

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-22-04

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 Ltd.
2004 Revenue Requirements Application**

and

Application to Recapitalize PNG under an Income Trust Ownership Structure

BEFORE: L.A. Boychuk, Panel Chair)
and Commissioner)
R.J. Milbourne, Commissioner) February 25, 2004
N.F. Nicholls, Commissioner)

O R D E R

WHEREAS:

- A. On November 28, 2003, Pacific Northern Gas Ltd. ("PNG") filed for approval of its 2004 Revenue Requirements Application ("the Application") to amend its rates on an interim and final basis, effective January 1, 2004, pursuant to Sections 89 and 58 of the Utilities Commission Act ("the Act"); and
- B. The Application proposes to increase delivery rates to all customers, except Methanex Corporation, as a result of decreases in cost of service and decreased deliveries to most customer classes and also requests approval of a flow through decrease to Gas Supply Charges for 2004 based on November 26, 2003 forward natural gas prices and forecast propane prices; and
- C. By Order No. G-85-03 the Commission approved an interim rate increase in the delivery rates for all classes of customers, except Methanex Corporation, effective January 1, 2004 subject to refund with interest and scheduled a Pre-hearing Conference ("PHC") in Vancouver on January 16, 2004 to address procedural matters related to the Application; and
- D. At the PHC, PNG provided an update on its proposed income trust application and by Order No. G-12-04 the Commission established a regulatory timetable and scheduled an oral public hearing to deal with the Application and the income trust application; and
- E. The responses to the Commission and Intervenor information requests and the update to the Application were not filed by PNG by the deadline of February 18, 2004 and were not filed until February 24, 2004; and

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- F. By Order No. G-21-04, the Commission suspended the regulatory timetable established by Order No. G-12-04.
- G. The Commission has, by Order No. G-22-04, established a new Regulatory Timetable for the oral public hearing and rescinded the former Regulatory Timetable.

NOW THEREFORE the Commission orders as follows:

1. An oral public hearing into the PNG 2004 Revenue Requirements Application will commence at 9:00 a.m. Wednesday, March 31, 2004 in Terrace, B.C. with priority given to the 2004 Revenue Requirements application. The public hearing will resume Tuesday, April 13, 2004 in Vancouver to complete the 2004 Revenue Requirements Application and the Income Trust Application. The Regulatory Timetable is set out in Appendix A to this Order.
2. The PNG Applications and supporting material will be made available for inspection at public libraries in Prince Rupert, Terrace, Kitimat, Houston, Smithers, Burns Lake, Vanderhoof, Fort St. James, at the Head Office of PNG at Suite 950, 1185 West Georgia Street, Vancouver, B.C. V6E 4E6 and at the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C. V6Z 2N3.
3. PNG is to provide a copy of this Order, by facsimile if possible, to all Intervenors currently registered in the PNG 2004 Revenue Requirements Application proceedings, as well as to all large industrial customers, as soon as possible.

DATED at the City of Vancouver, in the Province of British Columbia, this 25th day of February 2004.

BY ORDER

Original signed by:

Lori Ann Boychuk
Panel Chair and Commissioner

Attachment

PACIFIC NORTHERN GAS LTD

**Application for Approval of 2004 Revenue Requirements
and
An Income Trust Application**

REGULATORY TIMETABLE

ACTION

DATES 2004

Commission and Intervenor Information Requests issued to PNG	Thursday, March 4
PNG Responses to Commission and Intervenor Information Requests	Wednesday, March 10
Intervenor Evidence Filed	Monday, March 15
Information Requests on Intervenor Evidence issued	Friday, March 19
Intervenor Information Responses	Wednesday, March 24
PNG Rebuttal Evidence Filed	Friday, March 26
Oral Public Hearing commences in Terrace, B.C.	Wednesday, March 31
Oral Public Hearing resumes in Vancouver, B.C.	Tuesday, April 13

Public Hearing Locations:

Commencing: March 31, 2004

Best Western Terrace Inn
455 Greig Avenue
Terrace, BC V8G 1M7
Telephone: (250) 635-0083
Facsimile: (250) 635-0092

Commencing: April 13, 2004

British Columbia Utilities Commission
Hearing Room – Sixth Floor
900 Howe Street
Vancouver, BC V6Z 2N3
Telephone: (604) 660-4700
Facsimile: (604) 660-1102