

SIXTH FLOOR, 900 HOWE STREET, BOX 250  
VANCOUVER, B.C. V6Z 2N3  
CANADA



BRITISH COLUMBIA  
UTILITIES COMMISSION

ORDER  
NUMBER G-74-96

TELEPHONE: (604) 660-4700  
BC TOLL FREE: 1-800-663-1385  
FACSIMILE: (604) 660-1102

IN THE MATTER OF  
the Utilities Commission Act, S.B.C. 1980, c. 60, as amended

and

An Application by Methanex Corporation  
for Reconsideration of the  
Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd.  
December 15, 1995 Rate Design Decision and Commission Order No. G-106-95

**BEFORE:** L.R. Barr, Deputy Chairperson; and )  
K.L. Hall, Commissioner ) July 11, 1996

## **O R D E R**

### **WHEREAS:**

- A. On February 1, 1996 Methanex Corporation ("Methanex") applied to the Commission, pursuant to Section 114 of the Utilities Commission Act ("the Act"), for a reconsideration (the "Methanex Reconsideration Application") of the Pacific Northern Gas Ltd. ("PNG") and Pacific Northern Gas (N.E.) Ltd. ("PNG(N.E.)") Rate Design Decision dated December 15, 1995 (the "Decision"); and
- B. On February 29, 1996 Eurocan Pulp and Paper Company and Skeena Cellulose Inc. (the "Mills") filed a submission which included a request for a reconsideration of other parts of the Decision which directly impact on the Mills; and
- C. On March 11, 1996 Methanex filed a submission which included a request for a reconsideration of the imputed value of service for interruptible sales gas which is purchased from PNG; and
- E. On March 15, 1996 the Commission issued its Reconsideration Decision: Phase I and Order No. G-26-96 which allowed the first part of the Methanex Reconsideration Application concerning the forecasting of the interruptible Methanex volumes to proceed to the next phase of the reconsideration and established an oral public hearing for May 31, 1996, and denied the second part of the application concerning the use of a combined revenue to cost ratio; and
- F. The Reconsideration Decision: Phase I and Order No. G-26-96 also established a schedule for dealing with supplementary reconsideration applications; and
- G. Methanex confirmed its March 11, 1996 supplementary application, but the Commission did not receive any other supplementary reconsideration applications; and
- H. On April 23, 1996 the Commission issued its decision as a Supplement to the Reconsideration Decision: Phase I, and Order No. G-37-96 which allowed Methanex the supplementary reconsideration application concerning the imputed value of service for interruptible sales gas to proceed to the Reconsideration hearing; and

- I. The public hearing into the Methanex Reconsideration Application and the supplementary reconsideration application was held in Vancouver, B.C. on May 31, 1996; and
- J. The Commission has considered the applications and evidence presented at the hearing, and the written arguments and reply argument that were filed after the hearing.

**NOW THEREFORE** the Commission orders PNG and PNG(N.E.) to comply with the directions in the Commission's Reconsideration Decision: Phase II issued concurrently with and having the same date as this Order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 11th day of July, 1996.

BY ORDER

*Original signed by:*

Lorna R. Barr  
Deputy Chairperson