

## BRITISH COLUMBI UTILITIES COMMISS

ORDER

## PROVINCE OF BRITISH COLUMBIA BRITISH COLUMBIA UTILITIES COMMISSION

IN THE MATTER OF the Utilities Commission Act, S.B.C. 1980, c. 60, as amended

and

IN THE MATTER OF an Application by British Columbia Hydro and Power Authority

BEFORE:

## ORDER

WHEREAS British Columbia Hydro and Power Authority ("B.C. Hydro") applied November 20, 1986 pursuant to Section 67 of the Utilities Commission Act ("the Act") to amend its Tariff Rate Schedules in its Gas Tariff covering the rates to be charged effective November 1, 1986 for natural gas service rendered by the Company in its Lower Mainland service area; and

WHEREAS B.C. Hydro's Application reflects changes arising from the following:

- 1. Federal and Provincial governmental policies concerning the competitive marketing of natural gas;
- 2. new Gas Commodity charges and interim Tolls applicable to natural gas purchases from its supplier, Westcoast Transmission Company, Limited, in accordance with Decisions by the National Energy Board ("N.E.B.") and pricing structures established by the British Columbia Petroleum Corporation ("B.C.P.C."), plus related costs; and
- 3. an interim increase of 14 cents/gigajoule in rates applicable to natural gas consumption effective November 1, 1986;

## BRITISH COLUMBIA UTILITIES COMMISSION

2

ORDER

NUMBER \_\_\_\_G-76-86

4. an interim increase of 42 cents/gigajoule in rates applicable to consumption of natural gas for vehicles (NGV) service, with such increase to be recorded in a deferred account, the disposition of which will be addressed in a separate Application; and WHEREAS B.C. Hydro also applied November 20, 1986 for

Commission approval of Gas Tariff Rate Schedules covering interim
Firm Transportation Service and interim Interruptible
Transportation Service; and

WHEREAS the Commission has reviewed the Application and supporting material, and finds that the filing of amendments to the filed Tariff Rate Schedules is necessary in the public interest.

NOW THEREFORE the Commission hereby orders British Columbia Hydro and Power and Authority as follows:

1. The rates contained in the Gas Tariff Rate Schedules as submitted November 20, 1986 will be accepted subject to the submission by B.C. Hydro of amended Tariff Rate Schedules incorporating the following clause:

"the above-noted rates include a 14 cents/gigajoule interim increase effective November 1, 1986, which interim increase is subject to refund with interest calculated at the average prime rate".

- 2. A formal Application in support of the above-noted interim rate increase is to be submitted to the Commission not later than March 31, 1987.
- 3. B.C. Hydro is to record the effect of the 42 cents/gigajoule increased NGV margin in a Deferral Account, the disposition of which will be reviewed at a future Revenue Requirements hearing, or some other appropriate time.
- 4. B.C. Hydro's methodology employed in the allocation of Gathering and Processing Demand Charges will be reviewed at a future Rate Design hearing anticipated to occur in 1987.
- The interim Transportation Service Rate Schedules are accepted for filing effective November 1, 1986 as submitted. The additional charges included in Schedules 2006 and 2008 will be reviewed at a future Rate Design hearing of B.C. Hydro.
- 6. An appropriate notice of explanation is to accompany all customer bills containing the new gas rates.

ORDER

DATED at the City of Vancouver, in the Province of British Columbia, this  $\mathcal{AH}$  day of November, 1986.

BY ORDER

Deputy Chairman