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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-81-06

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**IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473**

and

**An Application by Pacific Northern Gas Ltd. ("PNG", "PNG-West")
for Approval to Add Section 3.11, Rental Premise to PNG Tariff**

BEFORE: L.F. Kelsey, Commissioner
L.A. Boychuk, Commissioner June 29, 2006

O R D E R

WHEREAS:

- A. In an email dated November 30, 2005, Mr. Neil Helland filed a complaint with the Commission regarding PNG's practice of requiring the landlord to be the customer of record after rental premise has three or more occurrences where a tenant of the premise has been placed for collection; and
- B. On December 23, 2005, PNG informed Mr. Helland that landlords are not responsible for the gas bills of their former tenants. PNG also stated that if a rental property has an unsatisfactory payment history for several tenants, the landlord will be required to be the customer of record, or all future tenants will be required to provide a security deposit; and
- C. Mr. Helland was not satisfied with PNG's response to his complaint and on January 16, 2006, Mr. Helland registered as an Intervenor in 2006 PNG-West Revenue Requirements Application; and
- D. In a fax dated February 5, 2006, Mr. Helland filed Intervenor Information Request No. 1 (Exhibit C10-2); and
- E. On February 17, 2006, PNG responded to Mr. Helland's Information Request No. 1 in Exhibit B-9; and
- F. In a Commission letter dated March 16, 2006, the participants involved in the Negotiated Settlement Discussions on the PNG and Pacific Northern Gas (N.E.) Ltd. ["PNG (N.E.)"] 2006 Revenue Requirements Applications agreed that Mr. Helland's issue would be treated as a formal complaint by the Commission; and
- G. On April 21, 2006, PNG filed a report identifying changes required to PNG's Gas Tariff or credit and collections procedures. The report noted that PNG's practices regarding the treatment of rental premises were not specifically set forth in its Gas Tariff. PNG recommended that the PNG Gas Tariff be amended to include the same wording used by Terasen Gas Inc. ("Terasen Gas") in its Gas Tariff for Rental Premises; and

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- H. In a letter dated April 24, 2006, Mr. Helland submitted that the PNG report did not address his concerns and requested that PNG change its Gas Tariff to include Terasen Gas' Tariff pages 6-1 and 6-2 and the British Columbia Hydro and Power Authority ("BC Hydro") Electric Tariff page B-32 and Commission Order No. G-81-00 regarding a "Pay As You Go Billing" process; and
- I. In a letter dated May 31, 2006, the Commission required PNG to compare its credit and collection procedures with those of other regulated utilities. PNG was also to determine whether and how changes to its terms and conditions of service, policies and procedures, credit and collection practices and billing practices should be made with a view to obtaining the necessary security deposits from its customers rather than from landlords; and
- J. On June 15, 2006, PNG filed a report with the Commission stating that its Gas Tariff provisions regarding security deposits and credit and collection provisions were similar to the corresponding provision in the Terasen Gas and BC Hydro Tariffs. The report also stated that the costs of implementing "Pay As You Go Billing" exceeded the benefits; and
- K. In the June 15, 2006 report, PNG also requested that the Commission approve the addition of Section 3.11, Rental Premise, to PNG's Gas Tariff Sheet 16. The proposed Section 3.11 is similar to the corresponding provision in the Terasen and BC Hydro Tariffs; and
- L. The Commission has reviewed PNG's application for a Tariff revision and finds that approval is warranted.

NOW THEREFORE the Commission approves for PNG, the amendment to its Gas Tariff - General Terms and Conditions of Service pursuant to its June 15, 2006 application, effective July 1, 2006.

DATED at the City of Vancouver, in the Province of British Columbia, this 6th day of July 2006.

BY ORDER

Original signed by

L.F. Kelsey
Commissioner