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**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER G-3-13**

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

**and**

**Pacific Northern Gas Ltd.  
Application for Approval of 2013 Revenue Requirements  
for the PNG-West Service Area**

**BEFORE:** D.A. Cote, Panel Chair/Commissioner January 15, 2013

**O R D E R**

**WHEREAS:**

- A. On September 19, 2012, the British Columbia Utilities Commission (Commission) received a letter from Pacific Northern Gas Ltd. (PNG) requesting approval to, among other things, include the Cost Allocators and Level of Shared Services Cost Recovery Application (Shared Services Application) as part of the 2013 Revenue Requirements Application (2013 RRA). By way of letter dated October 18, 2012, the Commission approved the request to file the Shared Services Application as part of the 2013 RRA;
- B. On November 30, 2012, PNG filed its 2013 RRA with the Commission, pursuant to sections 58 to 61 of the *Utilities Commission Act* (Act) seeking, among other things, Commission approval to increase delivery rates as a result of increases in cost of service and decreased deliveries to some customer classes (Application). On the same date, PNG (N.E.) filed its 2013 RRA;
- C. The Application also seeks interim relief, pursuant to sections 58 to 61, 89 and 90 of the Act, to allow PNG to amend its rates on an interim and refundable basis, effective January 1, 2013, pending the hearing of the Application and orders subsequent to that hearing. The interim relief is sought on the basis that on January 1, 2013 PNG's rates would otherwise no longer be fair, just and not unduly discriminatory;
- D. PNG forecasts a 2013 revenue deficiency of approximately \$0.621 million comprised of a net increase in cost of service of \$0.544 million and a decrease in margin of \$0.076 million;
- E. The Application seeks Commission approval to increase the delivery charge for residential service by \$0.256/GJ from \$11.576/GJ to \$11.832/GJ, representing an increase of 2.2 percent compared to the 2012 delivery rate, for small commercial service by \$0.203/GJ from \$9.803/GJ to \$10.006/GJ corresponding to an increase of 2.1 percent compared to the 2012 delivery rate, and for Granisle propane service by \$0.167/GJ from \$6.486/GJ to \$6.653/GJ corresponding to an increase of 2.6 percent compared to the 2012 delivery rate;

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- F. By way of Order G-192-12, the Commission approved for PNG the delivery rates and the Rate Stabilization Adjustment Mechanism (RSAM) rider set forth in the Application on an interim basis, effective January 1, 2013 and established a Preliminary Regulatory Timetable for the review of the Application;
- G. The Application also seeks approval of the cost pools, the cost allocators and level of shared service cost recovery by PNG from PNG(N.E.), as proposed in the 2012 Shared Services Study and as set forth in the Application, for the purposes of determining the level of such costs to be recovered by PNG (N.E.) in its customer rates;
- H. The Commission has determined that an amended Preliminary Regulatory Timetable is warranted in order to allow Interveners and Commission staff sufficient opportunity to review the 2013 Shared Services Cost Allocation to PNG(N.E) in the context of both the Application and the PNG(N.E.) 2013 RRA.

**NOW THEREFORE** pursuant to sections 58 to 61, 89 and 90 of the Act, the Commission orders as follows:

1. The Preliminary Regulatory Timetable established by Order G-192-12 is amended and attached as Appendix A to this Order.
2. PNG is to provide a copy of this Commission Order, electronically where possible, to all parties who participated in the PNG 2012 Revenue Requirements Application proceedings, as well as large industrial customers.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 15<sup>th</sup> day of January 2013.

BY ORDER

*Original signed by:*

D.A. Cote  
Panel Chair/Commissioner

Attachment

**PACIFIC NORTHERN GAS LTD.**  
Application for Approval of 2013 Revenue Requirements  
for the PNG-West Service Area

**AMENDED PRELIMINARY  
REGULATORY TIMETABLE**

<b>ACTION</b>	<b>DATE (2013)</b>
Intervener and Interested Party Registration	Friday, January 18
Commission Information Request No. 1	Friday, January 25
Intervener Information Request No. 1	Friday, February 1
Filing of Participant Assistance / Cost Award Budgets	Friday, February 8
PNG Responses to Commission and Intervener Information Request No. 1	Friday, February 15
Commission and Intervener Information Request No. 1 Regarding PNG Shared Service Cost Recovery from PNG(N.E.)	Friday, February 15
Intervener Submissions Regarding Regulatory Process	Wednesday, February 20
PNG Updated Application Filing	Thursday, February 28
PNG Responses to Commission and Intervener Information Request No. 1 Regarding PNG Shared Service Cost Recovery from PNG(N.E.)	Friday, March 1
Commission and Intervener Information Request No. 2	Friday, March 15
Commission and Intervener Information Request No. 2 Regarding PNG Shared Service Cost Recovery from PNG(N.E.)	Friday, March 22
PNG Responses to Commission and Intervener Information Request No. 2	Monday, April 8
PNG Responses to Commission and Intervener Information Request No. 2 Regarding PNG Shared Service Cost Recovery from PNG(N.E.)	Friday, April 12