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CANADA



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-55-93

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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 Pacific Northern Gas Ltd.

BEFORE: M.K. Jaccard, Chairperson; and)
L.R. Barr, Deputy Chairperson) June 25, 1993

WHEREAS:

- A. On June 11, and 18, 1993 Pacific Northern Gas Ltd. ("PNG") applied to the Commission for approval to dispose of the cost of gas deferral accounts approved by Commission Order No. G-58-92 and to approve permanent rate changes to Rate Schedule 1 through Rate Schedule 7, effective July 1, 1993, and to set up certain cost of gas deferral accounts effective January 1, 1993; and
- B. The Commission has considered the PNG Application and finds that an Order requiring the disposition of the deferral accounts, new rates effective July 1, 1993, and new deferral accounts effective January 1, 1993 are required.

NOW THEREFORE the Commission orders as follows:

1. The Commission approves the refund of \$52,526, plus accrued interest, to PNG's customers in Rate Schedule 1 through Rate Schedule 7 based on the gas consumption of each customer classification during the period from August 1, 1992 to October 31, 1992.
2. The Commission approves the net refund of \$51,785, plus accrued interest, to PNG's customers representing a refund to Rate Schedule 1, Rate Schedule 2, Rate Schedule 5 and Rate Schedule 7 and a charge to Rate Schedule 4 and Rate Schedule 6 customers based on the gas consumption of each customer classification during the period November 1, 1992 to December 31, 1992.
3. The Commission approves for PNG permanent rate changes to Rate Schedule 1 through Rate Schedule 7, effective July 1, 1993, as filed in the June 11, 1993 revision to the Application.
4. The Commission approves for PNG, effective January 1, 1993, the setting up of deferral accounts with balances attracting interest to be calculated at the average prime rate of the utility's principal bank to record:
 - (i) differences between the actual and projected 1993 CanWest/WEI cost of gas demand charges.
 - (ii) differences between the actual and projected Motor Fuel Tax payable by PNG to WEI in 1993.
 - (iii) savings in the cost of gas supply resulting from PNG purchasing gas for the core market on the spot market rather than from its firm suppliers.
 - (iv) the amount from January 1, 1993 to June 30, 1993 which results from not implementing the unit rate changes until July 1, 1993.

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5. The Commission advises PNG that its proposed procedure for recovering gas cost deferral accounts as part of its Gas Supply Cost Flow Through Application will be reviewed further.
6. PNG is to inform all affected customers of the reasons for the changes in rates resulting from such refunds.

DATED at the City of Vancouver, in the Province of British Columbia, this 13th day of July, 1993.

BY ORDER



Dr. Mark K. Jaccard
Chairperson