



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-123-91

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

and

IN THE MATTER OF Applications by
BC Gas Inc.

BEFORE: J.D.V. Newlands,)
Deputy Chairman;)
N. Martin,) December 20, 1991
Commissioner; and)
K.L. Hall,)
Commissioner)

O R D E R

WHEREAS:

- A. Exhibit 5 of the BC Gas public hearing into Gas Cost Allocation indicated that, during the month of October 1991, the company recorded a cost of gas savings in the Lower Mainland and Inland Divisions; and
- B. The Commission, by letter dated December 6, 1991, advised BC Gas that it intended to require the utility to set up the Cost of Gas savings for the Lower Mainland and Inland Divisions in a deferral account, consistent with prior Commission treatment of utility Cost of Gas pass-through Applications, pursuant to Section 67(4) of the Utilities Commission Act ("the Act"), and requested comments on the proposal to be received from BC Gas prior to December 12, 1991; and
- C. On December 10, 1991, BC Gas responded to the Commission and advised that the establishment of deferral accounts for the gas cost savings and Commission Orders No. G-113-91 and G-111-91, were contrary to its understandings with the Ministry of Energy, Mines and Petroleum Resources; and
- D. The Commission has reviewed the information and filings and finds that such Cost of Gas savings should be properly recorded in deferral accounts.

NOW THEREFORE the Commission orders BC Gas as follows:

1. The December 10, 1991 request by BC Gas to vary Commission Orders No. G-113-91 and G-111-91 is denied.
2. The Cost of Gas savings for the BC Gas, Lower Mainland and Inland Divisions in the total amounts of approximately \$714,000, are required to be set up in a deferral account for each division for the month of October, 1991 pursuant to Section 67(4) of the Act.
3. Balances in the deferral accounts are to attract interest calculated at the average prime rate of the utility's principal bank, and will be determined for disposal by way of a future Commission Order.

DATED at the City of Vancouver, in the Province of British Columbia, this 31 day of January 1992.

BY ORDER

J.D.V. Newlands
Deputy Chairman

/mmc
BCUC/Orders/ BCG-Cost of Gas