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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-62-03

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

and

**A Report by Pacific Northern Gas (N.E.) Ltd.
(Fort St. John/Dawson Creek Division)
on its Gas Cost Variance Account Rate Riders**

BEFORE: R.H. Hobbs, Chair)
L.A. Boychuk, Commissioner) September 18, 2003
L.F. Kelsey, Commissioner)

O R D E R

WHEREAS:

- A. On September 12, 2003, Pacific Northern Gas (N.E.) Ltd. ("PNG(N.E.)") filed its Third Quarter 2003 Report on Gas Supply Costs and Gas Cost Variance Account ("GCVA") Rate Riders, pursuant to Commission Letter No. L-5-01; and
- B. The Report projects that the debit balance in the GCVA account of \$1,060,257 at September 30, 2003 will become a credit balance of \$2,896,844 by September 30, 2004 if rates remained unchanged due to the anticipated lower gas costs over the next twelve months; and
- C. PNG(N.E.) recommended that the current debit rate rider of \$0.50/GJ should remain in place until January 1, 2004 at which time a further review of gas costs will be made; and
- D. The Commission has reviewed the Report and finds that the revenue-to-cost ratio for natural gas prices in PNG(N.E.)'s Fort St. John/Dawson Creek division require an adjustment in customer rates effective October 1, 2003, pursuant to the Guidelines established by Letter No. L-5-01.

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NOW THEREFORE the Commission orders as follows:

1. PNG(N.E.) is ordered to file amended Gas Tariff Rate Schedules for the Fort St. John\Dawson Creek division that will eliminate the \$0.50/GJ GCVA debit rate rider effective with consumption on and after October 1, 2003.
2. PNG(N.E.) is required to advise all customers of the removal of the \$0.50/GJ debit rate rider by way of a bill notice to be reviewed by Commission staff in advance of its distribution.

DATED at the City of Vancouver, in the Province of British Columbia, this 24th day of September 2003.

BY ORDER

Original signed by:

Robert H. Hobbs
Chair