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BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-60-94

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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 BC Gas Utility Ltd.
Phase 3 - Integrated Resource Plan, Demand-Side Management and Main Extension Policy

BEFORE: F.C. Leighton, Commissioner, August 12, 1994

O R D E R

WHEREAS:

- A. On November 22, 1993, BC Gas Utility Ltd. ("BC Gas") filed with the Commission an application based on a two-year test period to increase, on an interim and permanent basis, captive rates of customers in the Lower Mainland, Inland and Columbia Divisions effective January 1, 1994 and a further increase effective January 1, 1995 ("the Application") pursuant to Sections 64, 67 and 106 of the Utilities Commission Act; and
- B. The Commission, by Order No. G-120-93, approved for BC Gas an interim rate increase of 6.26 percent on gross margin revenue of the captive rate schedules effective with consumption on and after January 1, 1994; and
- C. The Commission, by Order No. G-10-94, set the date of April 25, 1994 for the commencement of a public hearing into the Application, and published dates for workshops, conferences and meetings in order to expedite the public review of the Application and attain a complete or partial negotiated settlement of the issues in the Application; and
- D. BC Gas filed its Integrated Resource Plan ("IRP") on March 28, 1994; and
- E. The Commission, by Order No. G-26-94, rescheduled the commencement of the public hearing into the Application to May 2, 1994 and, by Order No. G-29-94, rescheduled the IRP segment to June 6, 1994; and
- F. A Negotiated Settlement process was used prior to the commencement of the public hearing into the Application; and
- G. The Commission, by Order No. G-37-94, identified Revenue Requirement issues on Phase 1 and issued its Decision thereon; and
- H. At the commencement of the hearing into the IRP segment, the Commission separated the hearing into two phases; and
- I. Subsequently, during the hearing, the issues were further separated, such that IRP and Demand-Side Management would be designated Phase 3 and heard separately from the proposal for a Revenue Stabilization Adjustment Mechanism and sales forecasts review to be designated Phase 2; and

- J. The Commission, by Order No. G-59-94, issued its Decision on Phase 2; and
- K. The Commission has considered the Phase 3 portions of the Application and the evidence adduced thereto all as set forth in the Phase 3 Decision issued concurrently with this Order.

NOW THEREFORE the Commission, for reasons stated in the Phase 3 Decision, orders BC Gas as follows:

1. Deferral accounts related to Integrated Resource Planning, Demand-Side Management and Liquefied Natural Gas plant feasibility studies may be established as set out in the Phase 3 Decision.
2. BC Gas is to file a revised main extension proposal by January 31, 1995.
3. BC Gas will comply with all directions contained in the Phase 3 Decision accompanying this Order.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of August 1994.

BY ORDER



Frank C. Leighton
Commissioner