

Suite 410, 900 Howe Street Vancouver, BC Canada V6Z 2N3 bcuc.com **P:** 604.660.4700 **TF:** 1.800.663.1385 **F:** 604.660.1102

ORDER NUMBER G-379-21

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

and

Pacific Northern Gas (N.E.) Ltd.
2022 Revenue Requirements Application
for the Fort St. John/Dawson Creek and Tumbler Ridge Divisions

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 (N.E.) Ltd. [PNG(NE)] filed its 2022 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, 2022, 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 2022 revenue deficiency for the following rate classes, among other rate classes:
 - 1. a 7.8 percent increase from \$5.465/Gigajoule (GJ) to \$5.893/GJ for FSJ Residential service and a 8.1 percent increase from \$5.267/GJ to \$5.695/GJ for DC Residential service;
 - 2. a 6.9 percent increase from \$4.166/GJ to \$4.455/GJ for FSJ Small Commercial service and a 8.0 percent increase from \$3.629/GJ to \$3.918/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 and Small Commercial customers from a debit rider of \$0.054/GJ to a credit rider of \$0.235/GJ;

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- 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 2022 revenue deficiency for the following rate classes, among other rate classes:
 - a 10.8 percent increase from \$10.499/GJ to \$11.638/GJ for TR Residential service;
 - 2. a 10.1 percent increase from \$8.295/GJ to \$9.132/GJ for TR Small Commercial service; and

PNG(NE) is also seeking approval for an increase in the RSAM rate rider on an interim and refundable/recoverable basis for the TR Division applicable to Residential and Small Commercial customers from a credit rider of \$0.309/GJ to a credit rider of \$0.306/GJ;

- E. PNG(NE) 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);
- 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 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(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 regulatory timetable is established, as set out in Appendix A to this order, for the review of the Application.
- 3. PNG(NE) 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(NE) is directed to include a notice of the approved interim rates with the next bill for each customer.
- 5. PNG(NE) 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(NE) 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(NE) 2020–2021 RRA.
- 7. PNG(NE) 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(NE) 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

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the affected service areas and on PNG(NE)'s website and current social media platforms, as well as a list of all parties notified.

9. PNG(NE) 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 PNG(NE) 2020–2021 RRA proceeding.

DATED at the City of Vancouver, in the Province of British Columbia, this 16th day of December 2021.

BY ORDER

Original signed by:

A. K. Fung, QC Commissioner

Attachment

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Pacific Northern Gas (N.E.) Ltd. 2022 Revenue Requirements Application for the Fort St. John/Dawson Creek and Tumbler Ridge Divisions

REGULATORY TIMETABLE

Action	Date (2022)
PNG(NE) to provide notice of Application	Monday, January 10
Intervener Registration	Monday, January 31
PNG(NE) to provide confirmation of compliance with Directives 5, 6 and 7	Monday, February 7
PNG(NE) to file Amended Application	Monday, February 28
BCUC Information Request (IR) No. 1 to PNG(NE)	Wednesday, April 6
Intervener IR No. 1 to PNG(NE)	Wednesday, April 13
PNG(NE) responses to BCUC and Intervener IR No. 1	Tuesday, May 3
BCUC and Intervener IR No. 2 to PNG(NE)	Thursday, May 19
PNG(NE) responses to BCUC and Intervener IR No. 2	Tuesday, June 7
PNG(NE) Written Final Argument	Tuesday, June 21
Intervener Written Final Argument	Wednesday, July 6
PNG(NE) Written Reply Argument	Wednesday, July 13



We want to hear from you

Pacific Northern Gas (N.E.) Ltd. 2022 Rates Application

On November 30, 2021, Pacific Northern Gas (N.E.) Ltd. [PNG(NE)] filed its 2022 Revenue Requirements (Rates) Application for the Fort St. John/Dawson Creek and Tumbler Ridge Divisions seeking the British Columbia Utilities Commission's (BCUC) approval to amend its 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.

The average bill impact of the combined changes to the delivery rate and the RSAM rate rider, for each of the service areas is:

- For Fort St. John the average annual residential bill impact is a net increase of approximately \$15 or 2.5%, and the average annual small commercial bill impact is nil.
- For Dawson Creek the average annual residential bill impact is a net increase of approximately \$14 or 2.6%, and the average annual small commercial bill impact is nil.
- For Tumbler Ridge the average annual residential bill impact is a net increase of approximately \$84 or 11.2%, and the average annual small commercial bill impact is a net increase of approximately \$319 or 10.5%.

PNG(NE) 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 intervener status

IMPORTANT DATES

- Monday, January 31, 2022 Deadline to register as an intervener with the BCUC
- Wednesday, April 13, 2022 Deadline for interveners to file information request number one to PNG(NE)

For more information about the Application, please visit the <u>Proceeding Webpage</u> on bcuc.com under "Our Work – Proceedings". To learn more about getting involved, please visit our website at <u>www.bcuc.com/get-involved</u> 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



P: 604.691.5680

British Columbia Utilities Commission



Suite 410, 900 Howe Street Vancouver, BC Canada V6Z 2N3



E: Commission.Secretary@bcuc.com



P: 604.660.4700