



ORDER NUMBER
G-378-21

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

and

Pacific Northern Gas Ltd.
2022 Revenue Requirements Application
for the PNG-West Division

BEFORE:

A. K. Fung, QC, Panel Chair
A. C. Dennier, Commissioner
B. A. Magnan, Commissioner

on December 16, 2021

ORDER

WHEREAS:

- A. On November 30, 2021, Pacific Northern Gas Ltd. (PNG) filed its 2022 Revenue Requirements Application (RRA) with the British Columbia Utilities Commission (BCUC) for the West Division (PNG-West) pursuant to sections 58 to 61 of the *Utilities Commission Act* (UCA) (Application);
- B. In its Application, PNG seeks an order granting relief pursuant to sections 58 to 61, 89 and 90 of the UCA to allow PNG to amend its delivery rates and Revenue Stabilization Adjustment Mechanism (RSAM) on an interim and refundable/recoverable basis, effective January 1, 2022, pending the regulatory process for the review of the Application and orders subsequent to this process;
- C. PNG is seeking approval to increase delivery rates on an interim and refundable/recoverable basis for PNG-West to cover the forecast 2022 revenue deficiency for the following rate classes, among other rate classes:
 - 1. a 4.9 percent increase from \$12.384/Gigajoule (GJ) to \$12.989/GJ for Residential service;
 - 2. a 4.6 percent increase from \$10.425/GJ to \$10.908/GJ for Small Commercial service;
 - 3. a 5.9 percent increase from \$7.095/GJ to \$7.514/GJ for Granisle Propane service; and

PNG is also seeking approval for a decrease in the RSAM rate rider on an interim and refundable/recoverable basis for PNG-West applicable to Residential, Small Commercial and Small Commercial Transport customers from a debit rider of \$0.380/GJ to a credit rider of \$0.333/GJ;

- D. PNG states in its Application that it will seek approval of permanent 2022 rates in the amended application that it intends to file at the end of February 2022 (Amended Application);

- E. PNG proposes a written hearing process for the review of the Application; and
- F. The BCUC has commenced review of the Application and determines that approval of rates on an interim basis and the establishment of a regulatory timetable are warranted.

NOW THEREFORE pursuant to sections 59 to 61 and 89 of the UCA 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, 2022. 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's principal bank for its most recent year, in the manner as set out by a BCUC order that establishes permanent rates.
2. The regulatory timetable is established, as set out in Appendix A to this order, for the review of the Application.
3. PNG is directed to file with the BCUC the rate schedules reflecting the interim approvals for endorsement within 15 business days of the date of this order.
4. PNG is directed to include a notice of the approved interim rates with the next bill for each customer.
5. PNG is to publish in print/display-ad format, as soon as reasonably possible, but no later than Monday, January 10, 2022, the Public Notice 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.
6. By no later than Monday, January 10, 2022, PNG is directed to publish its Application and this order with accompanying appendices on its website and to provide a copy of the Application and this order to all interveners in the PNG-West 2020–2021 RRA.
7. PNG is directed to publish the Public Notice in Appendix B to this order, on any and all of its current social media platforms, on or before Monday, January 10, 2022. Weekly reminder posts that include the Public Notice must be published, on each of these platforms until the conclusion of the intervener registration period on Monday, January 31, 2022.
8. PNG is directed to provide confirmation of compliance with Directives 5, 6 and 7 by Monday, February 7, 2022. Such confirmation shall include confirmation of the Public Notice published in news publications in the affected service areas and on PNG's website and current social media platforms, as well as a list of all parties notified.
9. PNG is directed to file its Amended Application on or before Monday, February 28, 2022, in the same format as the Amended Application filed as Exhibit B-2 in the PNG-West 2020–2021 RRA proceeding.

DATED at the City of Vancouver, in the Province of British Columbia, this16th..... day of December 2021.

BY ORDER

Original signed by:

A. K. Fung, QC
Commissioner

Attachment

Pacific Northern Gas Ltd.
2022 Revenue Requirements Application
for the PNG-West Division

REGULATORY TIMETABLE

Action	Date (2022)
PNG to provide notice of Application	Monday, January 10
Intervener Registration	Monday, January 31
PNG to provide confirmation of compliance with Directives 5, 6 and 7	Monday, February 7
PNG to file Amended Application	Monday, February 28
BCUC Information Request (IR) No. 1 to PNG	Tuesday, March 22
Intervener IR No. 1 to PNG	Tuesday, March 29
PNG responses to BCUC and Intervener IR No. 1	Tuesday, April 12
BCUC and Intervener IR No. 2 to PNG	Tuesday, May 3
PNG responses to BCUC and Intervener IR No. 2	Thursday, May 19
PNG Written Final Argument	Tuesday, June 7
Intervener Written Final Argument	Tuesday, June 21
PNG Written Reply Argument	Tuesday, June 28



We want to hear from you

Pacific Northern Gas Ltd. 2022 Rates Application

On November 30, 2021, Pacific Northern Gas Ltd. (PNG) filed its 2022 Revenue Requirements (Rates) Application for the PNG-West Division seeking the British Columbia Utilities Commission's (BCUC) approval to amend delivery rates and the Revenue Stabilization Adjustment Mechanism (RSAM) rate rider, among other things. The BCUC approved the rates on an interim and refundable basis effective January 1, 2022.

For natural gas customers, the average annual residential bill impact of the combined changes to the delivery rate and the RSAM rate rider is a net decrease of approximately \$8 or 0.8% and the average annual small commercial bill impact of the combined changes is a net decrease of approximately \$72 or 2.1%.

For Granisle propane customers, which are unaffected by the RSAM rate rider, the average annual residential bill impact of the change to the delivery rate is a net increase of approximately \$16 or 5.9% and the average annual small commercial bill impact of the change is a net increase of approximately \$58 or 5.9%.

PNG will file an amended application by February 28, 2022 to reflect 2021 actual results and will seek the BCUC's approval of permanent rate changes, among other things.

HOW TO PARTICIPATE

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

IMPORTANT DATES

1. **Monday, January 31, 2022** – Deadline to register as an intervenor with the BCUC
2. **Tuesday, March 29, 2022** – Deadline for intervenors to file information request number one to PNG

For more information about the Application, please visit the [Proceeding Webpage](#) on bcuc.com under "Our Work – Proceedings". To learn more about getting involved, please visit our website at www.bcuc.com/get-involved or contact us at the information below.

GET MORE INFORMATION

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British Columbia Utilities Commission



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