

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-133-05

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

**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: L.F. Kelsey, Commissioner December 9, 2005

O R D E R

WHEREAS:

- A. Commission Order No. G-17-04 approved for Terasen Gas Inc. Fort Nelson Service Area ("Terasen Fort Nelson") its 2004 Revenue Requirement Application which included the implementation of a Rate Stabilization Adjustment Mechanism ("RSAM") effective January 1, 2004; and
- B. The approved RSAM deferral account records the difference on a use per customer basis between forecast delivery margin used for rate making purposes and actual margin received from residential and commercial customers. For industrial (Rate 25) customers, the RSAM account records margin variations arising from the difference between forecast and actual deliveries. The amounts recorded in the RSAM account would be amortized over the subsequent three-years for recovery from or refunded to customers by way of a positive or negative rider on rates; and
- C. On December 2, 2005, Terasen Fort Nelson filed its 2005 Fourth Quarter Report on gas supply costs and Gas Cost Reconciliation Account ("GCRA") balances ("the Report"). In accordance with the GCRA Guidelines, Terasen Fort Nelson proposes that no rate change related to gas commodity costs be made at this time; and
- D. The Report forecasts a RSAM 2005 year-end debit balance of \$76,850 (net of tax) and in accordance with Commission Order No. G-17-04, Terasen Fort Nelson requests approval to add an RSAM rider of \$0.039/GJ to Rate 1 Residential, Rate 2.1 Small Commercial, Rate 2.2 Large Commercial and Rate 25 General Firm Transportation effective January 1, 2006; and
- E. The Commission has reviewed the Application and finds that approval is warranted.

NOW THEREFORE the Commission orders as follows:

1. No change in gas commodity costs for Terasen Fort Nelson is required at this time.

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-133-05

2

2. The requested RSAM rider of \$0.039/GJ is approved for Rate 1 Residential, Rate 2.1 Small Commercial, Rate 2.2 Large Commercial and Rate 25 General Firm Transportation effective January 1, 2006.

DATED at the City of Vancouver, in the Province of British Columbia, this 16th day of December 2005.

BY ORDER

Original signed by:

L. F. Kelsey
Commissioner