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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-67-03

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

and

**An Application by Terasen Gas Inc.
for Approval of a Gas Supply Mitigation Incentive Program for the 2003/04 Gas Contract Year**

BEFORE: L.A. Boychuk, Commissioner)
L.F. Kelsey, Commissioner) October 16, 2003

O R D E R

WHEREAS:

- A. The Commission, by Order No. G-92-95, approved for Terasen Gas Inc. ("Terasen Gas") (formerly known as BC Gas Utility Ltd.) the Off-System Incentive Program ("OSIP") for a two-year period commencing January 1, 1996; and
- B. As part of its May 5, 1997 Revenue Requirements Application for 1998 to 2002, Terasen Gas filed a revised incentive plan. During the Alternative Dispute Resolution process, it was agreed by all parties to deal with the form of gas cost incentive plan(s) that would succeed OSIP in a series of separate meetings. The following Commission Orders approved a Gas Supply Mitigation Incentive Program ("GSMIP") for each subsequent gas contract year: Order No. G-125-97 for 1997/98, Order No. G-92-98 for 1998/99, Order No. G-82-99 for 1999/2000, Order No. G-106-00 for 2000/01, Order No. G-124-01 for 2001/02 and Order No. G-79-02 for 2002/03 which included the GSMIP settlement document attached as Appendix A; and
- C. On October 8, 2003, Terasen Gas proposed to continue the existing 2002/03 GSMIP for the 2003/04 gas contract year without any revisions to the formula or the Service Quality Indicators; and
- D. By letter dated October 14, 2003, The British Columbia Public Interest Advocacy Centre advised that it agreed that the 2002/03 GSMIP should continue for a further year; and

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E. The Commission has reviewed the filing and is satisfied that the 2002/03 GSMIP should be approved for the 2003/04 gas contract year.

NOW THEREFORE the Commission approves for Terasen Gas the 2002/03 Gas Supply Mitigation Incentive Program that was attached as Appendix A to Order No. G-79-02, for the gas contract year from November 1, 2003 through October 31, 2004.

DATED at the City of Vancouver, in the Province of British Columbia, this 23rd day of October 2003.

BY ORDER

Original signed by:

Lori Ann Boychuk
Commissioner