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

and

An Application by Squamish Gas Co. Ltd.
for Approval to Defer Natural Gas Rate Increase

BEFORE: M.K. Jaccard, Chairperson; and)
L.R. Barr, Deputy Chairperson) February 26, 1997

O R D E R

WHEREAS:

- A. On February 26, 1997 Squamish Gas Co. Ltd. ("Squamish Gas"), pursuant to the Special Direction, under the terms of the Vancouver Island Natural Gas Pipeline Act and the Squamish Rate Stabilization Agreement, filed for Commission approval an application to amend its schedule of rates for natural gas distribution service to retail customers located in its service area; and
- B. Pursuant to the Special Direction, Centra Gas British Columbia Inc. ("Centra Gas") surveyed competitive fuel oil markets on Vancouver Island and reported that a change in rates charged to Pioneer Customers under its Closed Rate Schedules was required effective March 1, 1997; and
- C. The Squamish Gas Application adopts the same rate increase approved in Order No. G-18-97 for Centra Gas which requests that the rate increase be delayed and that it be placed into a deferral account; and
- D. The Commission has reviewed the Application and finds that approval of a deferral account for the March 1, 1997 rate adjustment for natural gas service to Squamish Gas customers is necessary and in the public interest.

NOW THEREFORE the Commission orders Squamish Gas as follows:

- 1. The Commission approves and accepts for filing for Squamish Gas, changes to rate levels for natural gas service to Pioneer Customers (SGS-1, SGS-2, LGS-1, LGS-2, LGS-3 and CRR) effective March 1, 1997.

2. The differential between current rates and the required increase in rate levels effective March 1, 1997 to Squamish Gas Pioneer Customers is to be placed into a deferral account.
3. The mid-month balance in the deferral account is to have the approved the short-term interest rate applied.
4. On June 1, 1997 Squamish Gas is to report to the Commission on the balance accumulated in the deferral account and the forecast for fuel oil prices over the remainder of the year.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of March, 1997.

BY ORDER

Original signed by:

Dr. Mark K. Jaccard
Chairperson