Report"); and
- B. The Report forecasts for PNG-West that the ratio of gas commodity cost recoveries at current rates to forecast gas commodity costs over the following 12 months would be 0.961 and requests approval to make no changes effective January 1, 2010 to the current PNG-West Division gas commodity rates; and
- C. PNG requests approval for the PNG-West Division to make no changes effective January 1, 2010 to the current GCVA commodity credit rate rider of \$0.27/GJ and to the current Company use GCVA gas cost debit rate rider of \$0.006/GJ; and
- D. PNG-West requests approval for the PNG-West Division to decrease effective January 1, 2010 the Company use gas cost delivery rate from \$.151/GJ to \$0.148/GJ and the Company use gas commodity price from \$6.49/GJ to \$5.751/GJ for price deferral accounting purposes; and
- E. The Report forecasts for Granisle that the ratio of propane commodity cost recoveries at current rates to forecast propane commodity costs over the following 12 months would be 1.176; and
- F. PNG requests approval for Granisle to retain the current propane commodity rate of \$15.232/GJ and to continue with no GCVA rate rider effective January 1, 2010; and

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G. The Commission concludes that the rates requested in the Report should be approved, effective January 1, 2010.

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

1. In the PNG-West Division, the Commission approves making no changes effective January 1, 2010 to the gas commodity charges for core market sales customers that were made effective October 1, 2009.
2. In the PNG-West Division, the Commission approves making no changes effective January 1, 2010 to the GCVA commodity credit rider of \$0.27/GJ and to the GCVA Company use gas cost debit rate rider of \$0.006/GJ, both of which were made effective October 1, 2009.
3. In the PNG-West Division, the Commission approves effective January 1, 2010 reducing the Company use gas cost delivery rate to \$0.148/GJ and the Company use gas commodity price to \$5.751/GJ for price deferral accounting purposes.
4. In Granisle, the Commission approves effective January 1, 2010 retaining the current propane commodity rate of \$15.232/GJ and to continue with no GCVA rate rider.

DATED at the City of Vancouver, in the Province of British Columbia, this 3rd day of December 2009.

BY ORDER

Original signed by:

D.A. Cote
Commissioner