



**ORDER NUMBER**  
**G-123-20**

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

and

Pacific Northern Gas Ltd.  
Application for Approval of Industrial Firm Transportation Rate Schedule 40

**BEFORE:**

T. A. Loski, Panel Chair  
C. Brewer, Commissioner  
M. Kresivo, QC, Commissioner

on May 25, 2020

**ORDER**

**WHEREAS:**

- A. On March 20, 2020, Pacific Northern Gas Ltd. (PNG) filed an application with the British Columbia Utilities Commission (BCUC) for approval of a new industrial firm transportation rate schedule (RS 40) (Application);
- B. In the Application, PNG requests the following:
  - 1. Approval of RS 40 and the related general terms and conditions (GTCs), pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA);
  - 2. Approval of the draft form of the Transportation Service Agreement (TSA) for customers seeking industrial firm transportation service, pursuant to section 58 of the UCA; and
  - 3. Approval to record to the Industrial Customer Deliveries Deferral Account (ICDDA), the delivery margin impact due to the rate differential of customers switching from an interruptible rate to the proposed RS 40 rate during test years 2020 and 2021 for amortization in 2022, pursuant to sections 59 to 61 of the UCA;
- C. By orders G-78-20 dated April 6, 2020, and G-90-20 dated April 17, 2020, respectively, the BCUC established and later amended a regulatory timetable for the review of the Application;
- D. In accordance with the regulatory timetable, the BCUC issued one round of Information Requests (IR) to PNG and PNG responded on May 15, 2020. The BCUC did not receive any requests for intervenor status;
- E. On May 21, 2020, PNG filed a letter with the BCUC indicating it does not intend to submit a Final Argument because there is no intervenor or interested parties registered in the proceeding, and in PNG's view, the Application is straight forward in nature; and

- F. The BCUC has reviewed the Application and considered the responses to the BCUC's IRs and finds that approval is warranted.

**NOW THEREFORE**, pursuant to sections 58 to 61 of the UCA, the BCUC orders as follows:

1. The proposed RS 40 and the related GTCs are approved, subject to the following:
  - i. RS 40 is amended to clearly provide that RS 40 is available "provided adequate capacity exists in Pacific Northern Gas Systems," consistent with the provision in RS 4;
  - ii. RS 40 is amended to clearly provide that RS 40 is only applicable to customers with industrial operations, consistent with PNG's response to BCUC IR 6.2; and
  - iii. RS 40 is to include a rate sheet for interruptible service that would apply under the related TSA, consistent with PNG's response to BCUC IR 6.3.
2. PNG must file with the BCUC, RS 40 and the related GTCs as amended by this order, within 30 days from the date of this order.
3. The draft form of the TSA for customers seeking industrial firm transportation service is approved.
4. The use of the ICDDA to record the delivery margin impact from the rate differential of customers switching from an interruptible rate to RS 40 during 2020 and 2021, and to be amortized in 2022, is approved.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 25<sup>th</sup> day of May 2020.

BY ORDER

*Original signed by:*

T. A. Loski  
Commissioner