



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

and

An Application by Pacific Northern Gas Ltd.  
Pacific Northern Gas (N.E.) Ltd. - Tumbler Ridge Division  
Pacific Northern Gas (N.E.) Ltd. - Dawson Creek Division  
Centra Gas Fort St. John Inc.

for Approval of 1999 Rate Increases

**BEFORE:** P. Ostergaard, Chair )  
L.R. Barr, Deputy Chair ) June 2, 1999  
P.G. Bradley, Commissioner )

**O R D E R**

**WHEREAS:**

- A. On December 1, 1998 (revised December 15 and 16, 1998), Pacific Northern Gas Ltd. ("PNG"), Pacific Northern Gas (N.E.) Ltd. - Dawson Creek and Tumbler Ridge Divisions, ("PNG (N.E.)"), and Centra Gas Fort St. John Inc. ("Centra FSJ") filed for Commission approval their 1999 Revenue Requirements Applications ("the Applications") to increase rates on an interim and final basis, effective January 1, 1999, pursuant to Sections 91 and 58 of the Utilities Commission Act; and
- B. The Commission reviewed the Applications and issued Orders No. G-117-98, G-118-98, G-119-98 and G-120-98 approving interim rate increases effective January 1, 1999; and
- C. Pursuant to Commission Order No. G-8-99 an Alternative Dispute Resolution ("ADR") process commenced on February 15, 1999 for all four Applications, resulting in a proposed Settlement Agreement for all four Applications dated February 26, 1999. This proposed Settlement Agreement was released to the public and the Commission Panel on May 11, 1999, together with Revenue Requirement Schedules and a letter from Commission staff noting agreement among the participants on certain issues reached with respect to PNG ("the Settlement Agreement package"), and Letters of Endorsement from the Participants; and
- D. No submissions were received from other Registered Intervenor; and

E. The Commission has reviewed the Settlement Agreement package and Letters of Endorsement and considers that approval of the Settlement Agreement package is in the public interest.

**NOW THEREFORE** the Commission orders as follows:

1. The Commission approves the Settlement Agreement package for PNG, PNG (N.E.), and Centra FSJ.
2. PNG, PNG (N.E.) and Centra-FSJ are to inform all customers of the ADR process and the effect on rates of the Settlement Agreement package.
4. PNG, PNG (N.E.) and Centra-FSJ are to file permanent Gas Tariff Rate Schedules that are in accordance with the terms of the ADR Settlement Agreement package and this Order.
5. Refunds to customers are to be made with interest, from January 1, 1999 to the date of refund, calculated at the prime rate of the principal bank with which PNG, PNG (N.E.) and Centra-FSJ conducts its business.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 8<sup>th</sup> day of June 1999.

BY ORDER

*Original signed by:*

Peter Ostergaard  
Chair