



September 22, 2022

Sent via email

**Letter L-36-22**

Mr. Verlon G. Otto  
Director, Regulatory Affairs  
Pacific Northern Gas Ltd.  
750 - 888 Dunsmuir Street  
Vancouver, BC V6C 3K4  
[votto@png.ca](mailto:votto@png.ca)

**Re: Pacific Northern Gas (N.E) Ltd. – Fort St. John/Dawson Creek and Tumbler Ridge Service Areas  
2022 Third Quarter Gas Cost Report**

Dear Mr. Otto:

On September 8, 2022, Pacific Northern Gas (N.E.) Ltd. (PNG(NE)) filed with the British Columbia Utilities Commission (BCUC) its 2022 Third Quarter Gas Supply Costs and Gas Cost Variance Account (GCVA) balances for its Fort St. John/Dawson Creek and Tumbler Ridge service areas, based on five consecutive days of forward gas price forecasts ended August 26, 2022 (the Gas Cost Report).

The BCUC notes that the current gas commodity rates and GCVA Commodity rate rider for the Fort St. John / Dawson Creek and Tumbler Ridge service areas, was last changed by Order G-163-22 when gas commodity rates were increased, effective July 1, 2022, using a 24-month prospective rate setting period.

- \$6.498/GJ for Residential (RS1)
- \$6.484/GJ for Small Commercial (RS2)
- \$6.227/GJ for Large Commercial Firm (RS3)
- \$6.107/GJ for Small Industrial Sales (RS4)

Order G-163-22 increased the Gas Cost Variance Account (GCVA) commodity debit rate rider from debit rate rider of \$0.173/GJ to \$0.227/GJ and decreased the Company Use gas price and unaccounted for gas (UAF) volume deferral account GCVA from a debit rate rider of \$0.053/GJ to a credit rate rider of \$0.006/GJ over a 24-month prospective rate setting period.

The BCUC has reviewed the Report within the context of the quarterly gas costs review and rate setting mechanism guidelines pursuant to Letters L-5-01, L-40-11 and L-15-16 (together the Guidelines) and considers that the Report is consistent with Guidelines. The BCUC acknowledges receipt of the Report and accepts PNG's recommendation that the gas supply cost recovery rates and GCVA commodity rate rider for the Fort St. John/Dawson Creek and Tumbler Ridge service areas remain unchanged effective October 1, 2022.

Sincerely,

*Original signed by:*

Sara Hardgrave  
Acting Commission Secretary

DS/db

cc: [gdoyle@png.ca](mailto:gdoyle@png.ca); [regulatory@png.ca](mailto:regulatory@png.ca)