



ORDER NUMBER
G-373-22

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

and

Pacific Northern Gas (N.E.) Ltd.
2023–2024 Revenue Requirements Application
for the Fort St. John/Dawson Creek and Tumbler Ridge Divisions

BEFORE:

C. Brewer, Panel Chair
T. A. Loski, Commissioner
A. Pape-Salmon, Commissioner

on December 16, 2022

ORDER

WHEREAS:

- A. On November 30, 2022, Pacific Northern Gas (N.E.) Ltd. (PNG(NE)) filed its 2023–2024 Revenue Requirements Application (RRA) with the British Columbia Utilities Commission (BCUC) for its 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 basic charges, delivery rates and Revenue Stabilization Adjustment Mechanism (RSAM) rate rider on an interim and refundable/recoverable basis, effective January 1, 2023, pending the regulatory process for the review of the Application and orders subsequent to this process;
- C. PNG(NE) seeks approval, on an interim and refundable/recoverable basis, to increase its basic charges and delivery rates to cover the forecast 2023 revenue deficiency for the FSJ/DC division and to set rate adjustment riders for the following rate classes, among other rate classes:
 - 1. Basic charges:
 - i. A 7.4 percent increase from \$7.00/month to \$7.52/month for Residential service;
 - ii. A 7.6 percent increase from \$7.00/month to \$7.53/month for Small Commercial service;
 - 2. Delivery rates:
 - i. A 6.4 percent increase from \$5.893/GJ to \$6.269/Gigajoule (GJ) for FSJ Residential service;
 - ii. A 6.3 percent increase from \$4.455/GJ to \$4.737/GJ for FSJ Small Commercial service;

- iii. A 6.6 percent increase from \$5.695/GJ to \$6.071/GJ for DC Residential service;
- iv. A 7.2 percent increase from \$3.918/GJ to \$4.200/GJ for DC Small Commercial service;
- 3. Rate adjustment riders to refund the overcollection of revenues in 2022:
 - i. A credit rate rider of \$0.054/GJ for Residential service;
 - ii. A credit rate rider of \$0.037/GJ for Small Commercial service; and

PNG(NE) also seeks approval for an increase 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 credit rider of \$0.235/GJ to a credit rider of \$0.113/GJ;

D. PNG(NE) seeks approval, on an interim and refundable/recoverable basis, to increase its basic charges and delivery rates to cover the forecast 2023 revenue deficiency for the TR division and to set rate adjustment riders for the following rate classes, among other rate classes:

- 1. Basic charges:
 - i. An 8.9 percent increase from \$8.50/month to \$9.26/month for Residential service;
 - ii. A 9.2 percent increase from \$8.50/month to \$9.28/month for Small Commercial service;
- 2. Delivery rates:
 - i. A 2.7 percent increase from \$11.638/GJ to \$11.953/GJ for Residential service;
 - ii. A 3.3 percent increase from \$9.132/GJ to \$9.430/GJ for Small Commercial service;
- 3. Rate adjustment riders to refund the overcollection of revenues in 2022:
 - i. A credit rate rider of \$0.651/GJ for Residential service;
 - ii. A credit rate rider of \$0.513/GJ for Small Commercial service; and

PNG(NE) also seeks 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 \$0.306/GJ to a debit rider of \$0.022/GJ;

E. PNG(NE) states in its Application that it will seek approval of permanent 2023 and 2024 rates in the amended application that it intends to file at the end of February 2023 (Amended Application);

F. PNG(NE) proposes a written hearing process for the review of the Application; and

G. The BCUC has commenced the 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 basic charges, delivery rates, rate adjustment riders and the RSAM rate rider set forth in the Application are approved on an interim basis, effective January 1, 2023. 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.

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 Friday, January 13, 2023, 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 areas.
6. By no later than Friday, January 13, 2023, 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) 2022 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 Friday, January 13, 2023. 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 Friday, February 3, 2023.
8. PNG(NE) is directed to provide confirmation of compliance with Directives 5, 6 and 7 by Monday, February 13, 2023. Such confirmation shall include confirmation of the Public Notice published in news publications in 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 Tuesday, February 28, 2023, in the same format as the Amended Application filed as Exhibit B-5 in the PNG(NE) 2022 RRA proceeding.

DATED at the City of Vancouver, in the Province of British Columbia, this 16th day of December 2022.

BY ORDER

Original signed by:

C. Brewer
Commissioner

Attachments

Pacific Northern Gas (N.E.) Ltd.
2023–2024 Revenue Requirements Application
for the Fort St. John/Dawson Creek and Tumbler Ridge Divisions

REGULATORY TIMETABLE

Action	Date (2023)
PNG(NE) to provide notice of Application	Friday, January 13
Intervener Registration	Friday, February 3
PNG(NE) to provide confirmation of compliance with Directives 5, 6 and 7	Monday, February 13
PNG(NE) to file Amended Application	Tuesday, February 28
BCUC Information Request (IR) No. 1 to PNG(NE)	Monday, April 17
Intervener IR No. 1 to PNG(NE)	Monday, April 24
PNG(NE) responses to BCUC and Intervener IR No. 1	Thursday, May 11
BCUC and Intervener IR No. 2 to PNG(NE)	Monday, June 5
PNG(NE) responses to BCUC and Intervener IR No. 2	Monday, June 26
PNG(NE) Written Final Argument	Monday, July 10
Intervener Written Final Argument	Thursday, July 20
PNG(NE) Written Reply Argument	Tuesday, August 1



We want to hear from you

Pacific Northern Gas (N.E.) Ltd. 2023–2024 Rates Application

On November 30, 2022, Pacific Northern Gas (N.E.) Ltd. (PNG(NE)) filed its 2023–2024 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 increase the 2023 basic charges, delivery rates and the Revenue Stabilization Adjustment Mechanism rate rider, on an interim and refundable/recoverable basis. PNG(NE) is also seeking approval to establish rate adjustment riders to refund the difference between 2022 interim and final rates, among other things. The BCUC approved these rates and rate riders on an interim and refundable basis, effective January 1, 2023.

The average annual bill impact of the combined changes for each of the service areas are:

- Fort St. John: average residential customer bill impact is a net increase of approximately \$54 or 7.7%, and average small commercial customer bill impact is a net increase of approximately \$182 or 8.5%.
- Dawson Creek: average residential customer bill impact is a net increase of approximately \$52 or 8.0%, and average small commercial customer bill impact is a net increase of approximately \$182 or 9.7%.
- Tumbler Ridge: average residential customer bill impact is a net increase of approximately \$9 or 0.9%, and average small commercial customer bill impact is a net increase of approximately \$55 or 1.5%.

HOW TO PARTICIPATE

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

IMPORTANT DATES

1. **Friday, February 3, 2023** – Deadline to register as an intervenor with the BCUC
2. **Monday, April 24, 2023** – Deadline for intervenors to file the first information request to PNG(NE)

For more information about the Application, please visit the [Proceeding Webpage](https://www.bcuc.com/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

Pacific Northern Gas 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