

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



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-18-98

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

IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by Pacific Northern Gas Ltd.
for Approval of a 1998 Rate Increase and a Performance Based Rate Plan to
Determine Revenue Requirements for the Years 1999-2002 and
its 1998 Rate Design Study

BEFORE: P. Ostergaard, Chair)
F.C. Leighton, Commissioner) February 19, 1998
P.G. Bradley, Commissioner)

O R D E R

WHEREAS:

- A. On November 28, 1997, Pacific Northern Gas Ltd. ("PNG") filed its 1998 Cost of Service Allocation/Rate Design Study ("the Study"); and
- B. On November 28, 1997 PNG filed, pursuant to Sections 58 and 91 of the Utilities Commission Act, a 1998-2002 Performance Based Rates ("PBR") Revenue Requirements Application ("the Application") for Commission approval to increase its gas rates on an interim and final basis, effective January 1, 1998, and to implement a Performance Based Rates Proposal for the 1999 to 2002 fiscal periods; and
- C. On December 4, 1997 the Commission, by Order No. G-124-97, approved an interim rate increase for PNG, effective January 1, 1998, and set down a Pre-hearing Conference to discuss various facets of the Application and the Study along with a regulatory agenda; and
- D. At the January 7, 1998 Pre-hearing Conference, the participants, including PNG, intervenors, interested parties and Commission staff, identified issues and a further regulatory timetable; and
- E. Commission Order No. G-7-98 set down a public hearing into the Application and the Study to commence on Monday, March 30, 1998 if the parties were unable to proceed further with the Alternative Dispute Resolution Process.

NOW THEREFORE the Commission orders as follows:

1. A public hearing into the Application will commence at 9:00 a.m., Monday, March 30, 1998 at the Crest Motor Hotel, 222-1st Avenue West, Prince Rupert, B.C and will continue at 9:00 a.m., Tuesday, March 31, 1998 in the Commission Hearing Room, 6th Floor, 900 Howe Street, Vancouver, B.C.
2. The public hearing on the Cost of Service Allocation/Rate Design Study will commence at 9:00 a.m., Tuesday April 14, 1998 in the Commission Hearing Room, 6th Floor, 900 Howe Street, Vancouver, B.C.
3. PNG will publish, as soon as possible, in display-ad format, the attached Notice of Hearing in the business sections of the Vancouver Sun, the Province, and such other appropriate local news publications as may properly provide adequate notice to the public in its service area.
4. The Application, Study and supporting material will be made available for inspection at the Head Office of PNG at Suite 1400, 1185 West Georgia Street, Vancouver, B.C., V6E 4G6, at its District Offices located throughout its service area, and will also be available for inspection at the office of the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C., V6Z 2N3.
5. Interested Parties who would like to receive a copy of the Application and/or the Study should immediately request a copy from PNG and inform the Commission, in writing, of their intention to attend the Hearing.

DATED at the City of Vancouver, in the Province of British Columbia, this 19th day of February, 1998.

BY ORDER

Original signed by:

Peter Ostergaard
Chair

Attachment

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



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

NOTICE OF PUBLIC HEARING

Pacific Northern Gas Ltd. 1998 - 2002 PBR Revenue Requirements Application 1998 Cost of Service Allocation/Rate Design Study

Time: 9:00 a.m.
Date: Monday, March 30, 1998
Location: Crest Motor Hotel
222 - 1st Avenue West
Prince Rupert, B.C.

Time: 9:00 a.m.
Date: Tuesday, March 31, 1998
Location: Commission Hearing Room
6th Floor, 900 Howe Street
Vancouver, B.C.

THE APPLICATION

On November 28, 1997, Pacific Northern Gas Ltd. ("PNG") filed a 1998 Cost of Service Allocation/Rate Design Study and, pursuant to Sections 58 and 91 of the Utilities Commission Act, a 1998-2002 Performance Based Rates ("PBR") Revenue Requirements Application for Commission approval to increase its gas rates on an interim and final basis, effective January 1, 1998, and to implement a Performance Based Rates Proposal for the 1999 to 2002 fiscal periods. The Commission, by Order No. G-124-97, authorized an interim increase to be applied to all customers, effective January 1, 1998, subject to refund with interest.

THE PUBLIC HEARING

The Commission has set down the Application for public hearing to commence at 9:00 a.m. local time, Monday, March 30, 1998, at the Crest Motor Hotel, 222 - 1st Avenue West, Prince Rupert, B.C. The public hearing will continue at 9:00 a.m., Tuesday, March 31, 1998, in the Commission's Hearing Room, Sixth Floor, 900 Howe Street, Vancouver, B.C.

PUBLIC INSPECTION OF THE APPLICATION and STUDY

The Application, Study, supporting material and Commission Orders are available for inspection at the Head Office of PNG at Suite 1400, 1185 West Georgia Street, Vancouver, B.C. V6E 4G6, at its District Offices located throughout its service area, and are also available for inspection at the office of the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C.

SUBMISSIONS BY INTERESTED PARTIES

Written submissions to the hearing should be submitted, one copy to the Commission Secretary and one copy to the Applicant, prior to Friday, March 20, 1998.

CLARIFICATION

Persons intending to participate in the public hearing, who are uncertain as to the manner in which to proceed, may contact Mr. Robert J. Pellatt, Commission Secretary, or Mr. Barry McKinlay, Manager, Rates and Finance as follows:

Telephone: (604) 660-4700
B.C. Toll Free: 1-800-663-1385

Facsimile: (604) 660-1102
E-mail: Commission.Secretary@bcuc.com

BY ORDER

Original signed by:

Robert J. Pellatt
Commission Secretary