

SIXTH FLOOR, 900 HOWE STREET, BOX 250 VANCOUVER, B.C. V6Z 2N3 CANADA web site: http://www.bcuc.com

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 Terasen Gas Stable Commodity Rate Residential Service Application

BEFORE:

L.F. Kelsey, Commissioner K.L. Hall, Commissioner

August 19, 2004

ORDER

WHEREAS:

- A. Commission No. Letter L-14-03 dated April 16, 2003 directed Terasen Gas Inc. ("TGI") (formerly BC Gas Utility Ltd.) to proceed with the Stable Rate Option for residential customers effective November 1, 2004; and
- B. Order No. G-90-03 dated January 9, 2004 effective April 1, 2004 approved the format of the Stable Commodity Rate (Rate Schedule 1S) and the Stable Commodity Rate Agreement; and
- C. Order No. G-25-04 approved the deferral account treatment and cost recovery methodology for the implementation costs and annual operating costs of providing the Stable Commodity Rate Service program; and
- D. On August 5, 2004 TGI requested Commission approval for three items as described in the Terasen Gas Stable Commodity Rate Residential Service Application ("Application"); and
- E. On August 11, 2004 TGI filed a revised schedule outlining the methodology used in the determination of the fixed commodity charge and an updated Rate Schedule 1S.

NOW THEREFORE the Commission orders as follows:

- 1. The proposed methodology for determination of the fixed commodity charge for the Stable Commodity Rate Residential Service (Rate Schedule 1S) as set in the Application is approved.
- 2. Stable Commodity Rate Residential Service Rate Schedule 1S in tariff page format is approved effective August 13, 2004 for an initial program offering period of January 1, 2005 to December 31, 2005.

BRITISH COLUMBIA UTILITIES COMMISSION

ORDER NUMBER

G-80-04

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- 3. Revisions to the approved Terms and Conditions of Rate Schedule 1S (previously approved under Order No. G-90-03) which include formatting, contact and addresses for enrollment, full legal name of Terasen Gas Inc., business address and customer information are approved.
- 4. The fixed level for the Stable Rate Option Total Commodity rate is \$7.591/GJ and the Total Midstream rate is \$.799/GJ for a Total Commodity Charge of \$8.390/GJ for the period January 1, 2005 to December 31, 2005.

DATED at the City of Vancouver, in the Province of British Columbia, this 26^{th} day of August 2004.

BY ORDER

Original signed by:

K.L. Hall Commissioner