## BRITISH COLUMBIA UTILITIES COMMISSION

G-67-07

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ORDER NUMBER



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

and

An Application by Terasen Gas (Whistler) Inc. regarding Propane Commodity Charges effective July 1, 2007

**BEFORE:** 

E: L.F. Kelsey, Commissioner June 14, 2007 L.A. Zaozirny, Commissioner

ORDER

## WHEREAS:

- A. On March 2, 2007 Terasen Gas (Whistler) Inc. ("Terasen Whistler") proposed to utilize a propane price forecast based on an average of 50 percent NYMEX West Texas Intermediate ("WTI") Light Sweet Crude Oil futures and 50 percent NYMEX Mt. Belvieu Propane futures to calculate forecast deferral balances and for the purposes of determining commodity recovery rates in its quarterly gas cost reports; and
- B. On June 8, 2007 Terasen Whistler filed its 2007 Second Quarter Gas Cost Report; and
- C. Using a propane price forecast based on an average of 50 percent of the June 1, 2007 NYMEX WTI Light Sweet Crude Oil futures and 50 percent of the June 1, 2007 NYMEX Mt. Belvieu Propane futures, and based on the existing rates, the projected pre-tax deferral balance at June 30, 2007 of \$293,570 deficit was forecast to change to a pre-tax deficit balance of \$615,748 at June 30, 2008. The rate change trigger mechanism was calculated to be 94.6 percent which does not fall within the dead-band range of 95 percent to 105 percent; and
- D. Terasen Whistler has requested a commodity rate increase, via Rate Rider A, from \$4.494 per gigajoule to \$5.336 per gigajoule corresponding to a rate increase of \$0.842 per gigajoule effective July 1, 2007. This equates to an increase of approximately \$76 or 4.3 percent in the annual bill of a typical residential customer, based on consumption of 90 gigajoules annually; and

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E. The Commission concludes that the requested change to Rate Rider A for Terasen Whistler is necessary at this time.

**NOW THEREFORE** pursuant to Section 61(4) of the Utilities Commission Act, the Commission approves a Rate Rider A of \$5.336 per gigajoule, which corresponds to an increase of \$0.842 per gigajoule in customer rates, effective July 1, 2007. Terasen Whistler will inform all customers affected by the rate change in a timely fashion.

**DATED** at the City of Vancouver, In the Province of British Columbia, this 14<sup>th</sup> day of June 2007.

BY ORDER

Original signed by

L.F. Kelsey Commissioner