

## **LETTER L-24-15**

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ERICA HAMILTON COMMISSION SECRETARY Commission.Secretary@bcuc.com web site: http://www.bcuc.com

VIA EMAIL jkennedy@png.ca

June 11, 2015

Ms. Janet P. Kennedy Vice-President, Regulatory Affairs & Gas Supply Pacific Northern Gas Ltd. 1185 West Georgia Street Suite 950 Vancouver, BC V6E 4E6

Dear Ms. Kennedy:

Re: Pacific Northern Gas (N.E.) Ltd. Second Quarter 2015 Report on Gas Supply Costs for the PNG (N.E.) Fort St. John/Dawson Creek and Tumbler Ridge Divisions

On June 4, 2015, Pacific Northern Gas (N.E.) Ltd. [PNG (N.E.)] filed with the British Columbia Utilities Commission (Commission) its Second Quarter 2015 Report on gas supply costs and Gas Cost Variance Account (GCVA) balances for its Fort St. John/Dawson Creek (FSJ/DC) and Tumbler Ridge Divisions (Report).

The Commission, by Letters L-5-01 and L-40-11, set out a guideline trigger mechanism and rate change methodology (Guidelines) that have generally been adopted by natural gas and propane utilities including PNG (N.E.).

For the FSJ/DC and Tumbler Ridge Divisions, the Commission notes that Order G-45-15 established the current gas commodity rates, GCVA commodity rate rider, and Company Use GCVA gas cost rate rider. Order G-194-14 established the current Company Use gas cost delivery rate and Company Use gas commodity price used for deferral accounting.

The Commission reviewed the Report taking into account the Guidelines and accepts PNG (N.E.)'s recommendations that no changes to the gas commodity rates and gas cost rate riders are required for the FSJ/DC and Tumbler Ridge Divisions. The rates established under the above noted orders will remain unchanged at July 1, 2015.

Yours truly, Original signed by: Erica Hamilton

CM/cms

cc: Mr. Verlon G. Otto, CA Manager, Regulatory Affairs & Special Projects Pacific Northern Gas Ltd. votto@png.ca

Orders/L-24-15\_PNG(NE) 2015 Second Quarter Gas Costs