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CANADA



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-94-94

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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.
for Approval of Buy/Sell Reference Prices - 1994/95 Gas Contract Year

BEFORE: M.K. Jaccard, Chairperson; and)
K.L. Hall, Commissioner) December 8, 1994

O R D E R

WHEREAS:

- A. On October 20, 1993 the Commission issued Order No. G-100-93 which approved the Centra Gas British Columbia Inc. ("Centra Gas") methodology for calculating core market buy/sell reference prices for the 1993/94 gas contract year; and
- B. On June 22, 1994 the Commission issued Order No. G-42-94 which directed local distribution companies to file reference prices for the 1994/95 gas contract year as early as possible but no later than October 1, 1994; and
- C. On November 17, 1994, and as amended on December 7, 1994, Centra Gas applied to the Commission for approval of reference prices and price factors for the 1994/95 gas contract year for the Vancouver Island and Sunshine Coast service area ("the Application"); and
- D. The Commission has reviewed the Application and is satisfied that approval is necessary and in the public interest.

NOW THEREFORE the Commission orders as follows:

- 1. The Commission approves for Centra Gas for the Vancouver Island and Sunshine Coast service area the buy/sell reference prices and price factors for the 1994/95 gas contract year as set out in Appendix A to this Order.
- 2. Centra Gas is directed to file its reference prices for the 1995/96 gas contract year no later than October 1, 1995.
- 3. The Commission approves Centra Gas' request that the Unit Fixed Charge for the Vancouver Island and Sunshine Coast service area is to be paid only for deliveries which commence at the start of a gas contract year.

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4. The Commission approves the continuation of the deferral account set up by Order No. G-100-93 to record the incremental administration costs resulting from direct purchasing by the core market using buy/sell contracts and the administration fees under buy/sell contracts, with the disposition of the net amounts recorded to be considered at a future time.
5. The Commission approves the continuation of the deferral account set up by Order No. G-100-93 to record the differences between the payments for buy/sell purchases and the cost of buying an equivalent amount of gas under baseload contracts, with the disposition of the amounts recorded to be considered at a future time. The Commission advises that this method of dealing with uncertainties in the calculation of reference prices may be reviewed in the event that significant buy/sell activity develops.

DATED at the City of Vancouver, in the Province of British Columbia, this 13th day of December, 1994.

BY ORDER



Dr. Mark K. Jaccard
Chairperson

Attach.

Appendix A
to Order No. G-94-94

CENTRA GAS BRITISH COLUMBIA INC.
VANCOUVER ISLAND AND SUNSHINE COAST SERVICE AREA
1994/95 BUY/SELL REFERENCE PRICING

<u>PRICE FACTOR</u>	DELIVERY	
	HUNTINGDON (\$/GJ)	STATION #2 (\$/GJ)
	=====	=====
Reference Price (RP)	\$2.1562	\$1.9425
	=====	=====
Unit Fixed Charge (UFC)	\$0.7074	\$0.5348
Unit Commodity Charge (UCC)	\$1.3868	\$1.3868
Unit Fuel Gas Charge, T - North (UFGC,TN)	(1) \$0.0059	\$0.0059
Unit Fuel Gas Charge, T - South (UFGC,TS)	(1) \$0.0411	\$0.0000
Motor fuel tax	\$0.0150	\$0.0150
(1) Paid monthly on actual volumes from long term suppliers.		
(2) Supplier variable price estimates based on 12 month NYMEX Nov/Oct strip of \$1.92 US/mmBtu @ October 24, 1994		

UNIT FIXED CHARGE

	HUNTINGDON	STATION #2
UFC = (TDC+WDC-PC-DB) / ACQ	\$0.7074	\$0.5348
Total Demand Charges (TDC)	3,878,102	3,878,102
WEI T-Service Demand Charges (WDC)		
Huntingdon Delivery	2,138,149	
Station #2 Delivery	670,249	
Producer Credits (PC)		0
Deferral Balance (DB)		0
Annual Contract Quantity (ACQ)	8,504,500	

UNIT COMMODITY CHARGE

UCC = ACC / TPV	\$1.387
Annual Commodity Charge (ACC)	11,353,105
Total Purchase Volume (TPV)	8,186,547

UNIT FUEL GAS CHARGE - T - NORTH

UFGC,T - N = SUM(ISV * SFP) * WEI FUEL % / TDV	\$0.0059
Sum(Individual Supplier Volumes (ISV) * Supplier Fuel Price (SFP)	26,349
WEI Fuel %	0.50%
Total Daily Purchase Volume (TDV)	22,429

UNIT FUEL GAS CHARGE - T - SOUTH

UFGC,T - S = SUM(ISV * SFP) * WEI FUEL % / TDV	\$0.0411
Sum(Individual Supplier Volumes (ISV) * Supplier Fuel Price (SFP)	26,349
WEI Fuel %	3.50%
Total Daily Purchase Volume (TDV)	22,429