

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER

G-28-09

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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 (N.E.) Ltd. ("PNG(N.E.)") regarding Natural Gas Commodity Charges effective April 1, 2009 for the Fort St. John/Dawson Creek and Tumbler Ridge Service Areas

**BEFORE:** L.F. Kelsey, Commissioner

P.E. Vivian, Commissioner

March 19, 2009

D.A. Cote, Commissioner

## ORDER

## WHEREAS:

- A. On March 12, 2009, PNG(N.E.) filed its 2009 First 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 February 24, 2009 natural gas forward prices (the "Report"); and
- B. The 2009 First Quarter Report forecasts that commodity cost recoveries at current rates would be 1.282 percent of costs for the following 12 months for FSJ/DC and requests approval of decreases to gas commodity rates effective April 1, 2009; and
- C. PNG(N.E.) requests for its FSJ/DC Division, approval to increase the GCVA commodity credit rate rider, to decrease the GCVA Company use gas cost credit 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 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 \$188 or 14.8 percent; and
- E. The 2009 First Quarter Report forecasts that commodity cost recoveries at current rates would be 1.900 percent of costs for the following 12 months for the Tumbler Ridge Division and requests approval to decrease the gas commodity rate, to decrease the GCVA commodity credit rate rider, to decrease the GCVA Company use gas cost credit 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
- 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 \$128 or 14.0 percent; and

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G. The Commission concludes that the rate changes requested in the Report should be approved, effective April 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 Apr. 1 '09" in Table 5 of the Report, effective April 1, 2009.
- 2. In the PNG(N.E.) Tumbler Ridge Division, the Commission approves a decrease in the gas commodity charge for core market sales customers to the rate identified under the heading "Proposed Gas Commodity Apr. 1 '09" in Table 5 of the Report, effective April 1, 2009.
- 3. In the PNG(N.E.) FSJ/DC Division, the Commission approves a GCVA commodity credit rate rider of \$0.787/GJ, a GCVA Company use gas cost credit rate rider of \$0.081/GJ, a Company use gas cost delivery rate of \$0.094/GJ and a Company use gas commodity price of \$6.238/GJ for price deferral accounting purposes, all effective April 1, 2009.
- 4. In the PNG(N.E.) Tumbler Ridge Division, the Commission approves a GCVA commodity credit rate rider of \$0.875/GJ, a GCVA Company use gas cost credit rate rider of \$0.041/GJ, a Company use gas cost delivery rate of \$0.477/GJ and a Company use gas commodity price of \$4.589/GJ for price deferral accounting purposes, all effective April 1, 2009.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 19<sup>th</sup> day of March 2009.

BY ORDER

Original signed by:

D.A. Cote Commissioner