BRITISH COLUMBIA UTILITIES COMMISSION

G-31-05

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ORDER NUMBER



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

Application by Pacific Northern Gas (N.E.) Ltd. (Tumbler Ridge Division) for Approval of Rate Changes Effective April 1, 2005

BEFORE: L. F. Kelsey, Commissioner L.A. Boychuk, Commissioner

March 17, 2005

WHEREAS:

A. On March 14, 2005, Pacific Northern Gas Ltd. ("PNG") and Pacific Northern Gas (N.E.) Ltd. ("PNG(N.E.)") filed their 2005 First Quarter Gas Cost Report which included an application (the "Application") to amend the gas commodity charges for the Tumbler Ridge Division of PNG(N.E.) effective April 1, 2005; and

ORDER

- B. In the Application, PNG(N.E.) recommended that the Gas Supply Charge for Tumbler Ridge be reduced from \$6.653/GJ to \$6.253/GJ to reflect the current gas supply arrangement for Tumbler Ridge and March 10, 2005 forward gas prices; and
- C. A reconciliation of past gas purchase volumes has resulted in a Gas Cost Variance Account ("GCVA") credit balance at year-end 2004, and consequently PNG(N.E.) also recommended that the current debit GCVA Rider of \$0.60/GJ be reduced to zero; and
- D. PNG and PNG (N.E.) recommend that other gas commodity charges for PNG-West, Granisle Propane and Fort St. John/Dawson Creek continue unchanged effective April 1, 2005.

NOW THEREFORE the Commission orders for PNG(N.E.), pursuant to section 61(4) of the Utilities Commission Act that the Tumbler Ridge Gas Supply Charge be reduced to \$6.253/GJ and the Tumbler Ridge GCVA Rider be reduced to zero, effective April 1, 2005.

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DATED at the City of Vancouver, in the Province of British Columbia, this 21st day of M

day of March 2005.

BY ORDER

Original signed by:

L.A. Boychuk Commissioner