

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-77-05**

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 (Vancouver Island) Inc.  
for Approval of  
Forecast Rates and Revenue Requirements for years 2006 and 2007  
and Revenue Deficiency Deferral Account balance as at December 31, 2004**

**BEFORE:** R.H. Hobbs, Chair August 23, 2005

**O R D E R**

**WHEREAS:**

- A. On July 20, 2005, Terasen Gas (Vancouver Island) Inc. ("TGVI") filed pursuant to Sections 60 and 23 of the Utilities Commission Act and Order in Council 1510, dated December 13, 1995, for approval of TGVI's forecast rates and Cost of Service for the years 2006 and 2007 and its Revenue Deficiency Deferral Account balance as at December 31, 2004 ("the Application"); and
- B. The Commission issued Letter No. L-63-05 requesting comments from TGVI, Intervenor from the 2003 – 2005 Negotiated Settlement Process ("NSP"), and 2004 Annual Review Registered Intervenor. The Letter requested comments by August 10, 2005 on 1) whether to review the Application through an NSP; 2) any concerns with the Draft Regulatory Agenda and Timetable; and 3) any concerns in not holding a Commission Pre-hearing Conference; and
- C. The Commission received comments from TGVI, British Columbia Old Age Pensioners' Organization et al. ("BCOAPO"), Ministry of Energy, Mines and Petroleum Resources ("the Ministry"), Vancouver Island Joint Venture ("VIGJV"), British Columbia Hydro and Power Authority ("BC Hydro"), and the Rental Owners and Managers Association of BC ("ROMA BC"). The Ministry, BCOAPO, VIGJV, and ROMA BC all stated support for an NSP and all were supportive of the regulatory review process and not including a Pre-hearing Conference. The Ministry, BCOAPO, and ROMA BC expressed no concerns with the draft regulatory agenda and timetable. VIGJV was supportive of the draft regulatory agenda and timetable but requested a variation in the timetable to accommodate vacation schedules. TGVI in its submission proposed an accelerated schedule for the submission of information requests and information responses; and
- D. BC Hydro in its submission requested additional information (Items 1 through 5 under Section I) be filed by August 31, 2005. BC Hydro suggested a Pre-hearing Conference was necessary to deal with the issues it raised in its submission. BC Hydro also suggested that the Workshop be held one week after the proposed date of August 31, 2005; and

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- E. On August 15, 2005 TGVI responded to the issues identified by BC Hydro. TGVI is prepared to make available BC Hydro's requested additional information before August 31, 2005. Also, TGVI is prepared to review the additional information with stakeholders at the proposed Workshop on August 31, 2005. TGVI submits that a revenue requirements proceeding is not the appropriate forum to debate a transportation service agreement between TGVI and BC Hydro. TGVI submits that an NSP is in the best interests of customers and is supported by interested parties, the proposed regulatory agenda and timetable, including proposed revisions by TGVI as stated in its August 10, 2005 submission, is reasonable and appropriate and that a Pre-hearing Conference is not necessary; and
- F. The Commission has reviewed the comments received and has determined that a Procedural Conference should be established.

**NOW THEREFORE** the Commission orders as follows:

1. TGVI is to file BC Hydro's requested additional information before August 31, 2005.
2. The Application will be examined in accordance with the Regulatory Timetable, attached as Appendix A. The Commission will hold a Workshop on Wednesday, August 31, 2005, commencing at 9:00 a.m. in the Commission Hearing Room on the Sixth Floor, 900 Howe Street, Vancouver, B.C.
3. A Procedural Conference regarding further regulatory process for the review of the Application will be held on Tuesday, September 20, 2005, commencing at 9:00 a.m. in the Commission Hearing Room on the Sixth Floor, 900 Howe Street, Vancouver, B.C.

The Procedural Conference will address matters such as:

- whether the review should proceed by an oral or written public hearing, or some other process;
  - steps and timetable associated with the regulatory review process;
  - scope and location(s) of the proceeding; and
  - other matters that will assist the Commission to efficiently review the Application.
4. After the Procedural Conference, the Commission will issue a further procedural order and regulatory agenda for the review of the Application.
  5. TGVI will publish, as soon as possible, in display-ad format, the Notice of Workshop and Procedural Conference, attached as Appendix B, in such appropriate local news publications as may properly provide adequate notice to the public in its service area.

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6. The Application and supporting material will be made available for inspection at the TGVI Garbally Office at 320 Garbally Road, Victoria B.C., V8T 2K1; at the Terasen Gas Inc. Office at 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.
7. Intervenor and Interested Parties should register with the Commission, in writing or electronic submission, by Monday, August 29, 2005.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 23<sup>rd</sup> day of August 2005.

BY ORDER

*Original signed by:*

Robert H. Hobbs  
Chair

Attachments

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**APPENDIX A**  
to Order No. G-77-05  
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**REGULATORY TIMETABLE**

Terasen Gas (Vancouver Island) Inc.  
Application for Approval of  
Forecast Rates and Revenue Requirements for the years 2006 and 2007  
and Revenue Deficiency Deferral Account balance as at December 31, 2004

**ACTION**

Deadline for registration of Intervenor and Interested Parties

Workshop on the Application in Vancouver

Procedural Conference

**DATES**

Monday, August 29, 2005

Wednesday, August 31, 2005

Tuesday, September 20, 2005

**Time and Location of Workshop and Procedural Conference:**

**Time:** 9:00 a.m.  
**Location:** Commission Hearing Room  
Sixth Floor  
900 Howe Street  
Vancouver, B.C. V6Z 2N3



**Terasen Gas (Vancouver Island) Inc.**  
**Application for Approval of**  
**Forecast Rates and Revenue Requirements for years 2006 and 2007**  
**and Revenue Deficiency Deferral Account balance as at December 31, 2004**

**NOTICE OF WORKSHOP AND  
PROCEDURAL CONFERENCE**

**TGVI Workshop**

**Date:** Wednesday, August 31, 2005  
**Time:** 9:00 a.m.  
**Location:** Commission Hearing Room  
Sixth Floor, 900 Howe Street  
Vancouver, B.C. V6Z 2N3

**Procedural Conference**

**Date:** Tuesday, September 20, 2005  
**Time:** 9:00 a.m.  
**Location:** Commission Hearing Room  
Sixth Floor, 900 Howe Street  
Vancouver, B.C. V6Z 2N3

**THE APPLICATION**

Terasen Gas (Vancouver Island) Inc. ("TGVI") has applied to the British Columbia Utilities Commission ("the Commission") for approval of TGVI's forecast rates and Cost of Service for the years 2006 and 2007 and its Revenue Deficiency Deferral Account balance as at December 31, 2004 ("the Application").

**THE REGULATORY PROCESS**

The Commission will hold a Workshop on Wednesday, August 31, 2005 commencing at 9:00 a.m. in the Commission Hearing Room. Also, the Commission will hold a Procedural Conference on Tuesday, September 20, 2005, commencing at 9:00 a.m. in the Commission Hearing Room.

Following the Procedural Conference, the Commission will issue a further procedural order and regulatory agenda for the review of the Application.

## **PUBLIC INSPECTION OF THE DOCUMENTS**

The Application and supporting material will be made available for inspection at the TGVI Garbally Office at 320 Garbally Road, Victoria B.C., V8T 2K1; at the Terasen Gas Inc. Office at 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.

The Application will also be available for viewing on the Terasen Gas Inc. website at [www.terasengas.com](http://www.terasengas.com) and on the Commission's website at [www.bcuc.com](http://www.bcuc.com).

## **INTERVENTIONS**

Persons who expect to actively participate in the TGVI proceeding should register as Intervenors with the Commission, in writing or electronic submission, by Monday, August 29, 2005. Intervenors will receive copies of the Application, all correspondence and filed documentation.

Persons not expecting to actively participate, but who have an interest in the TGVI proceeding should register as Interested Parties with the Commission, in writing or electronic submission, by Monday, August 29, 2005. Interested Parties will receive a copy of the Application's Executive Summary and all Orders issued.

## **FURTHER INFORMATION**

For further information, please contact Mr. Robert J. Pellatt, Commission Secretary as follows:

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