



LETTER NO. L-63-95

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ROBERT J. PELLATT  
COMMISSION SECRETARY

December 14, 1995

Mr. D.M. Masuhara  
Vice President  
Legal and Regulatory Affairs  
BC Gas Utility Ltd.  
1111 West Georgia Street  
Vancouver, B.C.  
V6E 4M4

Dear Mr. Masuhara:

Re: BC Gas Utility Ltd.  
Approval of Hearing Costs  
1996-1998 Revenue Requirements Application

Pursuant to Commission Order No. G-99-95 and the approved Negotiated Settlement and Alternative Dispute Resolution process with respect to the 1996-1998 BC Gas Revenue Requirements, BC Gas filed final hearing costs in the amount of \$182,063. The Commission has reviewed the costs and accepts the costs as filed. However, the Commission continues to be concerned about the size of the legal costs and expects the utility to exercise cost control and to utilize its own resources where possible to deal with legal matters associated with public hearings.

Total hearing costs are approximately \$237,000 including \$15,000 for Commission costs and \$40,000 for participant funding awarded in Commission Order No. F-12-95. BC Gas is approved to revise its revenue requirement schedules to reflect the above costs by amortization into cost of service over two years starting in 1996.

Yours truly,

A handwritten signature in black ink, appearing to read "R. J. Pellatt".

Robert J. Pellatt

RJP/yk