



**ORDER NUMBER
G-333-24**

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

and

Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd.
2025 Interim Rates

BEFORE:

T. A. Loski, Commissioner

on December 12, 2024

ORDER

WHEREAS:

- A. On December 3, 2024, Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd. [PNG(NE)] (collectively, PNG) filed a request pursuant to sections 58 to 61, 89 and 90 of the *Utilities Commission Act* (UCA) for the British Columbia Utilities Commission (BCUC) to grant interim approval of its basic charges, delivery charges and Revenue Stabilization Adjustment Mechanism (RSAM) rate riders, effective January 1, 2025, for each PNG division (Interim Rates Application);
- B. PNG requests that the interim approval to amend its basic charges, delivery charges and RSAM rate riders, effective January 1, 2025, be on a refundable or recoverable basis, pending the regulatory process for the review of PNG's 2025–2026 Revenue Requirements Applications (2025–2026 RRAs) to be filed on or before February 28, 2025. Further, PNG states that it will seek permanent approval of its 2025 rates in its 2025–2026 RRAs and anticipates implementing the applied for 2025 permanent rates effective April 1, 2025, on an interim basis;
- C. On November 29, 2024, the BCUC issued Order G-321-24 and the accompanying decision on the Generic Cost of Capital Stage 2 proceeding (GCOC Stage 2 Decision), which included increases to the deemed equity component and the allowed return on equity for each of the PNG divisions. PNG's proposed interim rates in the Interim Rates Application incorporate the impacts of the GCOC Stage 2 Decision;
- D. For the PNG-West division, PNG is seeking approval to increase the basic charges and delivery charges on an interim, refundable or recoverable basis, to recover an anticipated 2025 revenue deficiency for the following rate classes, among other rate classes:
 1. Basic charges:
 - i. For Residential service, a 6.7 percent increase from \$13.34/month to \$14.24/month;

- ii. For Small Commercial service, a 6.8 percent increase from \$31.07/month to \$33.19/month;
 - iii. For Granisle Propane service, a 6.7 percent increase from \$13.34/month to \$14.24/month;
2. Delivery charges:
- i. For Residential service, a 6.8 percent increase from \$16.116/gigajoule (GJ) to \$17.213/GJ;
 - ii. For Small Commercial service, a 6.8 percent increase from \$13.542/GJ to \$14.465/GJ;
 - iii. For Granisle Propane service, a 6.7 percent increase from \$9.290/GJ to \$9.916/GJ; and
- E. For the PNG-West division, PNG is also seeking approval for an increase in the RSAM rate rider on an interim, refundable or recoverable basis, applicable to Residential, Small Commercial and Commercial Transport customers from a debit rider of \$0.165/GJ to a debit rider of \$0.966/GJ;
- F. For the PNG(NE) Fort St. John/Dawson Creek division, PNG is seeking approval to increase the basic charges and delivery charges on an interim, refundable or recoverable basis, to recover an anticipated 2025 revenue deficiency for the following rate classes, among other rate classes:
1. Basic charges:
- i. For Residential service, a 4.3 percent increase from \$7.94/month to \$8.28/month;
 - ii. For Small Commercial service, a 4.3 percent increase from \$7.95/month to \$8.29/month;
2. Delivery charges:
- i. For Fort St. John Residential service, a 4.2 percent increase from \$6.614/GJ to \$6.893/GJ;
 - ii. For Dawson Creek Residential service, a 4.3 percent increase from \$6.416/GJ to \$6.695/GJ;
 - iii. For Fort St. John Small Commercial service, a 4.1 percent increase from \$4.991/GJ to \$5.197/GJ;
 - iv. For Dawson Creek Small Commercial service, a 4.6 percent increase from \$4.454/GJ to \$4.660/GJ; and
- G. For the PNG(NE) Fort St. John/Dawson Creek division, PNG is also seeking approval for an increase in the RSAM rate rider on an interim, refundable or recoverable basis, applicable to Residential and Small Commercial customers from a credit rider of \$0.050/GJ to a debit rider of \$0.927/GJ;
- H. For the PNG(NE) Tumbler Ridge division, PNG is seeking approval to increase the basic charges and delivery charges on an interim, refundable or recoverable basis, to recover an anticipated 2025 revenue deficiency for the following rate classes, among other rate classes:
1. Basic charges:
- i. For Residential service, a 2.8 percent increase from \$9.96/month to \$10.24/month;
 - ii. For Small Commercial service, a 2.9 percent increase from \$9.98/month to \$10.27/month;
2. Delivery charges:
- i. For Residential service, a 2.8 percent increase from \$12.855/GJ to \$13.216/GJ;
 - ii. For Small Commercial service, a 2.8 percent increase from \$10.154/GJ to \$10.443/GJ; and

- I. For the PNG(NE) Tumbler Ridge division, PNG is also seeking approval for an increase in the RSAM rate rider on an interim, refundable or recoverable basis, applicable to Residential and Small Commercial customers from a credit rider of \$0.219/GJ to a debit rider of \$1.248/GJ;
- J. On December 9, 2024, PNG filed supplemental information to the Interim Rates Application, which includes supporting schedules to show the proposed interim rate changes; and
- K. The BCUC has reviewed the Interim Rates Application and makes the following determinations.

NOW THEREFORE pursuant to sections 58 to 61 and 89 of the UCA, the BCUC orders as follows:

1. The basic charges, delivery charges and the RSAM rate riders set forth in Attachment D to the Interim Rates Application are approved on an interim basis, effective January 1, 2025. Any differences between the interim rates and the permanent rates effective January 1, 2025 that are determined by the BCUC following final disposition of the 2025–2026 RRAs are subject to refund or recovery, with interest at the average prime rate of PNG/PNG(NE)'s principal bank for its most recent year.
2. PNG is directed to file with the BCUC the rate schedules reflecting the interim approvals in Directive 1 of this order for endorsement by January 31, 2025, in conjunction with any other rate changes approved by the BCUC effective January 1, 2025.
3. PNG is directed to include a notice of the approved interim rates with the next bill for each customer.
4. PNG is directed to provide a copy, electronically where possible, of the Interim Rates Application and this order by no later than Thursday, December 19, 2024 to all registered interveners in PNG's 2023–2024 Revenue Requirements Applications.
5. PNG is directed to file its 2025–2026 RRAs on or before Friday, February 28, 2025, in the same format as the amended revenue requirements applications filed as Exhibit B-1-1 in the PNG-West 2023–2024 Revenue Requirements Application proceeding and Exhibit B-1-1 in the PNG(NE) 2023–2024 Revenue Requirements Application proceeding.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of December 2024.

BY ORDER

Electronically signed by Tom Loski

T. A. Loski
Commissioner