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ORDER NUMBER G-101-25

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

and

Pacific Northern Gas Ltd. PNG-West 2025 to 2027 Revenue Requirements

BEFORE:

M. Jaccard, Panel Chair E. B. Lockhart, Commissioner T. A. Loski, Commissioner

on April 22, 2025

ORDER

WHEREAS:

- A. On April 2, 2025, Pacific Northern Gas Ltd. (PNG) filed its 2025–2027 Revenue Requirements Application (RRA) with the British Columbia Utilities Commission (BCUC) for its west division (PNG-West) pursuant to sections 58 to 61, 89 and 90 of the *Utilities Commission Act* seeking permanent approval of its 2025, 2026 and 2027 basic charges and delivery rates, and its 2025 Revenue Stabilization Adjustment Mechanism (RSAM) rate rider on a permanent basis, effective January 1, 2025 (Application);
- B. In the Application, PNG seeks an order granting relief pursuant to sections 58 to 61, 89 and 90 of the *Utilities Commission Act* to allow PNG to amend its 2025 basic charges, delivery rates, and RSAM rate rider to be approved on an interim and refundable or recoverable basis, effective May 1, 2025, pending the regulatory process for the review of the Application (Amended Interim Rates);
- C. By Order G-333-24 dated December 12, 2024, the BCUC approved PNG's request for interim approval of its basic charges, delivery rates and RSAM rate rider on an interim and refundable or recoverable basis, effective January 1, 2025. The BCUC also directed PNG to file its 2025 to 2026 RRA by February 28, 2025;
- D. By letters dated February 20, 2025 and March 12, 2025, PNG requested extensions to the deadline to file its 2025 to 2026 RRA, in part to allow additional time to incorporate an additional year to the test period. The BCUC granted the request to extend the filing deadline to April 2, 2025;
- E. In the Application, PNG is seeking approval to increase the basic charges and delivery rates on an interim and refundable or recoverable basis effective May 1, 2025, from the currently approved interim rates effective January 1, 2025, for the following rate classes, among other rate classes:

- 1. Basic charges:
 - i. from \$14.24/month to \$17.05/month for Residential service;
 - ii. from \$33.19/month to \$39.72/month for Small Commercial service;
 - iii. from \$14.24/month to \$17.05/month for Granisle Propane service;
- 2. Delivery rates:
 - i. from \$17.213/GJ to \$20.592/gigajoule (GJ) for Residential service;
 - ii. from \$14.465/GJ to \$17.311/GJ for Small Commercial service;
 - iii. from \$9.916/GJ to \$11.882/GJ for Granisle Propane service; and
- F. PNG is also seeking approval for an increase in the RSAM rate rider on an interim and refundable or recoverable basis, applicable to Residential and Small Commercial customers, from the debit rate rider of \$0.966/GJ as approved on an interim basis, effective January 1, 2025 by Order G-333-24 to a debit rate rider of \$1.216/GJ, effective May 1, 2025; and
- G. The BCUC has commenced the review of the Application and determines that approval of Amended Interim Rates and the establishment of a regulatory timetable are warranted.

NOW THEREFORE pursuant to sections 58 to 61 and 89 of the *Utilities Commission Act*, the BCUC orders as follows:

- 1. PNG is approved to use the 2025 basic charges, delivery rates and the RSAM rate rider set forth in Tab 6 of the Application on an interim basis, effective May 1, 2025.
- 2. Any variance between the interim rates effective January 1, 2025 and May 1, 2025, as compared to the permanent rates effective January 1, 2025 that are determined by the BCUC following final disposition of the Application, is subject to refund or recovery by PNG, with interest at the average prime rate of PNG's principal bank for its most recent year.
- 3. The regulatory timetable is established, as set out in Appendix A to this order, for the review of the Application.
- 4. PNG is directed to file with the BCUC, the rate schedules reflecting the amended interim approvals for endorsement within 30 business days of the date of this order.
- 5. PNG is directed to provide public notice for the review of the Application as follows:
 - a. 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 2023 to 2024 RRA proceeding by no later than Tuesday, April 29, 2025.
 - b. Publish the Public Notice in Appendix B to this order on all its current social media platforms, on or before Tuesday, April 29, 2025. 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 Tuesday, May 20, 2025.

- c. Provide a copy of the public notice in Appendix B to this order to all customers, by email wherever possible and other means as needed, as soon as practicable but by no later than Tuesday, May 13, 2025.
- 6. PNG is directed to provide to the BCUC:
 - a. Confirmation of compliance with the public notice requirements in Directives 5(a) and 5(b) of this order, except for the weekly social media reminder posts, including a list of social media platforms on which notice was posted and a list of all parties notified by Thursday, May 1, 2025.
 - b. Confirmation of compliance with Directive 5(b)'s public notice requirement regarding weekly social media reminder posts in accordance with the regulatory timetable by Thursday, May 22, 2025.
 - c. Confirmation of compliance with Directive 5(c) of this order by no later than Thursday, May 15, 2025.

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of April 2025.

BY ORDER

Electronically signed by Mark Jaccard

M. Jaccard Commissioner

Attachment

Pacific Northern Gas Ltd. PNG-West 2025 to 2027 Revenue Requirements

REGULATORY TIMETABLE

Action	Date (2025)
PNG provides notice of the Application per Directives 5(a) and 5(b)	Tuesday, April 29
PNG provides notice of the Application per Directive 5(c)	Tuesday, May 13
Intervener registration deadline	Tuesday, May 20
BCUC Information Request (IR) No. 1	Tuesday, May 27
Intervener IR No. 1	Tuesday, June 3
PNG responses to IR No. 1	Thursday, June 26
PNG final argument	Monday, July 21
Intervener final argument	Thursday, August 7
PNG reply argument	Thursday, August 21



We want to hear from you

Pacific Northern Gas Ltd. 2025–2027 Rates Application

On April 2, 2025, Pacific Northern Gas Ltd. (PNG) applied to the British Columbia Utilities Commission's (BCUC) for approval to increase its rates over the next three years for customers in its west division (PNG-West).

PNG requested that the rate increases apply to the basic charges and delivery rates for all rate classes for 2025, 2026, and 2027.

For PNG-West residential, small commercial, and Granisle customers, the requested rate changes to basic charges and delivery rates as compared to 2024 rates would be approximately 28% for 2025, 28% for 2026, and 5% for 2027.

PNG also requested approval to change the Rate Stabilization Adjustment Mechanism (RSAM) rate rider in 2025 to \$1.216 per gigajoule, which is applicable to Residential and Small Commercial customers.

The overall annual bill impact for the average customer in 2025, compared to 2024 rates, including natural gas and propane costs and the removal of the carbon tax, for:

- Residential customers is \$212 or 12.7%
- Small Commercial customers is \$684 or 10.1%
- Granisle Residential customers is \$9 or 1.2%,
- Granisle Small Commercial customers is -\$103 or -3.9%.

For 2025 rates, the BCUC approved and applied a portion of the increase to rates on January 1, 2025, and the remainder will be applied on May 1, 2025. The rates were approved on an interim basis while the BCUC reviews PNG's application for permanent rates, among other items. Any difference between interim and permanent rates will be recovered from or refunded to customers.

The BCUC is holding an open and transparent proceeding to review PNG's 2025-2027 revenue requirements application. To learn more, please visit the **proceeding webpage**.

GET INVOLVED

- Submit a letter of comment
- <u>Subscribe to the proceeding</u>
- <u>Request intervener status</u>

IMPORTANT DATES

Tuesday, May 20, 2025 – Deadline to request intervener status with the BCUC

Thursday, June 26, 2025 – Deadline to submit a letter of comment to share your views, opinions, and insights on the application.

For more information about participating in the proceeding, visit <u>www.bcuc.com/get-involved</u>.

CONTACT INFORMATION	
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