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**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER** G-155-07

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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 Inc.  
Regarding Propane Commodity Charges effective January 1, 2008  
for the Revelstoke Service Area**

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

**O R D E R**

**WHEREAS:**

- A. On December 10, 2007 Terasen Gas Inc. ("Terasen Gas") filed its 2007 Fourth Quarter Gas Cost Report for the Revelstoke service area; and
- B. Using a propane price forecast based on the sum of 50 percent of the December 7, 2007 NYMEX WTI Light Sweet Crude Oil futures prices and 50 percent of the December 7, 2007 NYMEX Mt. Belvieu Propane futures prices and, based on the existing rates, the projected pre-tax deferral account deficit balance at December 31, 2007 of \$32,159 is forecast to change to a pre-tax deficit balance of \$571,122 at December 31, 2008. The rate change trigger mechanism was calculated to be 83.1 percent, which does not fall within the deadband range of 95 percent to 105 percent; and
- C. Terasen Gas has requested a propane reference price increase from \$0.3542 per litre to \$0.4260 per litre, which is an increase of \$0.0718 per litre corresponding to a rate increase of \$2.918/GJ, effective January 1, 2008. This equates to an increase of approximately \$233 or 15.2 percent in the annual bill of a typical residential customer, based on consumption of 80 gigajoules annually; and
- D. The Commission concludes that the requested change to the propane reference price for Revelstoke is necessary at this time.

**NOW THEREFORE** pursuant to Section 61(4) of the Utilities Commission Act, the Commission approves a propane reference price increase of \$0.0718 per litre to \$0.4260 per litre and an increase of \$2.918 per gigajoule in propane rates for customers in Revelstoke, effective January 1, 2008. Terasen Gas will inform all customers affected by the rate change.

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

**BY ORDER**

*Original signed by:*

L.F. Kelsey  
Commissioner