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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-68-03

TELEPHONE: (604) 660-4700
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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.
(Fort Nelson Service Area)
for Approval to Amend its Schedule of Rates**

BEFORE:

R.H. Hobbs, Chair

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)
)

October 23, 2003

O R D E R

WHEREAS:

- A. On October 10, 2003, Terasen Gas Inc. Fort Nelson Service Area ("Terasen Fort Nelson" or "Company") filed for approval of its 2004 Revenue Requirement Application ("the Application") and to amend its Schedule of Rates effective January 1, 2004, pursuant to Sections 58 and 61 of the Utilities Commission Act ("the Act"); and
- B. Subsequently, on October 21, 2003 Terasen Fort Nelson filed an addendum to the Application requesting approval to implement interim rates effective January 1, 2004 pending the Commission's Decision on the Application. In regard to the interim rates, Terasen Fort Nelson seeks similar treatment to that approved by Commission Order No. G-90-02 and the February 4, 2003 Commission Decision, page 54 for the Lower Mainland, Inland and Columbia Service Areas of Terasen Gas. In accordance with this treatment Terasen Fort Nelson requests that its existing 2003 permanent rates be declared as interim rates effective January 1, 2004 and that the foregone increase, if any, for the period from January 1, 2004 to the effective date of the 2004 permanent rates be recovered through the use of a rate rider in 2004; and
- C. The Application proposes an increase of 1.96% on total revenues (equivalent to a 7.45% increase on gas delivery rates) to all customers as a result of increases in the cost of service; and
- D. The last amendment to Terasen Fort Nelson's delivery rates was approved by Commission Order No. G-2-95, effective January 1, 1995; and
- E. The Commission requires that interim rates and a regulatory process to deal with the Application be established.

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NOW THEREFORE the Commission orders as follows:

1. The Terasen Fort Nelson Application will be examined in a Written Public Hearing Process and the Regulatory Timetable, attached as Appendix A, has been established.
2. The Commission approves for Terasen Fort Nelson that the existing Schedule of Rates be declared interim, effective January 1, 2004 and that the foregone increase, if any, for the period from January 1, 2004 to the effective date of the 2004 permanent rates be recovered through the use of a rate rider in 2004.
3. Terasen Fort Nelson will publish by October 29, 2003, or as soon as possible thereafter, in display-ad format, the Notice of Written Hearing Process, attached as Appendix B, in such appropriate local news publications as may properly provide adequate notice to the public in its service areas.
4. The Application and supporting material will be made available for inspection at the Company's office, 4323 Nahanni Drive, Fort Nelson, B.C. V0C 1R0, on its website [http:// www.terasen.com/Gas/default.htm](http://www.terasen.com/Gas/default.htm), at the Head Office of Terasen Gas Inc., 16705 Fraser Highway, Surrey, B.C. V3S 2X7 and at the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C. V6Z 2N3.
5. Intervenors and Interested Parties should register with the Commission by Monday, November 10, 2003, of their intention to intervene.
6. The Commission will accept, subject to timely filing by Terasen Fort Nelson, amended Gas Tariff Rate Schedules in accordance with the terms of this Order. Terasen Fort Nelson is to provide all affected customers with notification of the interim rates. Terasen Fort Nelson is to provide the Commission with a draft copy of the bill message in advance of its distribution to customers.

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

BY ORDER

Original signed by:

Robert H. Hobbs
Chair

Attachments (2)

TERASEN GAS INC.
(Fort Nelson Service Area)
Application for Approval to amend its Schedule of Rates

REGULATORY AGENDA

<u>Action</u>	<u>Dates 2003/2004</u>
Registration of Intervenors and Interested Parties	Monday, November 10
Information Requests issued to Terasen Fort Nelson	Friday, November 21
Terasen Fort Nelson Responds to Information Requests	Friday, December 5
Written Submissions from Intervenors	Wednesday, December 17
Written Final Argument from Terasen Fort Nelson	Monday, January 5

TERASEN GAS INC.
(FORT NELSON SERVICE AREA)
Application for Approval to amend its Schedule of Rates

**NOTICE OF WRITTEN PUBLIC
HEARING PROCESS**

THE APPLICATION

Terasen Gas Inc. Fort Nelson Service Area (“Terasen Fort Nelson” or “Company”) has applied to the British Columbia Utilities Commission (“the Commission”) for approval to amend its Schedule of Rates, effective January 1, 2004. This Application seeks to recover increased revenue requirements associated with the delivery of natural gas. The Application requests an increase of 1.96% on total revenues (equivalent to a 7.45 percent increase in the gas delivery rates). For residential customers this translates into an increase of \$0.096 per gigajoule on average. The gas delivery charge for commercial customers will increase by about \$0.121 per gigajoule on average.

THE REGULATORY PROCESS

By Order No. G-68-03, the Commission declared the Company’s existing Schedule of Rates as interim, effective January 1, 2004.

The Commission has established a Written Public Hearing Process for the review of Terasen Fort Nelson’s Application. The following Regulatory Agenda will apply:

Registration of Intervenors and Interested Parties	Monday, November 10, 2003
Information Requests issued to Terasen Fort Nelson	Friday, November 21, 2003
Terasen Fort Nelson Responds to Information Requests	Friday, December 5, 2003
Written Submissions from Intervenors	Wednesday, December 17, 2003
Written Final Argument from Terasen Fort Nelson	Monday, January 5, 2004

PUBLIC INSPECTION OF THE DOCUMENTS

The Application and supporting material will be made available for inspection at the Company’s office, 4323 Nahanni Drive, Fort Nelson, B.C. V0C 1R0, on its website: <http://www.terasen.com/Gas/default.htm>, at the Head Office of Terasen Gas Inc., 16705 Fraser Highway, Surrey, B.C. V3S 2X7 and at the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C. V6Z 2N3.

INTERVENTIONS

Persons who expect to actively participate in the Terasen Fort Nelson proceeding should register as Intervenor with the Commission. Intervenor will receive copies of the Application, all correspondence and filed documentation.

Persons not expecting to actively participate, but who have an interest in the Terasen Fort Nelson proceeding should register as Interested Parties with the Commission. Interested Parties will receive a copy of the Application's Executive Summary and all Orders issued.

Intervenor and Interested Parties should inform the Commission Secretary, in writing, by Monday, November 10, 2003 of their intention to participate. Notification by courier delivery, fax or e-mail is acceptable.

FURTHER INFORMATION

For further information, please contact Mr. Robert J. Pellatt, Commission Secretary, or Mr. Barry McKinlay, Manager, Rates and Finance as follows:

Telephone: (604) 660-4700
Facsimile: (604) 660-1102

E-Mail: Commission.Secretary@bcuc.com
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