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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.
for Approval of Customer/Service Agreement Costs

BEFORE: M.K. Jaccard, Chairperson;)
L.R. Barr, Deputy Chairperson;and) May 15, 1995
K.L. Hall, Commissioner)

O R D E R

WHEREAS:


- A. On November 22, 1994 BC Gas Utility Ltd. ("BCG") applied to the Commission for approval of amendments to the B.C. Hydro/BC Gas Customer Service Agreement ("the Agreement") that provides for revised costing methodology and increased charges beyond April 30, 1994; and
- B. The negotiations between the two utilities has resulted in increased service charges of 38 percent covering the contract year commencing May 1, 1994. B.C. Hydro indicated that the Agreement would be amended to include a full-cost allocation and a return on investment; and
- C. BC Gas requested that the unbudgeted cost increase in the contract, covering the period May 1, 1994 to April 30, 1995, be deferred and amortized in the 1995 calendar year; and
- D. The Commission has reviewed the Application and finds that its approval is required.

NOW THEREFORE the Commission orders as follows:

- 1. The Commission approves for BC Gas the Agreement covering the period May 1, 1994 to April 30, 1995, subject to BC Gas filing a fully executed copy with the Commission.
- 2. The treatment of the deferral and unbudgeted cost increases, dealt with and approved by Commission Order No. G-99-94, is confirmed with such regulatory treatment continuing until further notice.
- 3. BC Gas is required to file with the Commission subsequent agreements or amendments for approval.

DATED at the City of Vancouver, in the Province of British Columbia, this 18th day of May, 1995.

BY ORDER


Dr. Mark K. Jaccard
Chairperson