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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-29-06

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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 (N.E.) Ltd. ["PNG(NE)"]
regarding Natural Gas Commodity Charges effective April 1, 2006
for the Fort St. John/Dawson Creek and Tumbler Ridge Service Areas**

BEFORE: L.F. Kelsey, Commissioner
L.A. Boychuk, Commissioner March 23, 2006

O R D E R

WHEREAS:

- A. Commission Order No. G-135-05 approved for the PNG(NE) Fort St. John/Dawson Creek and Tumbler Ridge service areas permanent Gas Supply Cost Recovery Charges for sales service customers effective January 1, 2006; and
- B. On March 9, 2006 PNG(NE) filed its First Quarter 2006 Report on gas supply costs and Gas Cost Variance Account ("GCVA") balances ("the Report") for Fort St. John/Dawson Creek and Tumbler Ridge based on February 22, 2006 natural gas and propane forward prices. PNG(NE) requests approval of reductions to Gas Supply Cost Recovery Charges of \$1.216/GJ for Fort St. John/Dawson Creek and \$2.00/GJ for Tumbler Ridge effective April 1, 2006; and
- C. In the Report, PNG(NE) recommends removal of the \$0.434/GJ debit GCVA rate rider for Fort St. John/Dawson Creek and no change to the \$0.350/GJ credit GCVA rate rider for Tumbler Ridge, effective April 1, 2006; and
- D. The proposed changes to commodity rates would reduce the annual bill for a typical residential customer in Fort St. John/Dawson Creek by approximately \$205 per year or 12 percent, and would reduce the annual bill for a typical residential customer in Tumbler Ridge by approximately \$149 per year or 12 percent; and

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- E. In the Report, PNG(NE) also recommends changes to Company-use gas rates for Fort St. John/Dawson Creek and Tumbler Ridge customers; however, the matter of Company-use gas rates will be dealt with in the review of the 2006 Revenue Requirements Application of PNG(NE); and
- F. The Commission concludes that the requested changes to Gas Supply Cost Recovery Charges and the Fort St. John/Dawson Creek GCVA rate rider for PNG(NE) sales service customers should be approved.

NOW THEREFORE pursuant to Section 61(4) of the Act, the Commission approves for the PNG(NE) Fort St. John/Dawson Creek and Tumbler Ridge service areas permanent Gas Supply Cost Recovery Charges and GCVA rate riders for sales service customers as recommended in the Report, effective April 1, 2006.

DATED at the City of Vancouver, in the Province of British Columbia, this 24th day of March 2006.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner