

BRITISH COLUMBIA UTILITIES COMMISSION

ORDER

NUMBER .

G-39-86

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 Columbia Natural Gas Limited

BEFORE: M. Taylor,
Chairman;
J.D.V. Newlands,
Deputy Chairman;
D.B. Kilpatrick,
Commissioner; and
N. Martin,
Commissioner

ORDER

WHEREAS Columbia Natural Gas Limited ("Columbia") applied May 30, 1986 for interim and permanent rate relief to become effective July 1, 1986; and

WHEREAS the Application is contained in volumes as follows:

Volume 1 - Application and supporting materials

Volume 2 - Testimony of Company witnesses

Volume 3 - Direct Evidence of Dr. Robert Evans; and

WHEREAS the Commission has reviewed the Application.

NOW THEREFORE the Commission hereby orders Columbia

Natural Gas Limited as follows:

1. Approval is granted effective July 1, 1986 for a 2.4% interim rate increase, with such interim increase to be subject to refund with interest calculated at the average prime rate of the principal bank with which Columbia conducts its business.

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- 2. In granting its approval to the requested interim rate increase the Commission rejects Columbia's request that the company be granted the opportunity to earn a 15.0% rate of return on common equity and directs that the Commission will continue to recognize a 14.75% rate of return on common equity, as appropriate for Columbia, subject to determination at a future public hearing.
- 3. A public hearing of the Application will be the subject of a subsequent Commission Order.
- 4. Columbia is to provide to all its customers a Notice providing an explanation of the 2.4% interim increase.

DATED at the City of Vancouver, in the Province of British Columbia, this \mathcal{H}^{κ} day of July, 1986.

BY ORDER

Chairman