



LETTER L-37-15

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VIA EMAIL
jkennedy@png.ca

September 10, 2015

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

Dear Ms. Kennedy:

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

On August 28, 2015, Pacific Northern Gas (N.E.) Ltd. [PNG (N.E.)] filed with the British Columbia Utilities Commission (Commission) its Third 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 (TR) service areas (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 FSJ/DC and TR, 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. These rates and related riders were maintained through Letter L-24-15. 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 FSJ/DC and TR. The rates established under the above noted orders will remain unchanged at October 1, 2015.

Yours truly,

Erica Hamilton

ES/dg

cc: Mr. Verlon G. Otto, CPA, CA
Manager, Regulatory Affairs & Special Projects
Pacific Northern Gas Ltd.
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