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CANADA



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-7-98

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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: L.R. Barr, Deputy Chair)
K.L. Hall, Commissioner) January 15, 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. PNG has requested that the Application and the Study be dealt with through the process established in the Negotiated Settlement Process: Policy, Procedures and Guidelines issued by the Commission; and
- D. 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
- E. 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

F. The Commission requires that a regulatory process to deal with the PNG Application and the Study be established.

NOW THEREFORE the Commission orders as follows:

1. A Workshop into the Application and the Study will commence, at a location to be determined, at 9:00 a.m., Wednesday, February 11, 1998 and, if necessary, on Thursday, February 12, 1998.
2. If participants to the Workshop agree, the Alternative Dispute Resolution (“ADR”) process, with respect to the Application and the Study, will commence at 9:00 a.m., Tuesday, February 17, 1998, in the Commission Hearing Room.
3. If participants do not agree to proceed with the ADR process, a public hearing into the Application and the Study will commence on Monday, March 30, 1998, at a time and location to be announced by way of a future Commission Order.
4. A Regulatory Timetable for the Application and the Study is attached as Appendix A to this Order.

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of January, 1998.

BY ORDER

Original Signed By:

Lorna R. Barr
Deputy Chair

Attachment

REGULATORY TIMETABLE

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

ACTION	DATE
Filing of Information Requests to PNG	January 23
PNG to Respond to information requests	February 6
Workshops (agenda to be determined)	February 11 (& 12th if required)
ADR Process (If agreed to proceed)	February 17
<u>If to proceed to hearing:</u>	
Intervenor evidence to be filed	March 6
Public hearing (for either applications or confirming ADR)	March 30