

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-152-07

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. ("TGI")
and Terasen Gas Vancouver Island ("TGVI")
jointly "the Companies,"
for Approval to Amend Their System Extension and Connection Policies

BEFORE: A.J. Pullman, Commissioner December 6, 2007

O R D E R

WHEREAS:

- A. In the Reasons for Decision attached to Order No. G-126-05, the Commission accepted TGVI's proposals to adopt the TGI Main Extension ("MX") test (with appropriate revisions to the inputs) and TGI customer connection policies commencing January 1, 2006; and
- B. On April 30, 2006, TGVI filed its "Review of the Main Extension Test," updating the MX test inputs; and
- C. During the proceedings to review the TGVI 2006 Negotiated Settlement Update, TGVI explained that TGVI and TGI would be reviewing their MX tests as part of a comprehensive review of their system extension and customer connection policies in 2007; and
- D. By Order No. G-160-06 and Reasons for Decision, the Commission approved the TGI 2006 Annual Review and Mid-Term Settlement Review wherein the Commission agreed that TGI should conduct a review of its system extension and customer connection policies including the MX test in 2007 in conjunction with TGVI for submission by the end of the second quarter of 2007; and
- E. By letter dated June 28, 2007, TGI, TGVI and Terasen Gas (Whistler) Inc. ("TGW"), ("Terasen Utilities") filed an application for Commission approval to delay the submission of their system extension and customer connection policies application, stating that preparing a single consolidated report encompassing all three utilities would result in the most efficient review process for the Terasen Utilities, stakeholders and the Commission; and
- F. By Letter No. L-61-07, the Commission agreed that submission of a consolidated application was desirable and directed the Terasen Utilities to submit the application no later than July 31, 2007; and
- G. On July 31, 2007, pursuant to the Utilities Commission Act, the Companies jointly filed an application ("the Application") to amend the Terms and Conditions of each utility's Tariff with respect to charges for system extensions and customer attachment and connections for TGI and TGVI. The Application requested approval for changes to the respective Tariffs to be effective January 1, 2008; and

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- H. In its covering letter attached to the Application, the Companies advised the Commission that after further consideration and in light of the introduction of natural gas to the Whistler area during the latter half of 2008, TGW is of the view that it would be reasonable to retain its current policy while it remains a propane system, and bring forth an application to review its policies after the conversion of its system to natural gas; and
- I. On August 11, 2007, the Commission issued Order No. G-90-07 establishing that the proceeding to examine the Companies' proposed amendments to their System Extension and Customer Connection Policies would be through a written process, and established a regulatory timetable; and
- J. The written hearing commenced on August 17, 2007, with Intervenor registration by British Columbia Hydro and Power Authority ("BC Hydro"), the BC Old Age Pensioners Organization *et al.* ("BCOAPO") and the Ministry of Energy, Mines and Petroleum Resources ("MEMPR"); and
- K. The written hearing process comprised two rounds of Information Requests submitted by the Commission, BC Hydro, BCOAPO, and MEMPR; Final Arguments; and Reply Argument; and
- L. The Commission has considered the evidence and submissions of the Companies, BC Hydro, BCOAPO, and MEMPR, and issues its Decision.

NOW THEREFORE the Commission, for the reasons stated in the Decision issued concurrently with this Order, determines as follows:

- 1. TGI and TGVI are directed to file with the Commission revised Tariffs incorporating each of the approved and accepted amendments as described in the Decision, as expeditiously as practicable.
- 2. TGI and TGVI are to comply with all other directives described in the Decision.
- 3. TGW's request to delay submission of its proposed System Extension and Customer Connection Policies until its conversion from propane to natural gas has been completed is accepted.

DATED at the City of Vancouver, in the Province of British Columbia, this 6th day of December 2007.

BY ORDER

Original signed by

A.J. Pullman
Commissioner