



**ORDER NUMBER**  
**G-331-19**

IN THE MATTER OF  
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

Pacific Northern Gas (N.E.) Ltd.  
2020-2021 Revenue Requirements Application  
for the Fort St. John/Dawson Creek and Tumbler Ridge Divisions

**BEFORE:**

A. K. Fung, QC, Panel Chair  
C. M. Brewer, Commissioner  
M. Kresivo, QC, Commissioner

on December 18, 2019

**ORDER**

**WHEREAS:**

- A. On November 29, 2019, Pacific Northern Gas (N.E.) Ltd. [PNG(NE)] filed its 2020–2021 Revenue Requirements Application (RRA) with the British Columbia Utilities Commission (BCUC) for the Fort St. John/Dawson Creek (FSJ/DC) and Tumbler Ridge (TR) Divisions pursuant to sections 58 to 61 of the *Utilities Commission Act* (UCA) (Application);
- B. In its Application, PNG(NE) seeks an order granting relief pursuant to sections 58 to 61, 89 and 90 of the UCA to allow PNG(NE) to amend its delivery rates and Revenue Stabilization Adjustment Mechanism (RSAM) on an interim and refundable/recoverable basis, effective January 1, 2020, pending the regulatory process for the review of the Application and orders subsequent to this process;
- C. PNG(NE) is seeking approval to increase delivery rates on an interim and refundable/recoverable basis for the FSJ/DC Division to cover the forecast 2020 revenue deficiency for the following rate classes, among other rate classes:
  - 1. an 11.9 percent increase from \$4.633/GJ to \$5.182/GJ for FSJ Residential service and a 12.4 percent increase from \$4.435/GJ to \$4.984/GJ for DC Residential service;
  - 2. a 10.2 percent increase from \$3.609/GJ to \$3.977/GJ for FSJ Small Commercial service and a 12.0 percent increase from \$3.072/GJ to \$3.440/GJ for DC Small Commercial service; and

PNG(NE) is also seeking approval for a decrease in the RSAM rate rider on an interim and refundable/recoverable basis for the FSJ/DC Division applicable to Residential, Small Commercial and Commercial Transport customers from \$0.059/GJ to a credit rider of \$0.081/GJ;

D. PNG(NE) is seeking approval to increase delivery rates on an interim and refundable/recoverable basis for the TR Division to cover the forecast 2020 revenue deficiency for the following rate classes, among other rate classes:

1. a 4.3 percent increase from \$10.435/GJ to \$10.887/GJ for TR Residential service;
2. a 4.0 percent increase from \$8.249/GJ to \$8.579/GJ for TR Small Commercial service; and

PNG(NE) is also seeking approval for a decrease in the RSAM rate rider on an interim and refundable/recoverable basis for the TR Division applicable to Residential and Small Commercial customers from \$0.049/GJ to a credit rider of \$0.947/GJ;

- E. PNG(NE) submits in its Application that it will seek approval of permanent 2020 and 2021 rates in the Amended Application to be filed at the end of February 2020;
- F. PNG(NE) proposes a written hearing process for the review of the Application; and
- G. The BCUC has commenced review of the Application and finds that a preliminary regulatory timetable should be established and that the setting of interim rates is warranted.

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

1. The delivery rates and the RSAM rate rider set forth in the Application are approved on an interim basis, effective January 1, 2020. Any differences between the interim and permanent rates that are determined by the BCUC following final disposition of the Application are subject to refund/recovery, with interest, at the average prime rate of PNG(NE)'s principal bank for its most recent year, in the manner as set out by a BCUC order that establishes permanent rates.
2. The preliminary regulatory timetable for the review of the Application is established, as set out in Appendix A to this order.
3. Interveners who wish to participate in the regulatory proceeding are to register with the BCUC by completing a [Request to Intervene Form](#), available on the BCUC's website under Get Involved, by the date established in the preliminary regulatory timetable and in accordance with the BCUC's Rules of Practice and Procedure attached to Order G-15-19.
4. PNG(NE) is to provide a copy, electronically where possible, of this order and accompanying appendices to all parties who participated in the PNG(NE) 2018–2019 RRA proceeding.
5. The Application and supporting material are to be made available for inspection at the following locations as soon as reasonably possible but no later than Friday, January 10, 2020: (1) public libraries in Fort St. John, Dawson Creek and Tumbler Ridge; (2) the head office of PNG(NE) at Suite 750, 888 Dunsmuir Street, Vancouver, BC, V6C 3K4; and (3) the BCUC office at Suite 410, 900 Howe Street, Vancouver, BC, V6Z 2N3. PNG(NE) is to also make the Application available on its website at [www.png.ca](http://www.png.ca).
6. PNG(NE) is to publish in print/display-ad format, as soon as reasonably possible but no later than Friday, January 10, 2020, the Notice of Application attached as Appendix B to this order, in such appropriate news publications as may properly provide adequate notice to the public in the affected service area.

7. PNG(NE) is directed include a notice of the approved interim rates with the next bill for each customer.
8. PNG(NE) must publish notice of this Application on its Twitter and Facebook social media platforms, as soon as reasonably possible but no later than Friday, January 10, 2020.
9. PNG(NE) must file its Amended Application on or before February 28, 2020, in the same format as the Amended Application filed as Exhibit B-1-1 in PNG(NE) 2018–2019 RRA proceeding.
10. PNG(NE) is directed to file amended tariff rate schedules, in accordance with the terms of this order, within 15 business days of the date of this order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 18<sup>th</sup> day of December 2019.

BY ORDER

*Original signed by:*

A. K. Fung, QC  
Commissioner

Attachment

Pacific Northern Gas (N.E.) Ltd.  
2020–2021 Revenue Requirements Application  
for the Fort St. John/Dawson Creek and Tumbler Ridge Divisions

**REGULATORY TIMETABLE**

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Action	Date (2020)
PNG to provide Public Notice in print/display-ad format	Friday, January 10
PNG to publish notice on its Twitter and Facebook social media platforms	Friday, January 10
Intervener registration	Friday, January 31
PNG(NE) to file Amended Application	Friday, February 28
BCUC Information Request (IR) No. 1 to PNG(NE)	Monday, April 6
Intervener IR No. 1 to PNG(NE)	Wednesday, April 15
PNG(NE) responses to BCUC and Intervener IR No. 1	Wednesday, April 29
BCUC and Intervener IR No. 2 to PNG(NE)	Friday, May 15
PNG(NE) responses to BCUC and Intervener IR No. 2	Wednesday, June 3
Further process	To be determined



# We want to hear from you

## Pacific Northern Gas (N.E.) Ltd. 2020–2021 Revenue Requirements Application

On November 29, 2019, Pacific Northern Gas (N.E.) Ltd. [PNG(NE)] filed its 2020–2021 Revenue Requirements (Rate) Application for the Fort St. John, Dawson Creek, and Tumbler Ridge Divisions with the British Columbia Utilities Commission (BCUC). The Rate Application contains several requests, including a request to increase the 2020 delivery rates and reduce the Revenue Stabilization Adjustment Mechanism rate rider on an interim and refundable/recoverable basis.

The overall bundled rate change for the Fort St. John and Dawson Creek Divisions is an increase of 6.5% (or \$62 based on average usage) per year for a residential customer and an increase of 5.7% (or \$210 based on average usage) per year for a small commercial customer.

The overall bundled rate change for the Tumbler Ridge Division is a decrease of 3.3% (or \$40 based on average usage) per year for a residential customer and a decrease of 5% (or \$254 based on average usage) per year for a small commercial customer.

These changes have been approved on an interim basis effective January 1, 2020. Any difference between the approved interim rates and permanent rates will be refunded to or recovered from PNG(NE) customers with interest at the time that the Panel makes its final decision on the Application.

PNG(NE) will seek permanent rate changes for 2020 and 2021 in an amended Rate Application, to be submitted to the BCUC for review in February 2020.

### HOW TO PARTICIPATE

- **Submit a letter of comment**
- **Register as an interested party**
- **Request intervenor status**

### IMPORTANT DATE

**Friday, January 31, 2020**

Deadline to register as an intervenor with the BCUC

For more information on getting involved, please visit our website ([www.bcuc.com/get-involved](http://www.bcuc.com/get-involved)) or contact us at the information below.

## GET MORE INFORMATION

### Pacific Northern Gas (N.E.) Ltd.



750 – 888 Dunsmuir Street  
Vancouver, BC V6C 3K4



E: [regulatory@png.ca](mailto:regulatory@png.ca)



P: 604.691.5680

### British Columbia Utilities Commission



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