



SIXTH FLOOR, 900 HOWE STREET, BOX 250  
VANCOUVER, B.C. V6Z 2N3 CANADA  
web site: <http://www.bcuc.com>

BRITISH COLUMBIA  
UTILITIES COMMISSION

ORDER  
NUMBER G-129-00

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 (N.E.) Ltd.  
for Approval of 2001 Revenue Requirements

**BEFORE:** P. Ostergaard, Chair )  
B.L. Clemenhagen, Commissioner )  
K.L. Hall, Commissioner ) December 20, 2000  
N.F. Nicholls, Commissioner )

**O R D E R**

**WHEREAS:**

- A. In a 2001 Revenue Requirements Application, dated December 1, 2000 and revised December 18, 2000, Pacific Northern Gas (N.E.) Ltd. ("PNG (N.E.)") applied to increase its rates on an interim and final basis, effective January 1, 2001 ("the Application"), pursuant to Sections 91 and 58 of the Utilities Commission Act; and
- B. The Application proposed to establish an approved revenue deficiency, to be recovered by its Delivery Charge, of \$235,000 for the Fort St. John/Dawson Creek Division and \$174,000 for the Tumbler Ridge Division for the year ending December 31, 2001; and
- C. The Application proposed increases in the Gas Supply Charge for forecast increases in the commodity cost of natural gas which are dealt with by a separate Order; and
- D. On December 19, 2000, PNG (N.E.) provided a gas cost allocation calculation for Fort St. John and Dawson Creek that deemed gas commodity purchase costs as 100 percent variable charges. This calculation yielded Gas Supply Charges that are more comparable to the market value of the natural gas commodity, especially for large commercial and small industrial customers; and
- E. The Commission has reviewed the evidence and finds that an interim increase is required; and
- F. The Commission finds that a Regulatory Agenda for a written public hearing is required to be established.

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

- 1. The Commission approves an interim rate increase, effective January 1, 2001, subject to refund with interest, to recover from Fort St. John/Dawson Creek customers a projected revenue deficiency of \$235,000.
- 2. The Commission approves an interim rate increase, effective January 1, 2001, subject to refund with interest, to recover from Tumbler Ridge customers a projected revenue deficiency of \$174,000.

3. PNG (N.E.) is to inform all affected customers of the interim rate increases by way of a customer notice, to be submitted to Commission staff in draft form prior to its release.
4. The Commission will accept, subject to timely filing, amended Gas Tariff Rate Schedules in accordance with this Order.
5. PNG (N.E.) will publish, as soon as possible, in display-ad format, the Notice of Written Hearing, attached as Appendix A, in such appropriate local news publications as may properly provide adequate notice to the public in its service area.
6. The Application and supporting material will be made available for inspection at public libraries in Fort St. John, Dawson Creek, and Tumbler Ridge, at the Head Office of PNG at Suite 1400, 1185 West Georgia Street, Vancouver, B.C., V6E 4G6, at its District Office in Terrace, B.C., and at the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C., V6Z 2N3.
7. PNG (N.E.) is to distribute copies of the Application and any supplemental information to Intervenors.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 27<sup>th</sup> day of December 2000.

BY ORDER

*Original signed by:*

Peter Ostergaard  
Chair

Attachment



ROBERT J. PELLATT  
COMMISSION SECRETARY  
Commission.Secretary@bcuc.com  
web site: <http://www.bcuc.com>

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## **NOTICE OF WRITTEN HEARING**

### **PACIFIC NORTHERN GAS (N.E.) LTD. APPROVAL OF 2001 REVENUE REQUIREMENTS**

#### **THE APPLICATION**

In a 2001 Revenue Requirements Application, dated December 1, 2000 and revised December 18, 2000, Pacific Northern Gas (N.E.) Ltd. ("PNG (N.E.)") filed for approval to increase its rates on an interim and final basis, effective January 1, 2001 ("the Application"), pursuant to Sections 91 and 58 of the Utilities Commission Act. The Application proposed to establish an approved revenue deficiency to be recovered by its Delivery Charge, of \$235,000 for the Fort St. John/Dawson Creek Division and \$174,000 for the Tumbler Ridge Division for the year ending December 31, 2001. The Commission authorized an interim increase in the Delivery Charge to be applied to all customers, effective January 1, 2001, subject to refund with interest after a written hearing.

#### **THE WRITTEN HEARING**

The Commission has referred the Application to a written hearing process with the following regulatory agenda.

#### **PUBLIC INSPECTION OF THE DOCUMENTS**

The Application and supporting material is available for inspection at public libraries in Fort St. John, Dawson Creek and Tumbler Ridge, at the Head Office of PNG at Suite 1400, 1185 West Georgia Street, Vancouver, B.C., at its District Office in Terrace, B.C., and at the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C.

#### **PARTICIPATION IN THE WRITTEN HEARING**

If you wish to participate in the written hearing, you are to advise the Commission Secretary, in writing, by Monday, January 15, 2001, of your intention to become an Intervenor or Interested Party. If you intend to actively participate in the proceedings you should register as an Intervenor and you will receive copies of all procedural Orders, correspondence and filed documentation. If you do not intend to actively participate you should register with the Commission as an Interested Party and you will receive a copy of the Commission's Decision.

#### **COMMENTS**

If you wish to comment on the Application without becoming an Intervenor, you may write to the Commission Secretary stating your views and any relevant information. All letters of comment will be provided to the Applicant and will become part of the public record in the proceeding.

#### **INFORMATION REQUESTS**

Intervenors requesting additional information from PNG (N.E.) should submit their requests to PNG (N.E.), with a copy to the Commission Secretary and other Intervenors, by Monday, January 29, 2001. PNG (N.E.) must respond to these information requests by Monday, February 12, 2001.

**INTERVENOR SUBMISSIONS**

Intervenors must file copies of their submissions concerning the Application with the Commission Secretary and PNG (N.E.) by Friday, February 23, 2001.

**REPLY**

PNG (N.E.) shall reply to the written submissions by Friday, March 9, 2001

**CLARIFICATION**

If you have any questions regarding this process, 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](mailto:commission.secretary@bcuc.com)

BY ORDER

*Original signed by:*

Robert J. Pellatt  
Commission Secretary