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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-103-07

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

and

**A Filing by Pacific Northern Gas Ltd.
regarding Natural Gas Commodity Charges effective October 1, 2007
for the Tumbler Ridge Service Area**

BEFORE: L.F. Kelsey, Commissioner September 13, 2007
P.E. Vivian, Commissioner

O R D E R

WHEREAS:

- A. In the 2007 Third Quarter Report ("Report") dated September 7, 2007 for the Tumbler Ridge service area, Pacific Northern Gas Ltd. ("PNG") recommended increasing the credit rate rider to \$1.491/GJ from the current \$1.31/GJ effective October 1, 2007. The \$1.491/GJ credit rate rider would refund the projected September 30, 2007 credit balance over two years assuming current annual gas deliveries forecast; and
- B. In the Report PNG proposed that the current gas cost recovery rate of \$6.707/GJ be reduced to \$5.338/GJ. These proposed gas cost rate reductions, effective October 1, 2007 and amounting to \$1.55/GJ, would reduce the revenue to cost ratio from 2.285 to 1.629; and
- C. PNG also advised in the Report that the Company Use Debit Rider of \$.197/GJ should be reduced to zero and the current Company Use Gas Cost Rate of \$.487/GJ remain in place.

NOW THEREFORE pursuant to Section 61(4) of the Utilities Commission Act, the Commission orders the following for the Tumbler Ridge service area effective October 1, 2007:

1. The credit rate rider is to be increased to \$1.491/GJ from the current \$1.31/GJ.

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2. The September 30, 2007 credit balance is to be refunded over two years assuming the current annual gas deliveries forecast.
3. The current gas cost recovery rate of \$6.707/GJ is to be reduced to \$5.338/GJ.
4. The Company Use Debit Rider of \$.197/GJ is to be reduced to zero.
5. The current Company Use Gas Cost Rate of \$.487/GJ is to remain in place.

DATED at the City of Vancouver, in the Province of British Columbia, this 17th day of September 2007.

BY ORDER

Original signed by

L.F. Kelsey
Commissioner