



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

and

An Application by Centra Gas Whistler Inc.
for Approval of its 2001 Revenue Requirements

BEFORE: P. Ostergaard, Chair)
R.D. Deane, Commissioner) July 5, 2001
E.J. Rowbotham, Commissioner)

O R D E R

WHEREAS:

- A. On January 4, 2001 Centra Gas Whistler Inc. ("Centra Whistler") applied to the Commission for approval to set the current rates on its propane distribution system as interim, effective January 1, 2001 pursuant to Section 60 of the Utilities Commission Act ("the Act"); and
- B. The Commission approved the interim rates by Order No. G-7-01; and
- C. On April 30, 2001, Centra Whistler filed an application to increase its basic charge from \$5.00 to \$7.50 per month and its commodity charge by 19.07% on a permanent basis, effective January 1, 2001 ("the Application"), and requested that the Application be dealt with through the Commission's Negotiated Settlement Process; and
- D. In accordance with Commission Order No. G-44-01, a Workshop and Pre-hearing Conference was held on May 25, 2001, to discuss the Application and possible regulatory timetable; and
- E. The Commission, by Order No. G-55-01 approved a Negotiated Settlement Process beginning on June 26, 2001; and
- F. On June 28, 2001 a proposed settlement agreement was distributed among Centra Whistler, Intervenor and Commission staff regarding the Application; and
- G. On July 3, 2001, the Commission was informed by Centra Whistler and Commission staff that a proposed settlement agreement had been reached; and

H. The Commission has reviewed the proposed settlement agreement and considers that approval is in the public interest.

NOW THEREFORE the Commission orders as follows:

1. The Commission approves for Centra Whistler the Settlement Agreement, attached as Appendix A, which includes a 2001 revenue deficiency of \$345,233 resulting in an increased energy charge for all customers of \$0.994 per gigajoule, and a Gas Cost Deferral Account Rider of \$0.595 per gigajoule, effective July 1, 2001.
2. Centra Whistler is to inform all customers of the rate increase by way of a customer notice.
3. Centra Whistler is to file a permanent Gas Tariff Rate Schedule that is in accordance with the terms of the Settlement Agreement and this Order.

DATED at the City of Vancouver, in the Province of British Columbia, this *fifth* day of July 2001.

BY ORDER

Original signed by:

Peter Ostergaard
Chair

Attachment

WILLIAM J. GRANT
EXECUTIVE DIRECTOR,
REGULATORY AFFAIRS & PLANNING
bill.grant@bcuc.com
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APPENDIX A
to Order No. G-74-01
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~~CONFIDENTIAL~~

VIA FACSIMILE

June 28, 2001

TO: Registered Participants:

Re: Proposed Settlement of Issues
Centra Gas Whistler Inc.
2001 Revenue Requirements Application

The purpose of this letter is to record the proposed settlements achieved with respect to the 2001 Revenue Requirements Application dated April 30, 2001. This letter remains confidential until it is submitted to the British Columbia Utilities Commission for consideration. I, therefore ask that you provide to me a communication of endorsement for the proposal by Tuesday, July 3, 2001. At that time, the Settlement Agreement will be made public and provided to the Commission and all Intervenors.

It is recognized by all the parties that the agreement represents a package proposal within which there has been give and take by all parties. No issue is to be severed from the proposed settlement without allowing signatories the opportunity to address other related issues in the package.

In accordance with the Negotiated Settlement Process Guidelines, the right of parties to dissent from a proposed agreement is explicitly recognized by the Commission. If a party dissents, it can submit a written argument to the Commission panel. If the Commission panel is of the view that the dissent is reasonable and material, it may request written rebuttal argument or, where the settlement review process is to occur at an oral hearing, request argument at the oral hearing. If the dissent is determined to be reasonable and material, the dissenting party retains the right to present evidence and to cross-examine, or to rebut the evidence of others if there is a written hearing.

Yours truly,

A handwritten signature in cursive script, appearing to read "W. J. Grant", with a small "for" written below it.

W.J. Grant

BMK/mmc
Enclosures

**Centra Gas Whistler Inc.
2001 Revenue Requirements Application
Settlement Agreement**

This settlement agreement includes the following adjustments to the Centra Gas Application:

- Forecast energy sales volumes for 2001 are decreased from 713,788 GJ to 712,000 GJ to recognize the impact of losing a large customer effective August 2001.
- The rate increase, totalling 11.1% and supported by the attached schedules, resulting from the Negotiated Settlement among participants to the 2001 Revenue Requirement and Rate Application is effective July 1, 2001.
- Forecast annual cost of propane of \$10.248/GJ consisting of \$10.480/GJ from January to June and \$9.511/GJ from July to December (as per response to Staff Information Request SR 3) is accepted as the approved cost of propane. Centra Gas will continue to use a deferral account to record the difference between forecast cost of gas recovered in rates and actual results. Centra Gas will monitor the cost of propane quarterly, and if costs change more than 5%, Centra Gas may apply to passthrough rate changes.
- The Gas Cost Deferral Account forecast to be \$871,702 (after tax) as at June 30, 2001 is to be recovered over a two year period commencing July 1, 2001. Recovery of this balance will be through a rate rider, Rider A, to be applied to the commodity charge on a monthly basis until the forecast balance at June 30, 2001 is fully recovered. Centra Gas may apply to reduce the period over which the forecast balance is recovered in the next revenue requirement application if cost of gas decreases materially from the currently approved amount.
- The Fixed Monthly Charge of \$7.50/month is approved as applied for. Centra Gas will not request an increase in the Fixed Monthly Charge above this amount without a proper study supporting a higher rate.
- Gross Operating, Maintenance and Administrative (OM&A) expenses are to be reduced from \$651,253 to \$640,437 to reflect a decrease in Bad Debt Expense to the same level of 2000 actual bad debt expense. If a single bad debt in excess of \$5,000 occurs, and that occurrence results in bad debt

expense exceeding the agreed level of \$10,372, Centra Gas reserves the right to apply to the Commission for special consideration in the recovery of that bad debt occurrence.

- The deferral account for Regulatory Costs records the actual cost of this Application. Centra Gas forecasts that this account will be \$20,000 (before tax) and will be fully amortized in 2001. The actual costs will not be known until all costs are final, and Centra Gas will adjust this forecast balance and amortization to actual when all costs are known.
- Centra Gas has decreased property taxes from the forecast of \$234,800 in the Application to the actual value of property taxes of \$196,227, for the determination of 2001 revenue requirement. Any property taxes payable in 2001 resulting from a reassessment of facilities different from \$196,227 will be recorded in the property tax deferral account for disposition in the next revenue requirement application.
- The Two Tank Additions at Function Junction forecast to have direct costs of \$570,000 is approved as filed. The cost of the project will be recorded in a non-rate base deferral account, with AFUDC applied to the balance. The balance of the Deferral Account will enter Rate Base effective January 1, 2002.
- The pipeline study deferral account established by Commission Letter No. L-94-98 is to record interest on an after-tax basis and the effect of Capital Taxes from 2001 onwards. No additional costs, other than after-tax interest and Capital Taxes, are to be added to the pipeline study deferral account in 2001. Capital Taxes recorded in the pipeline study deferral account for 1999 and 2000 totalling \$18,076 are to be removed. Recovery of the balance of this account will be through amortization of the deferral account at a later date, or following application, during a Certificate of Public Convenience and Necessity process.

In addition to the above, the parties agreed to the following:

- Centra Gas is to provide a main extension/capacity availability report outlining demand additions expected for significant customers and how Centra Gas intends to meet the forecast demand for 2002 and 2003. The report is to be filed with the Commission by January 1, 2002 and should consider the impact of building or not building the natural gas pipeline, and possibly limiting the peak daily contract demand of customers to reduce the need for facility additions.

- To help manage customers' energy use, Centra Gas will inform customers about Demand Side Management initiatives outlined in the Hot Tips brochure through a bill message and on the Centra Gas Website. Centra Gas will also participate in the Community Energy Plan process within the RMOW once underway.
- The rate of return on equity for 2001 is approved at 10.00% to provide Centra Gas with a 75 basis point premium over the low-risk benchmark utility in the Commission's Automated Adjustment Mechanism.

The Company and the participants agree to hold confidential the discussions held on June 26, 2001, until agreed to by the participants and released publicly by Commission staff. Agreement to this settlement is on a without prejudice basis. Any position taken or statement made during discussions, by the participants or the Company, will not be made public or restrict in any way, positions taken in future proceedings concerning other applications.

CENTRA GAS WHISTLER INC.
2001 REVENUE REQUIREMENT APPLICATION

S 7.1

REVENUE DEFICIENCY AND POTENTIAL RATE INCREASE

<u>LINE</u>		<u>2001</u>		<u>Comment</u>
		<u>Forecast</u>	<u>Reference</u>	
1	Rate Base	\$ 16,437,195	S 9.1	
2	Earned Return @ Existing Rates	\$ 977,331	S 8.1	
3	Existing Rate of Return on Rate Base	5.95%	S 8.1	
4	Proposed Rate of Return on Rate Base	7.78%	S 14.1	
5	Proposed Earned Return after Tax	<u>\$ 1,278,855</u>	S 14.1	
6	Revenue Deficiency Before Tax	<u>\$ 345,233</u>	S 7.2	
7	PROPOSED RECOVERY OF REVENUE DEFICIENCY			
8	Revenue Deficiency Before Tax	\$ 345,233		
9	Less: Incremental Revenue from Increase in the Monthly Charge from \$5.00 to \$7.50	<u>\$ 30,215</u>	S 7.3	
10	Remainder to be recovered by an increase in the commodity charge	\$ 315,018		
11	Total Energy Sales - GJ	316,856	S 15.3	
12	Incremental Rate Increase - \$ / GJ	\$ 0.994		
13	Existing Sales Rate - \$/GJ	<u>\$ 14.320</u>		
14	Proposed Commodity Sales Rate - \$/GJ	\$ 15.314		
15	Rider A to Recover Gas Cost Deferral Account - \$/GJ	<u>\$ 0.595</u>		
16	Final Commodity Rate - \$/GJ	<u>\$ 15.909</u>		
17	% Cost of Service Increase over Existing Sales Rate - \$/GJ	<u>6.94%</u>		
18	% Increase Over Existing Sales Rate - \$/GJ	<u>11.10%</u>		

Note: Assumes that Cost of Gas Deferral is amortized over 24-months; Rate increase is effective July 1, 2001; Cost of Gas for July - December as per Response to IR 3; Avoid full hearing so Regulatory Deferred is \$20.0; Sales Volumes agreed to 712,000, changed due to lost Brewery at Aug 1; Property Taxes set to Actual for 2001. Bad debts reduced to 2000 level; Two Tank Addition removed from mid-year Rate Base, to Jan 1, 2002.

CENTRA GAS WHISTLER INC.
2001 REVENUE REQUIREMENT APPLICATION

S 7.2

REVENUE REQUIREMENT

<u>LINE</u>		2000 Actual	2001 Forecast	Reference
1	Cost of Sales	5,498,033	7,475,034	S 16.1
2	Total Operating Expenses	698,860	759,440	S 17.1
3	Total Depreciation	320,680	373,414	S 10.4 - S 10.5
4	Total Amortization	(50,207)	14,780	S 13.1 / S 13.2
5	Total Municipal Taxes	185,485	196,227	S 19.5
6	Total Taxes Payable @ Proposed Rates	275,397	598,543	S 19.3/ S 19.4
7	Allowed / Proposed Return on Rate Base	908,484	1,278,855	S 14.1
8	Total Revenue Requirement	<u>7,836,732</u>	<u>10,696,295</u>	
Reconciliation of Revenue Requirement				
9	Total Propane Sales Revenue @ Existing Rates	7,818,842	10,315,116	S 15.4
10	Total Other Revenue	<u>17,890</u>	<u>35,945</u>	S 15.7
11	Total Revenue @ Existing Rates	7,836,732	10,351,062	
12	Revenue Deficiency / (Surplus)	<u>0</u>	<u>345,233</u>	
13	Total Revenue Requirement	<u>7,836,732</u>	<u>10,696,295</u>	

CENTRA GAS WHISTLER INC.
2001 REVENUE REQUIREMENT APPLICATION

S 7.3

Calculation of Incremental Revenue from Increase in the Monthly Customer Charge

2001 Revenue @ Existing \$5.00 per month charge		Monthly Charge	JAN.	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
1	Residential	\$ 5.00	\$ 8,085	\$ 8,120	\$ 8,150	\$ 8,210	\$ 8,225	\$ 8,240	\$ 8,250	\$ 8,270	\$ 8,295	\$ 8,395	\$ 8,630	\$ 8,730	\$ 99,600
2	Small Commercial	\$ 5.00	1,555	1,555	1,555	1,555	1,555	1,555	1,555	1,555	1,555	1,555	1,575	1,575	\$ 18,700
3	Large Commercial	\$ 5.00	80	80	80	80	80	80	80	80	80	80	85	85	\$ 970
4	Total		<u>\$ 9,720</u>	<u>\$ 9,755</u>	<u>\$ 9,785</u>	<u>\$ 9,845</u>	<u>\$ 9,860</u>	<u>\$ 9,875</u>	<u>\$ 9,885</u>	<u>\$ 9,905</u>	<u>\$ 9,930</u>	<u>\$ 10,030</u>	<u>\$ 10,290</u>	<u>\$ 10,390</u>	<u>\$ 119,270</u>
2001 Revenue @ Proposed \$ 7.50 per month charge															
		Monthly Charge	JAN.	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
5	Residential	\$ 7.50	\$ 8,085	\$ 8,120	\$ 8,150	\$ 8,210	\$ 8,225	\$ 8,240	\$ 12,375	\$ 12,405	\$ 12,443	\$ 12,593	\$ 12,945	\$ 13,095	\$ 124,885
6	Small Commercial	\$ 7.50	1,555	1,555	1,555	1,555	1,555	1,555	2,333	2,333	2,333	2,333	2,363	2,363	\$ 23,385
7	Large Commercial	\$ 7.50	80	80	80	80	80	80	120	120	120	120	128	128	\$ 1,215
8	Total		<u>\$ 9,720</u>	<u>\$ 9,755</u>	<u>\$ 9,785</u>	<u>\$ 9,845</u>	<u>\$ 9,860</u>	<u>\$ 9,875</u>	<u>\$ 14,828</u>	<u>\$ 14,858</u>	<u>\$ 14,895</u>	<u>\$ 15,045</u>	<u>\$ 15,435</u>	<u>\$ 15,585</u>	<u>\$ 149,485</u>
9	INCREASE IN REVENUE		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,943</u>	<u>\$ 4,953</u>	<u>\$ 4,965</u>	<u>\$ 5,015</u>	<u>\$ 5,145</u>	<u>\$ 5,195</u>	<u>\$ 30,215</u>

CENTRA GAS WHISTLER INC.
2001 REVENUE REQUIREMENT APPLICATION

S 9.1

RATE BASE

<u>Line</u>		<u>2000 Actual</u>	<u>2001 Forecast</u>	<u>Reference</u>
	GROSS PLANT IN SERVICE			
1	Beginning of Year	\$ 11,673,871	\$ 13,736,604	S 10.2 - S 10.3
2	End of Year	13,736,604	16,910,234	S 10.2 - S 10.3
3	Average Mid-Year Balance	12,705,238	15,323,419	
4	Adjustment for deferred balances added to GPIS as at January 1	\$ 723,242	\$ 1,006,752	
5	Adjusted Average Balance	13,428,479	16,330,171	
	ACCUMULATED DEPRECIATION			
6	Beginning of Year	\$ (1,284,056)	\$ (1,526,536)	S 10.4 - S 10.5
7	End of Year	(1,526,536)	(1,877,661)	S 10.4 - S 10.5
8	Average Mid-Year Balance	(1,405,296)	(1,702,098)	
9	NET MID-YEAR PLANT IN SERVICE	12,023,183	14,628,072	
10	MID-YEAR ALLOCATED COMMON PLANT	86,475	104,335	S 10.6
11	WORKING CAPITAL	716,287	1,704,788	S 12.1
12	MID-YEAR RATE BASE	\$ 12,825,944	\$ 16,437,195	
		1999 Approved System Expansion Capital Expend.	2000 Approved System Expansion Capital Expend.	
13	Total Actual Expenditures:	\$ 1,446,483	\$ 2,013,503	
14	Included in Mid Year Gross Plant in Service	\$ 723,242	\$ 1,006,752	
15	Adjustment to Rate Base for January 1 inclusion in GPIS	\$ 723,242	\$ 1,006,752	

CENTRA GAS WHISTLER INC.
2001 REVENUE REQUIREMENT APPLICATION

S 12.1

WORKING CAPITAL

<u>LINE</u>	<u>2000 Actual</u>	<u>2001 Forecast</u>	<u>Reference</u>
1 Cash Working Capital	85,633	108,566	S 12.2
2 Inventory - Materials & Services	31,656	31,656	S 12.3
3 Propane Inventory	212,954	212,954	S 12.3
4 Fort Saskatchewan Storage	192,176	792,311	S 12.3
5 Refundable Contributions	(1,673)	(1,673)	S 12.3
6 Customer Security Deposits	(32,692)	(32,692)	S 12.3
7 Employee Withholdings	(2,218)	(2,218)	S 12.3
8 Sub-Total	<u>485,836</u>	<u>1,108,904</u>	
9 Mid-Year Deferred Items (After Tax)			
10 2000/01 Regulatory Costs	-	-	S 13.1 - S 13.2
11 Property Tax Differential	(14,812)	(11,220)	S 13.1 - S 13.2
12 Interest Rate Differential	(17,511)	5,510	S 13.1 - S 13.2
13 South Plant Freight	4,180	2,090	S 13.1 - S 13.2
14 Gas Cost Reconciliation Account	266,173	590,974	S 13.1 - S 13.2
15 BC Rail Strike - Freight	8,962	8,531	S 13.1 - S 13.2
16 Propane Tank Lease	(16,540)	-	S 13.1 - S 13.2
17 Banner CIS Development Costs(Non Rate Base)	<u>-</u>	<u>-</u>	S 13.1 - S 13.2
18 Total Deferred Items	<u>230,450</u>	<u>595,884</u>	S 13.1 - S 13.2
19 Total Working Capital Requirements	<u><u>716,287</u></u>	<u><u>1,704,788</u></u>	

CENTRA GAS WHISTLER INC.
2001 REVENUE REQUIREMENT APPLICATION

S 12.2

CASH WORKING CAPITAL

<u>LINE</u>	<u>Net Lag</u>	<u>2000 Actual</u>	<u>2001 Forecast</u>	<u>Reference</u>
AMOUNT PAID / ACCRUED				
1 Cost of Gas	1.5	5,498,033	7,475,034	S 16.2
2 OM&A	29.1	698,860	759,440	S 17.1
3 Municipal Taxes	41.5	185,485	196,227	S 19.5
4 Provincial Sales Tax (PST)	(20.3)	428,528	564,779	
5 Income Tax and Large Corporation Tax	20.1	236,210	548,018	S 19.1 / S 19.4
6 BC Capital Tax	(31.6)	39,187	50,525	S 19.3
7 Goods and Services Tax (GST)	0.3	547,591	724,574	
AMOUNT REQUIRED (Total adjusted for lead/lag days)				
8 Cost of Gas		22,595	30,719	
9 OM&A		55,717	60,547	
10 Municipal Taxes		21,089	22,311	
11 Provincial Sales Tax (PST)		(23,833)	(31,411)	
12 Income Taxes		13,008	30,179	
13 BC Capital Tax		(3,393)	(4,374)	
14 Goods and Services Tax (GST)		<u>450</u>	<u>596</u>	
15 Total Cash Working Capital		<u><u>85,633</u></u>	<u><u>108,566</u></u>	

CENTRA GAS WHISTLER INC.
2001 REVENUE REQUIREMENT APPLICATION

DEFERRED COSTS - SUMMARY
(After Tax)

<u>2001 FORECAST</u>								S 13.2
		2000	Forecast		2001		2001	(Revised)
Line	Deferred Item	Ending	2001	Less	Net	2001	Ending	2001
		Balance	Gross	Taxes	Additions	Amortization	Balance	Mid-Year
			Additions					Balance
1	2001 Regulatory Costs	0	20,000	(8,916)	11,084	11,084	0	0
2	Property Tax Differential	(22,441)	0	0	0	(22,441)	0	(11,220)
3	Interest Rate Differential	11,021	0	0	0	11,021	0	5,510
4	South Plant Freight	4,180	0	0	0	4,180	0	2,090
5	Gas Cost Reconciliation Account (Note 1)	498,683	673,076	(300,057)	373,019	188,438	683,264	590,974
6	BC Rail Strike	11,954	0	0	0	6,846	5,108	8,531
7	Total Deferred Items	503,397	693,076	(308,973)	384,103	199,128	688,372	595,884

Note 1: Recovered by Rate Rider A

CENTRA GAS WHISTLER INC.
2001 REVENUE REQUIREMENT APPLICATION

s 13.3

DEFERRED COSTS - SUMMARY
(After Tax)

2000 Actual

Line	Deferred Item	1999 Ending Balance	2000 Gross Additions	Less Taxes	2000 Net Additions	2000 Amortization	2000 Ending Balance
1	Banner CIS Development Costs	0	27,894		27,894	4,091	23,803
2	Whistler Pipeline Investigation	1,667,403	108,377	(92,926)	15,451	0	1,682,854

2001 FORECAST

Line	Deferred Item	2000 Ending Balance	2001 Gross Additions	Less Taxes	2001 Net Additions	2001 Amortization	2001 Ending Balance
3	Banner CIS Development Costs	23,803			0	4,091	19,712
4	Whistler Pipeline Investigation	1,682,854	119,974	(53,484)	66,489	0	1,749,343

CENTRA GAS WHISTLER INC.
2001 REVENUE REQUIREMENT APPLICATION

S 14.1

COST OF CAPITAL

<u>Line</u>						
2001 Forecast @ Proposed		Capitalization		Embedded Cost	Cost Component	Earned Return
						Annual Interest Cost
1	Debt	10,684,177	65.00%	6.59%	4.28%	703,553
2	Equity	5,753,018	35.00%	10.00%	3.50%	575,302
3	Mid-Year Rate Base	16,437,195	100.00%		7.78%	1,278,855
						703,553
2001 Forecast @ Existing		Capitalization		Embedded Cost	Cost Component	Earned Return
						Annual Interest Cost
4	Debt	10,684,177	65.00%	6.59%	4.28%	703,553
5	Equity	5,753,018	35.00%	4.76%	1.67%	273,778
6	Mid-Year Rate Base	16,437,195	100.00%		5.95%	977,331
						703,553
2000 Actual		Capitalization		Embedded Cost	Cost Component	Earned Return
						Annual Interest Cost
7	Debt	8,336,864	65.00%	5.93%	3.85%	494,376
8	Equity	4,489,081	35.00%	9.22%	3.23%	414,108
9	Mid-Year Rate Base	12,825,944	100.00%		7.08%	908,484
						494,376
2000 Allowed		Capitalization		Embedded Cost	Cost Component	Earned Return
						Annual Interest Cost
10	Debt	8,196,455	65.00%	5.93%	3.86%	486,152
11	Equity	4,413,476	35.00%	10.25%	3.58%	452,027
12	Mid-Year Rate Base	12,609,931	100.00%		7.44%	938,179
						486,152

CENTRA GAS WHISTLER INC.
2001 REVENUE REQUIREMENT APPLICATION

S 15.3

ENERGY SALES(GJ) - 2001 Forecast

LINE		Actual		Forecast										TOTAL
		JAN	FEB.	MAR	APR	MAY	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC	
		Normalized	Normalized											
	RESIDENTIAL													
1	No. of Customers	1,617	1,624	1,630	1,642	1,645	1,648	1,650	1,654	1,659	1,679	1,726	1,746	1,670
2	Use per Customer - GJ	10.27	11.27	7.21	5.82	4.52	3.43	3.43	3.65	4.75	9.10	11.13	15.22	89.80
3	TOTAL RESIDENTIAL - GJ	16,613	18,297	11,752	9,556	7,435	5,653	5,660	6,037	7,880	15,279	19,210	26,574	149,947
	COMMERCIAL													
4	No. of Customers	311	311	311	311	311	311	311	311	311	311	315	315	311
5	Use per Customer - GJ	143.16	113.64	124.39	82.05	64.96	52.56	53.04	53.68	61.09	73.04	89.27	126.95	1,037.83
6	TOTAL COMMERCIAL	44,524	35,341	38,685	25,518	20,203	16,346	16,495	16,418	18,722	22,439	27,843	39,713	322,247
	LARGE COMMERCIAL													
7	No. of Customers	16	16	16	16	16	16	16	16	16	16	17	17	16
8	Use per Customer - GJ	2,168.86	1,762.52	1,620.81	1,131.44	1,069.81	774.56	795.19	722.94	871.88	947.13	1,184.71	1,754.35	14,804.20
9	TOTAL LARGE COMMERCIAL - GJ	34,702	28,200	25,933	18,103	17,117	12,393	12,723	11,567	13,950	15,154	20,140	29,824	239,806
10	TOTAL ENERGY SALES - GJ	95,839	81,838	76,371	53,177	44,755	34,392	34,878	34,022	40,552	52,872	67,194	96,111	712,000

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CENTRA GAS WHISTLER INC.
2001 REVENUE REQUIREMENT APPLICATION

\$ 15.6

SALES REVENUE -			2001	Forecast													
LINE				Actual		Forecast											TOTAL
				JAN	FEB.	MAR	APR	MAY	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC		
1	RESIDENTIAL	Fixed Monthly	\$	5.00	\$ 8,085	\$ 8,120	\$ 8,150	\$ 8,210	\$ 8,225	\$ 8,240	\$ 8,250	\$ 8,270	\$ 8,295	\$ 8,395	\$ 8,630	\$ 8,730	\$ 99,600
2		Commodity	\$	14.3200	\$ 237,901	\$ 262,013	\$ 168,293	\$ 136,848	\$ 106,475	\$ 80,946	\$ 81,044	\$ 86,451	\$ 112,845	\$ 218,794	\$ 275,093	\$ 380,541	\$ 2,147,244
3	TOTAL RESIDENTIAL				\$ 245,986	\$ 270,133	\$ 176,443	\$ 145,058	\$ 114,700	\$ 89,186	\$ 89,294	\$ 94,721	\$ 121,140	\$ 227,189	\$ 283,723	\$ 389,271	\$ 2,246,844
4	COMMERCIAL	Fixed Monthly	\$	5.00	\$ 1,555	\$ 1,555	\$ 1,555	\$ 1,555	\$ 1,555	\$ 1,555	\$ 1,555	\$ 1,555	\$ 1,555	\$ 1,555	\$ 1,575	\$ 1,575	\$ 18,700
5		Commodity	\$	14.3200	\$ 637,586	\$ 506,081	\$ 553,973	\$ 365,411	\$ 289,301	\$ 234,077	\$ 236,215	\$ 235,101	\$ 268,102	\$ 321,321	\$ 398,715	\$ 568,694	\$ 4,614,578
6	TOTAL COMMERCIAL				\$ 639,141	\$ 507,636	\$ 555,528	\$ 366,966	\$ 290,856	\$ 235,632	\$ 237,770	\$ 236,656	\$ 269,657	\$ 322,876	\$ 400,290	\$ 570,269	\$ 4,633,278
7	LARGE COMMERCIAL	Fixed Monthly	\$	5.00	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 85	\$ 85	\$ 970
8		Commodity	\$	14.3200	\$ 496,930	\$ 403,829	\$ 371,361	\$ 259,235	\$ 245,115	\$ 177,468	\$ 182,193	\$ 165,639	\$ 199,764	\$ 217,005	\$ 288,405	\$ 427,080	\$ 3,434,024
9	TOTAL LARGE COMMERCIAL				\$ 497,010	\$ 403,909	\$ 371,441	\$ 259,315	\$ 245,195	\$ 177,548	\$ 182,273	\$ 165,719	\$ 199,844	\$ 217,085	\$ 288,490	\$ 427,165	\$ 3,434,994
10	TOTAL SALES REVENUE				\$ 1,382,138	\$ 1,181,678	\$ 1,103,412	\$ 771,339	\$ 650,751	\$ 502,366	\$ 509,337	\$ 497,097	\$ 590,641	\$ 767,150	\$ 972,503	\$ 1,386,705	\$ 10,315,116

CENTRA GAS WHISTLER INC.
2001 REVENUE REQUIREMENT APPLICATION

S 16.3

COST OF GAS -		2001	FORECAST											Total	
		Actual	Actual	Actual	Actual	Actual	Forecast								
		Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01		
		Normalized 0	Normalized 0	Normalized 0	Normalized 0	Normalized 0	0	0	0	0	0	0	0		
1	Sales Volumes (GJ)	95,839	81,838	84,046	61,557	38,440	33,424	33,791	33,335	39,449	51,326	64,868	94,087	712,000	
2	UAF	1.887%	1,808	1,544	1,586	1,162	725	631	638	629	744	969	1,224	1,775	13,435
3	Purchase Volumes (GJ)		97,647	83,382	85,632	62,718	39,165	34,055	34,429	33,964	40,193	52,295	66,092	95,862	725,435
4	Actual/Forecast Unit Cost of Gas		14.390	13.130	12.120	11.170	10.920	10.900	9.730	9.070	9.070	9.390	9.740	9.680	11.176
5	Forecast Cost of Gas (\$)		1,405,147	1,094,809	1,037,856	700,565	427,684	371,201	334,990	308,057	364,551	491,047	643,734	927,949	8,107,590
6	Allowed/ Forecast Cost of Gas (\$/GJ)		10.840	10.840	10.840	10.840	10.840	10.840	9.730	9.070	9.070	9.390	9.740	9.680	10.248
7	AllowedForecast Cost of Gas (\$)		1,058,499	903,864	928,248	679,868	424,550	369,158	334,990	308,057	364,551	491,047	643,734	927,949	7,434,514
8	Deferral Account Additions		346,649	190,945	109,609	20,697	3,133	2,043	-	-	-	-	-	-	673,076
9	Gas Supply O&M (\$) (allocated from Centra BC)		5,584	3,966	3,814	3,172	2,671	2,212	1,627	1,631	2,567	3,640	4,432	5,206	40,521
10	Total Cost of Gas (\$)		1,064,083	907,830	932,062	683,040	427,221	371,370	336,617	309,688	367,118	494,687	648,165	933,154	7,475,034

CENTRA GAS WHISTLER INC.
2001 REVENUE REQUIREMENT APPLICATION

S 19.4

INCOME TAXES @ PROPOSED RATES

<u>Line</u>		<u>2001 Proposed</u>	<u>Reference</u>
1	Proposed Earned Return After Tax	1,278,855	S 14.1
2	Less Financial Expenses	703,553	S 14.1
3	Accounting Income After Tax	<u>575,302</u>	
	ADD:		
4	Depreciation	373,414	S 10.4 - S 10.5
5	Amortization of Deferrals (Tax Adjusted):		
6	Regulatory Costs	11,084	S 13.2
7	Property Tax Differential	(22,441)	S 13.2
8	South Plant Freight	4,180	S 13.2
9	Gas Cost Reconciliation	188,438	S 13.2
10	Propane Tank Lease	-	S 13.2
11	BC Rail Strike - Freight	6,846	S 13.2
12	Interest Rate Differential	11,021	S 13.2
13	Banner CIS Development Costs	4,091	S 13.2
14	Meals and Entertainment	1,750	
15	Large Corporations Tax	37,894	S 19.3
16	Total Additions	<u>616,277</u>	
	DEDUCT:		
17	Capital Cost Allowance	470,606	S 19.2
18	CCA Loss Carryforward Taken	-	
19	Admin. O/H Capitalized - current year	49,900	S 19.2
20	CEC	8,497	S 19.2
	Deferred Debits/(Credits):		
21	Regulatory Costs	-	S 13.2
22	Property Tax Differential	-	S 13.2
23	South Plant Freight	-	S 13.2
24	Gas Cost Reconciliation	-	S 13.2
25	Propane Tank Lease	-	S 13.2
26	BC Rail Strike - Freight	-	
27	Interest Rate Differential	-	
28	Banner CIS Development Costs	-	S 13.2
29	Total Deductions	<u>529,003</u>	
30	Taxable Income After Tax	<u>662,576</u>	
31	Tax Gross Up (1 minus effective tax rate)	0.5650	
32	Taxable Income	<u>1,172,700</u>	
	<u>Tax Rates</u>		
33	Federal Tax	37.00%	433,899
34	Less Abatement	10.00%	117,270
35	Net Federal Tax	27.00%	316,629
36	Federal Surcharge	4.00%	12,665
37	Provincial Tax	16.50%	193,496
38	Income Tax Expense		522,790
39	Federal Surcharge Reduced by LCT		(12,665)
40	Income Tax Payable		<u>510,125</u>
41	Effective Tax Rate	44.58%	

CENTRA GAS WHISTLER INC.
2001 REVENUE REQUIREMENT APPLICATION

S 17.1

DIRECT & ALLOCATED COMMON OPERATING & MAINTENANCE EXPENSES - SUMMARY

LINE		2000 Actual	2001 Forecast	Reference
	GROSS DIRECT EXPENSES			
	Operations			
1	Manufactured Gas Production	152,633	192,116	S17.2
2	Transmission	437	662	S17.2
3	Distribution	291,283	301,958	S17.2
4	General Operation	7,388	7,678	S17.2
5	Total Operations	451,741	502,414	
6	General and Administration			
7	Sales Promotion	-	-	S17.3
8	Customer Accounting	26,712	34,876	S17.3
9	Administration and General	63,389	69,749	S17.3
10	Total General and Administration	90,101	104,625	
11	Maintenance			
12	Manufactured Gas Production	16,829	25,356	S17.4
13	Transmission	7,247	5,391	S17.4
14	Distribution	9,308	13,467	S17.4
15	Total Maintenance	33,384	44,214	
16	Gross Direct Expenses	575,226	651,253	
17	Negotiated Settlement Adjustment to Gross OM&A	-	(10,816)	
18	Total Gross Direct Expenses	575,226	640,437	
17	LESS: Direct Capitalization	80,166	89,383	
18	Total Net Direct Expenses	495,060	551,054	
19	Total Net Allocated Common Expenses	203,800	208,386	
20	TOTAL NET O & M	698,860	759,440	
21	Average Number of Customers	1,842	1,996	S15.1
22	Average Direct Cost per Customer	269	276	
23	Average Allocated Common Costs per Customer	111	104	
24	Average Total O&M Cost per Customer	379	380	



Facsimile

TO: BCUC
FROM: Bill Grant/Barry McKinley
Date: July 3/01
Pages: 07/01 (including cover page)
Fax: 604-660-1102
Re: PROPOSED SETTLEMENT OF ISSUES
CONTRACTING WHISTLER INC.

GENTLEMEN, PLEASE ACCEPT THIS AS CONFIRMATION
OF MY ACCEPTANCE OF THE ADR SETTLEMENT
AGREEMENT. I WOULD ALSO LIKE TO THANK YOU
BOTH FOR THE GREAT JOB YOU DID IN FACILITATING
AN ALWAYS AWKWARD SITUATION. YOUR KNOWLEDGE,
PROFESSIONALISM & THAT HAS REVIEWED MY
FAITH IN THE COMMISSION.

I HAVE ALSO ASK MR DAVE ROBERTS OF THE
CHATEAU FAIRMONT TO FAX CONFIRMATION THAT I WAS
ALSO MEETING ON THEIR BEHALF AT THE ADR.

THANK YOU AGAIN & I REMAIN
Yours Truly

Karl Dore

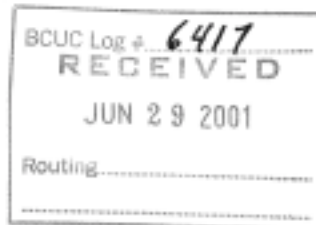
Whistler & Blackcomb Mountains

4545 Blackcomb Way, Whistler, BC Canada V0N 1B4
Finance Department Fax: (604) 932-6374
www.whistler-blackcomb.com

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WHISTLER



June 28th, 2001

Mr. Bill Grant
British Columbia Utilities Commission
Sixth Floor
900 Howe Street
Vancouver, BC V6Z 2N3
Fax 604 660-1102

Dear Mr. Grant:

We acknowledge your fax dated today regarding the proposed settlement of issues for Centra Gas' 2001 Revenue Requirements Application.

We advise we do not oppose the settlement agreement as outlined in your fax.

We thank the Commission for the opportunity to participate as intervenor.

Sincerely,

Lisa M. Landry CA
Cc: Centra Gas British Columbia Ltd. 250 480-4459