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BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-106-93

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

and

An Application by Centra Gas British Columbia Inc.

BEFORE: M.K. Jaccard, Chairperson; and)
L.R. Barr, Deputy Chairperson) November 4, 1993

O R D E R

WHEREAS:

- A. On October 22, 1993 Centra Gas British Columbia Inc. - Fort St. John District ("Centra Gas") applied to the Commission, pursuant to Section 67(4) of the Utilities Commission Act ("the Act"), to pass-through a cost of gas increase to all customers that is expected from its suppliers effective November 1, 1993; and
- B. Centra Gas advised that it is in final negotiations of grid system gas prices for the gas contract year commencing November 1, 1993 that are expected to increase in the range of \$0.614/GJ for residential and general service customers, and \$0.745/GJ for industrial service customers; and
- C. Centra Gas applied to the Commission for the use of a deferral account to record the difference between the forecasted cost of baseload and peaking gas included in its application and the final accepted cost of baseload and peaking gas negotiated with its suppliers. Centra Gas requested that the deferral account only record the differences between the forecast and final cost of peaking gas and not extend to changes in the mix of peaking supplies; and
- D. Centra Gas allocated the cost of peaking gas to its customers based on monthly average load factors since demand meters were not installed on the industrial loads; and
- E. The Commission has reviewed the Application and finds that approval is necessary and in the public interest.

NOW THEREFORE the Commission orders as follows:

1. The Application by Centra Gas to pass-through an increase in the cost of gas to customers in the amount of \$0.614/GJ to residential and general service customers, and \$0.745/GJ to industrial customers effective November 1, 1993 is approved pursuant to Section 67(4) of the Act.
2. The Commission approves for Centra Gas the use of a deferral account with interest at the utility's short-term debt cost effective November 1, 1993 to record the difference between the forecast price of baseload and peaking gas included in its application and the approved price of baseload and peaking gas negotiated with its suppliers. Any change in the mix of peaking gas sources should not be included in this deferral account.
3. The issue of demand metering will be explored during the next public hearing for revenue requirements.
4. Centra Gas, by way of customer notice, is to inform all affected customers of the tariff changes approved by this Order.

DATED at the City of Vancouver, in the Province of British Columbia, this 16th day of November, 1993.

BY ORDER



Dr. Mark K. Jaccard
Chairperson