



**ORDER NUMBER**  
**G-188-25**

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 to 2027 Energy Conservation and Innovation Portfolio Funding

**BEFORE:**

M. Jaccard, Panel Chair  
B. A. Magnan, Commissioner

on July 31, 2025

**ORDER**

**WHEREAS:**

- A. On December 11, 2024, Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd. (collectively, PNG) filed an application for acceptance by the British Columbia Utilities Commission (BCUC) of the Energy Conservation and Innovation (ECI) Portfolio Funding for 2025-2027 (Application), pursuant to section 44.2 of the *Utilities Commission Act* (UCA);
- B. PNG is seeking acceptance of Demand Side Measures (DSM) expenditures totalling \$5,250,542 as set out in the Application for the period 2025 to 2027;
- C. PNG also seeks approval to continue:
  - 1. the program funding transfer rules most recently approved under Order G-171-23 providing PNG flexibility to reallocate expenditures less than or equal to 25 percent of the program area budget between program areas and program years; and
  - 2. to record all DSM expenditures in the rate base regulatory asset deferral account, and to amortize those expenditures over ten years, consistent with approvals granted under Order G-171-23;
- D. By Order G-7-25 dated January 16, 2025, and as amended by Orders G-32-25, G-64-25, and G-99-25, the BCUC established a public hearing process and regulatory timetable for the review of the Application, which consisted of public notice, intervenor registration, one round of information requests (IRs), letters of comment, Panel IRs, and final and reply arguments;
- E. British Columbia Sustainable Energy Association; BC Old Age Pensioners' Organization et al.; the Commercial Energy Consumers Association of British Columbia; the Town of Smithers; and Residential Consumer Intervener Association registered as interveners in this proceeding; and

F. The BCUC has reviewed the evidence and arguments filed in this proceeding and makes the following determinations.

**NOW THEREFORE**, pursuant to section 44.2 of the UCA and for the reasons outlined in the decision accompanying this order, the BCUC orders as follows:

1. PNG's DSM expenditures of \$5,250,542 for the period 2025 to 2027 are accepted as outlined in Table 1 in the decision accompanying this order, and subject to the determination in Section 2.2 of the decision.
2. PNG is approved to continue to use the DSM funding transfer rules as set out in Section 3.1 of the decision accompanying this order.
3. PNG is approved to continue to record all DSM expenditures in the rate base regulatory asset deferral account, amortized over a ten-year period, as set out in Section 3.2 of the decision accompanying this order.
4. PNG is directed to provide DSM annual reports as set out in Section 4 of the decision accompanying this order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 31th day of July 2025.

BY ORDER

*Electronically signed by Mark Jaccard*

M. Jaccard  
Commissioner

Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd.  
2025 to 2027 Energy Conservation and Innovation Portfolio Funding

**DECISION**

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## Executive Summary

On December 11, 2024, Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd. (collectively, PNG) filed an application (Application) with the British Columbia Utilities Commission (BCUC) for acceptance of its Energy Conservation and Innovation (ECI) portfolio for 2025-2027 (ECI Portfolio). PNG is seeking acceptance of expenditures of \$5,250,542 over the period from 2025 to 2027, pursuant to section 44.2 of the *Utilities Commission Act* (UCA).<sup>1</sup>

PNG is also seeking approval to (i) continue to record ECI expenditures in its rate base regulatory asset deferral account, amortized over ten years, and (ii) to continue the program funding transfer rules approved under Order G-171-23.<sup>2</sup>

The Panel finds that PNG's proposed ECI Portfolio is a reasonable approach to balancing the requirements of the amended Demand Side Measures (DSM) Regulation, improving PNG's capacity to implement DSM, and developing the profile of DSM in PNG's service territory. Further, we note that the proposed ECI Portfolio provides opportunities to participate for a range of customer types.

We are satisfied that the ECI Portfolio remains one of the lowest cost ways for PNG to use natural gas more efficiently and to reduce greenhouse gas emissions, consistent with provincial policy and in support of BC's energy objectives. PNG has demonstrated that the proposed ECI Portfolio is cost-effective as defined by the DSM Regulation and adequately explained differences with the most recently filed long-term resource plan. The rate impact of the proposed expenditures is forecast to be modest, and will be of benefit to participating customers, particularly in light of PNG's proposed rate increases. Therefore, the Panel finds the expenditures set out in PNG's 2025-2027 ECI Portfolio are in the public interest and accepts the proposed expenditures of \$5,250,542, pursuant to section 44.2(3) of the UCA.

However, recognizing both PNG's size, resource constraints and current rate pressures, the Panel encourages PNG to consider if there are opportunities to moderate DSM expenditures in future.

The Panel approves the continuation of the ECI program funding transfer rules most recently approved under Order G-171-23, and PNG's request to continue to record all ECI expenditures in a rate base deferral account, amortized over a ten-year period.

The Panel is satisfied that the information and level of detail that PNG files in its annual reporting is sufficient for the BCUC to monitor the progress and compliance of PNG's DSM programs. The Panel directs PNG to continue filing DSM annual reports with the BCUC unless the BCUC orders otherwise.

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<sup>1</sup> Exhibit B-1, p. 1.

<sup>2</sup> Ibid., p. 3.

## 1.0 Introduction

### 1.1 Background and Approvals Sought

On December 11, 2024, Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd. (collectively, PNG) filed an application (Application) with the British Columbia Utilities Commission (BCUC) for acceptance of its Energy Conservation and Innovation (ECI) portfolio for 2025-2027 (ECI Portfolio). PNG is seeking acceptance of expenditures of \$5,250,542 over the period from 2025 to 2027, pursuant to section 44.2 of the *Utilities Commission Act* (UCA).<sup>3</sup>

PNG is proposing annual funding amounts that are broadly consistent with the previously accepted 2023-2024 ECI expenditure schedule<sup>4</sup> and reflects stable spending over the three-year period. PNG acknowledges that customer participation in the demand side measures (DSM) offered under its ECI programs has been lower than anticipated and PNG accordingly plans to focus on increasing customer participation in its ECI programs over the test period.<sup>5</sup> In light of the magnitude of rate increases that PNG is currently seeking BCUC approval for,<sup>6</sup> PNG considers that it is important to have incentives available to help its customers – particularly its PNG-West customers – take conservation and efficiency action to help mitigate rising costs of service.<sup>7</sup>

PNG is also seeking approval to (i) continue to record ECI expenditures in its rate base regulatory asset deferral account, amortized over ten years, and (ii) to continue the program funding transfer rules approved under Order G-171-23.<sup>8</sup>

### 1.2 Regulatory and Legislative Context

Under section 44.2(3) and (4) of the UCA, after reviewing an expenditure schedule, the BCUC must either accept the schedule, if making the expenditures referred to in the schedule is found to be in the public interest, or reject the schedule, in whole or in part.

In considering whether to accept an expenditure schedule filed by a public utility, the BCUC must consider the following, as set out in section 44.2(5) of the UCA:<sup>9</sup>

- a) the applicability of British Columbia's energy objectives;
- b) the most recent long-term resource plan filed by the public utility under section 44.1, if any;
- d) if the schedule includes expenditures on demand-side measures, whether the demand-side measures are cost-effective within the meaning prescribed by regulation, if any; and

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<sup>3</sup> Exhibit B-1, p. 1.

<sup>4</sup> Order G-171-23.

<sup>5</sup> Exhibit B-1, p. 1.

<sup>6</sup> PNG-West is seeking approval for rate increases of 28 percent in each of 2025 and 2026, followed by a rate increase of 5 percent in 2027. PNG West Fiscal 2025 to 2027 Revenue Requirements Proceeding; PNG NE Fiscal 2025 to 2027 Revenue Requirements Proceeding

<sup>7</sup> Exhibit B-9, Panel IR 1.2.

<sup>8</sup> Exhibit B-1, p. 3.

<sup>9</sup> The provision under Section 44.2(5)(c) of the UCA, that the BCUC must consider the extent to which the expenditure schedule is consistent with the applicable requirements under sections 6 and 19 of the *Clean Energy Act* (CEA), is not relevant to this Application. Section 6 of the CEA (electricity self-sufficiency) applies only to BC Hydro or to applications made by public utilities under section 44.1 of the UCA, neither of which applies to PNG's Application. Section 19 of the CEA also does not apply to PNG's Application because no regulations have been passed under section 37 (h) of the CEA prescribing public utilities for the purposes of section 19.

- e) the interests of persons in British Columbia who receive or may receive service from the public utility.

BC's energy objectives are outlined in section 2 of the *Clean Energy Act* (CEA).<sup>10</sup>

The Demand-Side Measures Regulation<sup>11</sup> (DSM Regulation) defines the requirements that need to be addressed for a utility's DSM portfolio to be deemed cost-effective for the purposes of section 44.2(5)(d) of the UCA, including limitations on certain measures applicable to gas utilities.

### 1.3 Regulatory Process

By Order G-7-25 dated January 16, 2025, and as amended by Orders G-32-25, G-64-25, and G-99-25, the BCUC established a public hearing process and regulatory timetable for the review of the Application, which consisted of public notice, intervener registration, one round of information requests (IRs), letters of comment, Panel IRs, and final and reply arguments.

The following parties intervened in the proceeding:

- Town of Smithers;
- BC Sustainable Energy Association (BCSEA);
- British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Disability Alliance BC, Council of Senior Citizens' Organizations of BC, and Tenants Resource and Advisory Centre (BCOAPO);
- Residential Consumers Intervener Association (RCIA); and
- The Commercial Energy Consumers Association of British Columbia (the CEC).

The BCUC didn't receive any letters of comment in this proceeding.

### 1.4 Structure of the Decision

Section 2 begins with an overview of PNG's ECI Portfolio, including key program changes, before assessing if the considerations in section 44.2(5) of the UCA support acceptance of PNG's Application, and concluding with the Panel's determination on whether to accept the expenditure schedule.

Section 3 addresses PNG's requests to continue using the previously approved transfer funding rules and deferral treatment, and Section 4 discusses the annual DSM reporting requirements for PNG.

A note on terminology: PNG uses the term Energy Conservation and Innovation (ECI) to describe its demand-side measures (DSM) program of expenditures, as defined by the DSM Regulation. DSM is a broader industry term, while ECI is PNG's specific terminology for its own DSM activities. PNG and interveners use these terms interchangeably, referring to both ECI and DSM program activities. This decision reflects that usage.

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<sup>10</sup> *BC Clean Energy Act*, SBC 2010 Chapter 22, Assented to June 3, 2010.

<sup>11</sup> B.C. Reg. 326/2008 — Demand-Side Measures Regulation.

## 2.0 Consideration of PNG’s 2025-2027 ECI Expenditures

### 2.1 Review of PNG’s 2025-2027 ECI Portfolio

PNG’s Application is the first DSM/ECI expenditure schedule to be filed by PNG since the DSM Regulation was amended on June 27, 2023. PNG proposes expanding several existing programs and introducing a few new programs where opportunities have been identified to serve the residential and commercial markets. In response to the amended DSM Regulation, which no longer allows PNG to support incentives for conventional gas space and water heating equipment with efficiencies less than 100 percent, PNG has modified the scope of some of its programs.<sup>12</sup>

PNG continues to organize its ECI Portfolio into the Residential, Commercial, and Energy Transformation program areas, but based on the DSM Regulation has also created an additional program area called “Income Qualified and First Nations” with specified eligibility requirements. PNG also seeks funding for Enabling Activities which support delivery and development across all of PNG’s ECI programs and so is not directly assigned to any one program or program area.<sup>13</sup>

PNG is proposing annual funding amounts that are broadly consistent with the previously accepted 2023-2024 ECI expenditure schedule<sup>14</sup> and reflects stable spending over the three-year period. PNG chose to keep its overall expenditure requests consistent with previous years and to instead focus on increasing uptake within its approved budgets, while supporting customers in managing their natural gas usage.<sup>15</sup> Table 1 below outlines PNG’s proposed expenditures at the program level over the test period.

**Table 1: 2025-2027 Proposed Expenditures at a Program Level<sup>16</sup>**

	2025 (Forecast)	2026 (Forecast)	2027 (Forecast)	Total (2025-2027)	Portion
Residential	\$ 278,879	\$ 314,125	\$ 354,372	\$ 947,376	18%
Income Qualified and First Nations	\$ 353,455	\$ 381,604	\$ 413,542	\$ 1,148,601	22%
Commercial	\$ 357,095	\$ 516,522	\$ 525,948	\$ 1,399,565	27%
Energy Transformation	\$ 365,000	\$ 365,000	\$ 365,000	\$ 1,095,000	21%
Enabling Activities	\$ 220,000	\$ 220,000	\$ 220,000	\$ 660,000	13%
Total Expenditures	\$1,574,428	\$1,797,251	\$1,878,862	\$5,250,542	100%

Additional changes in PNG’s proposed ECI expenditures for 2025 to 2027 compared to the 2023-2024 ECI expenditure schedule<sup>17</sup> include:

<sup>12</sup> Exhibit B-1, p. 33; PNG Final Argument, p. 2.

<sup>13</sup> Exhibit B-1, p. 5.

<sup>14</sup> Order G-171-23.

<sup>15</sup> PNG Final Argument, p. 7.

<sup>16</sup> Exhibit B-1, Table 3, p. 5.

<sup>17</sup> Order G-171-23.

- Modified programs to reflect new or increased incentives for dual fuel hybrid heating systems (subject to requirements regarding different climate zones), natural gas heat pumps, heat recovery ventilators and building envelope retrofits, where allowed;
- Modified commercial and industrial programs to allow for custom incentives;
- Expanded scope of its enabling activities expenditures to allow for energy efficiency studies and energy management support.<sup>18</sup>

In response to the low levels of participation in PNG's ECI programs historically, PNG has created a new Energy Efficiency Advisor role, which it claims demonstrates its commitment to increasing participation to better maximize the use of accepted DSM expenditures.<sup>19</sup> PNG's new Energy Efficiency Advisor has already overseen an effectively doubling of DSM participation in 2024 compared to 2023, among other corrective actions to improve uptake. PNG proposes to maintain this momentum with new support for energy studies and energy management and for customer outreach and awareness.<sup>20</sup>

PNG's notes that it intends to continue to use third-party service providers to support its own internal activities, and to improve uptake. For certain programs this results in non-incentive costs at a program level exceeding 50 percent, which is contrary to one of PNG's guiding principles. Nonetheless, non-incentive costs are estimated to be a lower percentage (36 percent) of overall portfolio costs.<sup>21</sup> Further, PNG notes that certain programs cannot be implemented using internal resources, without imposing even higher costs on ratepayers.<sup>22</sup>

PNG's Energy Transformation program area funds initiatives designed to raise awareness amongst customers of the opportunities to lower greenhouse gas (GHG) emissions related to PNG's natural gas distribution services. The program areas include PNG's Conservation Education and Outreach (CEO) program, support for codes and standards, and funding of innovative technologies.<sup>23</sup>

Within the overall annual budget of \$365,000 for Energy Transformation, PNG has allocated \$150,000 to participation in the Natural Gas Innovation Fund accelerator program and Canadian Gas Association programs, and for the piloting of innovative technologies at PNG or customer facilities.<sup>24</sup> PNG confirmed that activities that do not meet the definition of DSM,<sup>25</sup> such as pump-down or draw-down compressors, mobile flare stacks and methane monitoring systems, will not be funded out of the ECI plan expenditures.<sup>26</sup>

While the scope of the Energy Transformation program is unchanged from previous years, PNG noted the success of a 2023 general PNG brand awareness campaign, as a base upon which to build further recognition of its ECI program (sub-branded as Smart Energy Solutions). According to PNG the campaign resulted in a 27 percent increase in visits to PNG's website, and a 13-fold increase in applications for PNG's Energy Savings Kits, as compared to the same period in 2022.<sup>27</sup> PNG clarifies that the current Application does not contain any funding for general brand awareness.<sup>28</sup>

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<sup>18</sup> Exhibit B-1, pp. 6-14; PNG Final Argument, p. 3.

<sup>19</sup> *Ibid.*, p. 24.

<sup>20</sup> PNG Final Argument, pp. 5, 7.

<sup>21</sup> Exhibit B-4, BCUC IR 13.1.

<sup>22</sup> PNG Final Argument, p. 8.

<sup>23</sup> Exhibit B-1, p. 77.

<sup>24</sup> Exhibit B-4, BCUC IR 8.1.

<sup>25</sup> As defined in the *BC Clean Energy Act*.

<sup>26</sup> Exhibit B-4, BCUC IR 8.4.

<sup>27</sup> Exhibit B-1, p. 75.

<sup>28</sup> Exhibit B-4, BCUC IR 7.2, 7.4.



## *Positions of the Parties*

All interveners noted PNG's underspending on ECI relative to accepted budgets to date, with several making recommendations. Some raised concerns regarding allocations between rate classes, and with the share of non-incentive costs. However, no interveners suggested rejecting any portion of the expenditure schedules based on these concerns.

### **Overall funding levels and allocation between program areas**

BCOAPPO requests the Panel reallocate \$88,000 from discretionary activities such as energy efficiency studies and pilots to Residential ECI Programs, to maintain a share of overall funding consistent with the 2023-2024 ECI expenditure schedule<sup>29</sup> and to support residential customers facing rising energy costs.<sup>30</sup>

PNG submits the allocation of funding to the Residential program area should be considered together with the funding allocated for the Income Qualified and First Nations program areas, which all provide funding support for residential customers. When viewed collectively, PNG has allocated 38 percent of the 2025-2027 ECI Portfolio to Residential, Income Qualified and First Nations customers, compared to an allocation of 36 percent in the 2023-2024 expenditure schedule.<sup>31</sup>

BCSEA notes that PNG's proposed shifts in expenditures from the Residential, Commercial and Energy Transformation program areas towards the Income Qualified and First Nation and Enabling program areas are reasonable in the context of the amended DSM Regulation, and other factors explained by PNG.<sup>32</sup>

RCIA concludes that the proposed ECI expenditures for 2025-2027 are fairly allocated among PNG's customer classes,<sup>33</sup> and supports PNG's proposed ECI program changes in response to the DSM Regulation amendments.<sup>34</sup>

The CEC finds PNG's overall expenditure proposals to be satisfactory.<sup>35</sup> The CEC submits that the allocation to commercial customers is acceptable at this time given the DSM Regulation changes, lack of uptake in certain measures, and PNG's focus on improving participation levels. However, the CEC would like to see greater attention paid to fair and effective spending in the commercial sector in the next ECI expenditure schedule, and recommends the BCUC direct PNG to develop a Commercial Use study within the next five years.<sup>36</sup>

PNG notes in reply that, given the small number of commercial and industrial customers, the impact of such a study might not warrant its cost. However, PNG agreed to review FortisBC's Commercial End Use study to determine what information might be beneficial to PNG's commercial and industrial customers.<sup>37</sup>

### **Underspending and participation**

BCSEA submits the Panel should accept PNG's assertion that it intends to reduce DSM underspending, noting that PNG's DSM underspending in 2024 was considerably less than in 2023, and that PNG is increasing incentive

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<sup>29</sup> BCOPAO Final Argument, p. 22.

<sup>30</sup> Ibid., p. 23.

<sup>31</sup> PNG Reply Argument, p. 8.

<sup>32</sup> BCSEA Final Argument, p. 2.

<sup>33</sup> RCIA Final Argument, p. 17.

<sup>34</sup> Ibid., p. 9.

<sup>35</sup> The CEC Final Argument, p. 23.

<sup>36</sup> Ibid., pp. 12, 23.

<sup>37</sup> PNG Reply Argument, p. 19.

levels.<sup>38</sup> BCSEA and the CEC cite the appointment of the Energy Efficiency Advisor as an effort to improve participation and awareness.<sup>39</sup>

BCOAPO recognizes the improvement in the actual performance of the PNG ECI program in 2024 relative to forecast, while noting concerns over continued high forecast expenditures over the test period.<sup>40</sup> PNG submits that it is addressing past underspending on its programs and that it is appropriate to utilize approved funds before asking for incremental funding.<sup>41</sup>

#### **Discretionary and non-incentive costs**

RCIA submits there are concerns with general oversight of the delivery of PNG's ECI program,<sup>42</sup> and recommends the BCUC adopt a cautious approach regarding ECI programs that only deliver small incremental savings at a relatively high cost, or that feature a high proportion of non-incentive costs.<sup>43</sup>

BCOAPO notes the lack of information provided by PNG on the specific content of energy studies, energy management support, and consultant support to evaluate the reasonableness or cost efficiency of these activities.<sup>44</sup>

#### **Panel Discussion**

The Panel finds that PNG's proposed ECI Portfolio is a reasonable approach to balancing the requirements of the amended DSM Regulation, improving PNG's capacity to implement DSM, and developing the profile of DSM in PNG's service territory. Further, we note that PNG's portfolio provides opportunities for a range of customer types to participate in DSM programs.

We find the program changes proposed by PNG compared to its previous DSM expenditure schedule to be reasonable in light of the elimination of certain incentives for conventional gas space and water heating equipment under the DSM Regulation, among other changes.

We appreciate PNG's efforts to partner with other organizations and sub-contractors where it is more efficient to do so, and acknowledge that in some cases this may result in higher non-incentive costs where it is more cost-effective to use external resources than attempt to bring the relevant skills in-house.

The Panel notes the intervener concerns with respect to participation levels to date. However, we are encouraged by the recent steps PNG has taken to improve visibility of the ECI program through its awareness campaigns, and other efforts such as the appointment of the Energy Efficiency Advisor. DSM uptake is driven primarily by customer demand, and we acknowledge PNG's intent to focus on improving uptake within the proposed budget. However, expenditures on general brand awareness may not be eligible for ECI portfolio expenditures. As defined in the DSM Regulation, a public awareness program means a program to either increase awareness of, or to encourage, energy conservation and efficiency, or increase participation in proposed DSM measures. We note PNG's assurance that the current Application does not contain any funding for general brand awareness and would like to reiterate that further expenditures on general utility brand awareness should not be funded as part of ECI expenditures.

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<sup>38</sup> BCSEA Final Argument, p. 2.

<sup>39</sup> Ibid.; The CEC Final Argument, p. 5.

<sup>40</sup> BCOAPO Final Argument, p. 10.

<sup>41</sup> PNG Reply Argument, p. 6.

<sup>42</sup> RCIA Final Argument, pp. 19-20.

<sup>43</sup> Ibid., p. 10.

<sup>44</sup> BCOAPO Final Argument, pp. 17-18.

The Panel also wishes to remind PNG that innovation programs and pilots must meet the definition of DSM to be funded from ECI programs. PNG should identify expenditures on pilot programs funded from the innovation program in its annual reports, as noted in Section 4 below.

The Panel declines BCOAPO's suggested reallocation of funding from discretionary activities under the Energy Transformation and Enabling Activities to Residential program areas, noting that the BCUC does not have the jurisdiction to direct PNG to make specific changes to its ECI Portfolio. The BCUC may only reject or accept the expenditures, in whole or in part. The Panel agrees with PNG that an assessment of Residential expenditures should consider the funding allocated for residential customers in the Income Qualified and First Nations program areas. This assessment shows a slight increase in expenditures allocated to residential customers, if not the Residential program area specifically. Further, we note that PNG has the flexibility to reallocate expenditures between programs in response to customer demand, should the need arise, subject to PNG's funding transfer rules which are discussed in Section 3.1 of this decision.

## 2.2 Legacy Expenditures

Legacy expenditures are incentives for measures which are no longer eligible under the DSM Regulation, but where PNG is still incurring costs for activities approved under previously accepted DSM expenditure schedules, using the definition of cost-effectiveness outlined in the DSM Regulation prior to its amendment on June 27, 2023. Legacy expenditures are permitted under section 5 of the DSM Regulation for expenditures made subject to an expenditure schedule filed before the 2023 amendments.

PNG expects to have ten legacy incentives, approved in 2024 (valued at \$47,778) but to be paid in 2025. PNG seeks approval to fund these expenditures from its 2025 innovation budget, rather than create a new category of expenditures. Nine of the incentives are related to income qualified early furnace replacement rebates, and one related to a dual-fuel heating system installed in 2024, with rebate paperwork submitted in 2025.<sup>45</sup>

### *Panel Determination*

The Panel accepts PNG's proposal to fund legacy expenditures from the budget allocated to Innovation funds, and **directs PNG to clearly identify expenditures on legacy expenditures as a separate category within Innovation in its DSM annual reports.**

## 2.3 Are the DSM Expenditures in the Public Interest?

The following section considers the evidence and positions of the parties on each of the UCA section 44.2(5) considerations, namely: the applicable BC energy objectives; PNG's most recently filed long-term resource plan; whether the proposed demand-side measures are cost-effective within the meaning prescribed by the DSM Regulation; and the interests of persons in BC who receive or may receive service from PNG. This is followed by an overall panel determination on whether the proposed DSM expenditure schedule is in the public interest.

PNG outlines how the proposed 2025-2027 DSM expenditures support each of the applicable BC energy objectives.<sup>46</sup> In addition to offering the ECI Portfolio to allow ratepayers to take demand-side measures and conserve energy, PNG also offers incentives to support innovative technologies that improve energy efficiency, such as dual-fuel (hybrid) heating systems, and deep energy retrofits. The ECI Portfolio also includes programs to support municipalities and other parties in the building sector to reduce GHG emissions and use energy

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<sup>45</sup> PNG Final Argument, pp. 3-4.

<sup>46</sup> PNG cites the applicable objectives as including Section 2(b), (d), (g), (h), (i) and (k) of the *BC Clean Energy Act*.

efficiently.<sup>47</sup> PNG estimates the net cumulative natural gas savings and GHG reductions over the life of measures installed over the period from 2025 to 2027 to be 392 TJ and over 20 kilotonnes of CO<sub>2</sub>e, respectively.<sup>48</sup>

PNG's most recent long-term resource plan, the 2024 Consolidated Resource Plan (2024 CRP) was filed in June 2024. The 2024 CRP set out the anticipated DSM plan from 2025 to 2034. PNG states that the recommended measures set out in the 2024 CRP are consistent with the Application, with only modest differences in funding, estimated between 4 and 7 percent higher than set out in the 2024 CRP. PNG attributes the key differences to (i) a significant reduction in the Commercial Program Area Budget due to the modification of some of the incentives in response to the amended DSM Regulation; and (ii) an increase in the Energy Transformation and Enabling Program Areas to support additional program delivery initiatives such as energy efficiency studies and energy management support.<sup>49</sup>

This Application is the first DSM plan that PNG has filed since the DSM Regulation was amended in 2023.<sup>50</sup> Section 4 of the DSM Regulation prescribes how the cost-effectiveness must be assessed, including the use of the Utility Cost Test (UCT). The DSM Regulation specifies the avoided cost of natural gas must be set at the same maximum price that utilities may acquire biomethane under the *Greenhouse Gas Reduction (Clean Energy) Regulation*.<sup>51</sup> PNG provides information on cost-effectiveness demonstrating that all of the incentive-offering programs<sup>52</sup> show a UCT of greater than 1.0, indicating that the benefits of the program outweigh the costs, and the UCT score for the overall ECI Portfolio is 2.74.<sup>53</sup>

PNG submits that the proposed 2025-2027 ECI expenditures are in the interests of customers and potential customers as they encourage energy efficiency and conservation, enable the reduction of greenhouse gas emissions, are beneficial to the economy and are cost-effective. In PNG's view, the proposed 2025-2027 ECI expenditures present a balanced approach to advancing DSM initiatives while still managing the rate pressures that PNG will face over the same period.<sup>54</sup>

During this proceeding, PNG filed its 2025 to 2027 Revenue Requirements Application for PNG-West seeking approval for rate increases of 28 percent in each of 2025 and 2026, followed by a rate increase of 5 percent in 2027.<sup>55</sup> PNG showed that the annual rate impact of the proposed DSM expenditures in each year from 2025 to 2027 was less than 1 percent of the requested delivery charge for residential and small commercial customers across all of PNG's service areas. PNG submits that it is important to have incentives available to help its customers – particularly its PNG-West customers – take conservation and efficiency actions to help mitigate rising costs of service. PNG considers that program expenditures that are not related to adequacy requirements<sup>56</sup> continue to be appropriate.<sup>57</sup> Accordingly, PNG submits that its DSM approach is balanced in that it provides meaningful ECI programming to its customers to manage their natural gas usage, is focused on driving uptake within existing budgets, and does not drive unreasonable rate impacts.<sup>58</sup>

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<sup>47</sup> Exhibit B-1, Table 9, pp. 17-19.

<sup>48</sup> Ibid., Table 42, p. 81.

<sup>49</sup> Exhibit B-1, p. 19.

<sup>50</sup> PNG Final Argument, p. 2.

<sup>51</sup> Exhibit B-1, p. 39. See section 4 of the DSM Regulation and section 9 of the *Greenhouse Gas Reduction (Clean Energy) Regulation*.

<sup>52</sup> This refers to the Residential, Commercial and Low Income programs areas. The Enabling and Energy Transformation program areas are not individually evaluated for cost-effectiveness, as they are not expected to result in direct gas savings.

<sup>53</sup> Exhibit B-1, Table 44, p. 83.

<sup>54</sup> PNG Final Argument, p. 10.

<sup>55</sup> PNG-West Division 2025-2027 RRA Proceeding, Exhibit B-1, pp. 43-44.

<sup>56</sup> As defined by section 3 of the DSM Regulation.

<sup>57</sup> Exhibit B-9, Panel IR 1.2.

<sup>58</sup> PNG Final Argument, pp. 9, 5, 7.

## *Positions of the Parties*

All interveners support PNG's 2025-2027 ECI Portfolio as being in the public interest and agree it should be accepted by the BCUC under section 44.2.<sup>59</sup> None of the interveners objected to any or all of the ECI expenditures on the basis of the BC energy objectives, cost-effectiveness,<sup>60</sup> alignment with the most recently filed long-term resource plan, or the interest of current and future PNG customers.

BCOAPO reiterates concerns regarding PNG's DSM plan as set out in the 2024 CRP, such as doubts that PNG was being aggressive enough in pursuing DSM, but didn't specify any objections related to the acceptance of the expenditure schedule.<sup>61</sup> BCOAPO acknowledges that limiting expenditures to adequacy requirements could stifle the effectiveness of programs that promote long-term energy efficiency.<sup>62</sup>

BCSEA submits that PNG-West's applied-for rate increases for 2025 and 2026 should not contradict the conclusion that the 2025-2027 ECI expenditures are in the public interest. The bill impacts of the DSM expenditures are modest, and DSM enables participating customers to reduce their consumption, which counteracts the higher rates.<sup>63</sup>

RCIA maintains ECI expenditures remain one of the lowest cost ways for PNG to use natural gas more efficiently and to reduce GHG emissions, consistent with provincial policy.<sup>64</sup> RCIA is of the view that the momentum achieved to date by PNG in delivering its ECI programs should, at a minimum, be maintained.<sup>65</sup>

The CEC submits that the rate impacts from the ECI are at a generally acceptable level, and do not represent a significant burden for most ratepayers, even given the forecast rate increases.<sup>66</sup>

In reply, PNG submits that the ECI Portfolio and the proposed 2025 to 2027 ECI expenditures meet the requirements of the applicable legal framework, and that none of the interveners have made submissions claiming otherwise.<sup>67</sup> The ECI Portfolio is cost-effective at a portfolio and program level and is appropriately robust to support conservation action by its customers. On this basis, PNG submits that the ECI Portfolio and the proposed expenditures should be approved as applied for.<sup>68</sup>

## *Panel Determination*

In determining whether to accept PNG's ECI Expenditure Schedule as being in the public interest, the Panel must consider the requirements outlined in section 44.2(5) of the UCA. The Panel found in Section 2.1 that PNG's proposed ECI Portfolio is a reasonable approach to balancing the requirements of the amended DSM Regulation, improving PNG's capacity to implement DSM, and developing the profile of DSM in PNG's service territory. We are satisfied that the ECI Portfolio remains one of the lowest cost ways for PNG to use natural gas more efficiently and to reduce GHG emissions, consistent with provincial policy and in support of BC's energy objectives. PNG has demonstrated that the proposed ECI Portfolio is cost-effective as defined by the DSM Regulation and adequately explained differences with the most recently filed long-term resource plan. The rate impact of the proposed expenditures is forecast to be modest, and will be of benefit to participating customers, particularly in light of the proposed rate increases. Therefore, **the Panel finds the expenditures set out in PNG's**

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<sup>59</sup> BCSEA Final Argument, p. 1; RCIA Final Argument, p. 5; 31; The CEC Final Argument, p. 23; BCOAPO Final Argument, p. 3.

<sup>60</sup> RCIA Final Argument, p. 5; 11-13; The CEC Final Argument, p. 3.

<sup>61</sup> BCOAPO Final Argument, pp. 3-7.

<sup>62</sup> Ibid., p. 22.

<sup>63</sup> BCSEA Final Argument, pp. 1-2.

<sup>64</sup> RCIA Final Argument, p. 6.

<sup>65</sup> Ibid.

<sup>66</sup> The CEC Final Argument, p. 8.

<sup>67</sup> PNG Reply Argument, p. 2.

<sup>68</sup> Ibid., p. 20.

**2025-2027 ECI Portfolio are in the public interest and accordingly accepts the proposed expenditures of \$5,250,542, as shown in Table 1 of Section 2.1 above, pursuant to section 44.2(3) of the UCA.**

However, recognizing both PNG's size, resource constraints and current rate pressures, the Panel encourages PNG to consider if there are opportunities to moderate DSM expenditures in future. For instance, this may entail PNG continuing its focus on controlling overheads and non-incentive costs, particularly where it is challenging to enhance participation in underperforming programs. PNG should consider the value of its DSM programs to its customers, while ensuring that all customer groups continue to have reasonable opportunities to participate in DSM programs and that PNG maintains support for programs related to the adequacy requirements set out in the DSM Regulation.

### **3.0 Additional Approvals Sought**

#### **3.1 Continuation of Previously Approved Funding Transfer Rules**

PNG proposes to continue the program funding transfer rules that were most recently approved under Order G-171-23. PNG requests approval to allow continued flexibility in the reallocation of expenditures between program areas in the same year if the funding transfer is less than or equal to 25 percent of the budget for each of the program areas and between program years, unless otherwise approved by the BCUC.<sup>69</sup>

#### *Positions of the Parties*

No interveners object to the continuation of the current program funding transfer rules.<sup>70</sup>

RCIA submits that any additional program spending resulting from inter-program funding transfers or the transfer of unspent program funding to the next year should be diligently scrutinized by both PNG and the BCUC to ensure that maximum gas savings are achieved at the lowest possible cost to ratepayers, and non-incentive program costs remain at a minimum.<sup>71</sup>

#### *Panel Determination*

**The Panel approves the continuation of the ECI program funding transfer rules** most recently approved under Order G-171-23, which state:

- i. Prior BCUC approval is not required for a funding transfer from one program area to another program area in the accepted expenditure schedule within the same year, if the funding transfer is less than or equal to 25 percent of the budget for each of the program areas;
- ii. Prior BCUC approval is required for each funding transfer from one program area to another program area in the accepted expenditure schedule, if the funding transfer is greater than 25 percent of the budget of either program area; and
- iii. Unspent funds from a program in the accepted expenditure schedule may be transferred to the next year for spending on the same program without prior approval of the BCUC.

The Panel notes the funding transfer rules provide PNG the opportunity to modify its DSM spending in response to the market or other changes, while ensuring the BCUC retains the ability to scrutinize significant deviations from the accepted expenditure schedule. In addition, funding transfers are reviewed through the annual DSM report PNG files with the BCUC.

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<sup>69</sup> Exhibit B-1, p. 89.

<sup>70</sup> RCIA Final Argument, p. 29; The CEC Final Argument, p. 24; BCOAPO Final Argument, p. 3.

<sup>71</sup> Ibid., p. 29.

### 3.2 Continuation of Deferral Treatment and Amortization

PNG is also seeking approval to continue to record all expenditures made pursuant to the approved 2025-2027 expenditure schedule in its rate base regulatory asset deferral account, and to amortize those expenditures over ten years as previously approved in Order G-171-23.<sup>72</sup>

#### *Positions of the Parties*

In addition to being consistent with Order G-171-23, PNG submits this accounting treatment helps to mitigate the rate impacts of PNG's annual expenditures by spreading the recovery of these costs over a ten-year period, which remains an appropriate amortization period.<sup>73</sup>

No interveners object to the continuation of the current deferral account treatment, and the ten-year amortization period.<sup>74</sup>

RCIA notes no evidence has been submitted in this proceeding regarding the need for a change to the existing ten-year amortization period of PNG's ECI program expenditures.<sup>75</sup>

The CEC agrees that the amortization period helps to mitigate rate impacts, and states it will consult with PNG directly regarding the value of increasing the amortization period in future applications.<sup>76</sup>

#### *Panel Determination*

**The Panel approves PNG's request to continue to record all DSM expenditures in the rate base regulatory asset deferral account, amortized over a ten-year period.** We agree with RCIA that there is no evidence to suggest changes to PNG's previously approved accounting practices are warranted.

### 4.0 Previous Determinations and Annual DSM Reporting

The BCUC has previously directed PNG to provide certain information in its annual DSM reports, and in light of several intervener recommendations calling for improved monitoring, assessment or participation information, the Panel has reviewed PNG's current ECI reporting directives.

Based on previous BCUC directives,<sup>77</sup> PNG has been instructed to provide an annual report including at a minimum:

- A comparison of the DSM accepted budget to amounts spent (for each year and period to date);
- A description of key milestones achieved in the delivery of programs;
- An update on PNG's progress towards its commitment to apply for funding of new programs or expansions of existing programs during the 2015-2018 period based on the results of the new CPR;
- A summary of the role, responsibility and key achievements of the DSM manager position; and

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<sup>72</sup> Exhibit B-1, p. 89.

<sup>73</sup> PNG Final Argument, p. 10.

<sup>74</sup> RCIA Final Argument, p. 30; The CEC Final Argument, pp. 23-24; BCOAPO Final Argument, p. 3.

<sup>75</sup> RCIA Final Argument, p. 30.

<sup>76</sup> The CEC Final Argument, pp. 23-24.

<sup>77</sup> Order G-203-15A; Order G-121-19, p. 31, updated in Order G-265-20, p. 52.



- Evaluation, measurement and verification (EM&V) results of PNG's DSM programs as they become available (including TRC/mTRC and UCT results).
- With respect to fund transfers:<sup>78</sup>
  - o all transfers of DSM funds from one program area to another program area;
  - o all transfers of unspent DSM funds from one program to the same program in the following year; and
- The impact of any funding transfers on the cost-effectiveness and adequacy of the overall portfolio.

Further, in its decision regarding PNG (N.E.) Ltd.'s 2015 Resource Plan for the Fort St. John, Dawson Creek and Tumbler Ridge Distribution Systems (2015 Resource Plan Decision), the BCUC directed PNG to include the average bill and rate impacts for each customer class as part of each DSM funding scenario provided within its resource plans.<sup>79</sup>

Although the directive in the 2015 Resource Plan Decision applied to long-term resource plans, PNG has also provided sample bill impacts in its previous DSM/ECI plans, many of which have coincided with expenditure schedule requests, and has also done so as part of this Application.<sup>80</sup>

### *Positions of the Parties*

RCIA is of the view that bill impact estimates continue to be useful for the general review of PNG's future ECI Portfolio Funding applications.<sup>81</sup> RCIA recommends that PNG carefully monitor its ECI program delivery throughout the 2025-2027 period to effectively control ECI program expenditures (including the performance of subcontractors or program delivery partners) while seeking to maximize customer participation and energy savings for overall benefit of the utility and its ratepayers.<sup>82</sup>

BCOAPO asks the Panel to direct PNG to inform the BCUC promptly if there is underperformance in terms of participation or expenditures, and outline corrective actions, including the potential filing of a new ECI Plan. BCAOPO submits that proactive reporting and monitoring ensure that PNG remains accountable to its goals.<sup>83</sup>

The CEC recommends the BCUC carefully monitor the participation levels of PNG's customers during the first- and second-year annual reporting, specifically the Commercial sector, and request specific explanations in its annual reporting if the participation levels do not appear to be improving as planned.<sup>84</sup>

PNG confirms that it already files an annual report with the BCUC which shows approved and actual spending at a program level, together with supporting narrative regarding variances. In addition, the annual report identifies funding transfers that PNG has undertaken, providing an opportunity for BCUC oversight of transfers. As a result, PNG submits additional reporting is not necessary and does not need to be directed by the BCUC.<sup>85</sup>

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<sup>78</sup> Ibid.; Ibid., Ibid.

<sup>79</sup> Order G-155-15, p. 10.

<sup>80</sup> Exhibit B-1, Appendix D.

<sup>81</sup> RCIA Final Argument, p. 28.

<sup>82</sup> Ibid., pp. 28; 31.

<sup>83</sup> BCOAPO Final Argument, p. 23.

<sup>84</sup> The CEC Final Argument, pp. 1, 6, 22.

<sup>85</sup> PNG Reply Argument, p. 18.



## *Panel Determination*

**The Panel directs PNG to continue filing DSM annual reports with the BCUC, subject to the requirements set out below, unless the BCUC orders otherwise.** The Panel is satisfied that the information and level of detail that PNG files in its annual reporting is sufficient for the BCUC to monitor the progress and compliance of PNG's DSM programs.

Each DSM annual report should include at a minimum:

- A comparison of the DSM accepted budget to amounts spent (for each year and period to date);
- A description of key milestones achieved in the delivery of programs;
- A brief discussion of pilot programs funded under the innovation budget; and
- EM&V results of PNG's DSM programs as they become available (including UCT results).
- With respect to fund transfers:<sup>86</sup>
  - o all transfers of DSM funds from one program area to another program area;
  - o all transfers of unspent DSM funds from one program to the same program in the following year; and
- The impact of any funding transfers on the cost-effectiveness and adequacy of the overall portfolio.

As long as expenditures on Legacy measures remain, PNG is to clearly identify these expenditures as a separate category within Innovation in its DSM annual reports, as directed in Section 2.2 of this decision.

With respect to future DSM expenditure schedules, we agree with RCIA that sample average bill and rate impacts for residential and small commercial customers provide valuable context when reviewing these schedules, and the Panel encourages PNG to continue to do so in future DSM expenditure schedules.

**DATED** at the City of Vancouver, in the Province of British Columbia, this     31th     day of July 2025.

*Electronically signed by Mark Jaccard*

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M. Jaccard  
Panel Chair/Commissioner

*Electronically signed by Bernard Magnan*

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B. A. Magnan  
Commissioner

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<sup>86</sup> Order G-203-15A, p. 39; Order G-121-19, p. 31, updated in Order G-265-20, p. 52.

Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd.  
2025 to 2027 Energy Conservation and Innovation Portfolio Funding

### LIST OF ACRONYMS

Acronym	Description
2015 Resource Plan Decision	PNG (N.E.) Ltd.'s 2015 Resource Plan for the Fort St. John, Dawson Creek and Tumbler Ridge Distribution Systems
2024 CRP	2024 Consolidated Resource Plan
Application	Application for approval of expenditures set out in its Energy Conservation and Innovation portfolio for 2025-2027
BCOAPO	British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Disability Alliance BC, Council of Senior Citizens' Organizations of BC, and Tenants Resource and Advisory Centre
BCSEA	BC Sustainable Energy Association
CEA	<i>Clean Energy Act</i>
CEO	Conservation Education and Outreach
DSM	Demand Side Measures
ECI	Energy Conservation and Innovation
ECI Portfolio	Energy Conservation and Innovation portfolio for 2025-2027
EM&V	Evaluation, Measurement and Verification
GHG	Greenhouse gas
IRs	Information Requests
PNG	Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd.
RCIA	Residential Consumers Intervener Association
The CEC	Commercial Energy Consumers Association of British Columbia
TJ	Terajoule

UCA	<i>Utilities Commission Act</i>
UCT	Utility Cost Test

Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd.  
2025 to 2027 Energy Conservation and Innovation Portfolio Funding

**EXHIBIT LIST**

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**Exhibit No.**                      **Description**

*COMMISSION DOCUMENTS*

A-1	December 17, 2024 – Panel Appointment
A-2	January 16, 2025 – BCUC Order G-7-25 establishing a regulatory timetable
A-3	February 5, 2025 – Guidance to Interveners
A-4	February 13, 2025 – BCUC Information Request No. 1 to PNG
A-5	February 18, 2025 – BCUC Order G-32-25 amending a regulatory timetable
A-6	March 12, 2025 – BCUC Order G-64-25 amending the regulatory timetable
A-7	April 17, 2025 – BCUC Order G-99-25 amending the regulatory timetable
A-8	April 17, 2025 – Panel Information Request No. 1 to PNG

*APPLICANT DOCUMENTS*

B-1	December 11, 2024 – <b>PACIFIC NORTHERN GAS LTD. AND PACIFIC NORTHERN GAS (N.E.) LTD. (COLLECTIVELY, PNG)</b> - 2025 to 2027 Energy Conservation and Innovation (ECI) Portfolio Funding
B-2	January 24, 2025 – PNG submitting Public Notice confirmation in compliance with Order G-7-25
B-3	March 11, 2025 – PNG submitting Extension Request for responses to BCUC and Intervener Information Request No. 1
B-4	April 3, 2025 – PNG submitting response to BCUC Information Request No. 1
B-5	April 3, 2025 – PNG submitting response to BCOAPO Information Request No. 1
B-6	April 3, 2025 – PNG submitting response to BCSEA Information Request No. 1
B-7	April 3, 2025 – PNG submitting response to CEC Information Request No. 1
B-8	April 3, 2025 – PNG submitting response to RCIA Information Request No. 1
B-9	April 30, 2025 – PNG submitting response to Panel Information Request No. 1

*INTERVENER DOCUMENTS*

C1-1	February 4, 2025 – <b>TOWN OF SMITHERS (TOWN OF SMITHERS)</b> – Request to intervene by Sam Paudel
C2-1	February 10, 2025 – <b>BC SUSTAINABLE ENERGY ASSOCIATION (BCSEA)</b> – Request to intervene by Thomas Hackney
C2-2	February 27, 2025 – BCSEA submitting Information Request No. 1 to PNG
C3-1	February 12, 2025 – <b>BRITISH COLUMBIA OLD AGE PENSIONERS' ORGANIZATION ET AL. (BCOAPO)</b> – Request to intervene by Leigha Worth
C3-2	February 14, 2025 – BCOAPO submitting extension request to file Information Request No. 1 to PNG
C3-3	February 27, 2025 – BCOAPO submitting Information Request No. 1 to PNG
C4-1	February 12, 2025 – <b>COMMERCIAL ENERGY CONSUMERS ASSOCIATION OF BRITISH COLUMBIA (CEC)</b> – Request to intervene by David Craig
C4-2	February 27, 2025 – CEC submitting Information Request No. 1 to PNG
C5-1	February 12, 2025 – <b>RESIDENTIAL CONSUMER INTERVENER ASSOCIATION (RCIA)</b> – Request to intervene by Abdulrahman Abomazid
C5-2	February 27, 2025 – RCIA submitting Information Request No. 1 to PNG

*LETTERS OF COMMENT*

D-1	May 28, 2025 – <b>WEICK, G. (Weick)</b> – Letter of Comment
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Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd.  
2025 to 2027 Energy Conservation and Innovation Portfolio Funding

### SUMMARY OF DIRECTIVES

This summary is provided for the convenience of readers. In the event of any difference between the directives in this summary and those in the body of the decision, the wording in the decision shall prevail.

Directive	Page
The Panel accepts PNG's proposal to fund legacy expenditures from the budget allocated to Innovation funds, and <b>directs PNG to clearly identify expenditures on legacy expenditures as a separate category within Innovation in its DSM annual reports.</b>	7
<b>The Panel finds the expenditures set out in PNG's 2025-2027 ECI Portfolio are in the public interest and accordingly accepts the proposed expenditures of \$5,250,542, as shown in Table 1 of Section 2.1 above, pursuant to section 44.2(3) of the UCA.</b>	9
<p><b>The Panel approves the continuation of the ECI program funding transfer rules</b> most recently approved under Order G-171-23, which state:</p> <ul style="list-style-type: none"> <li>i. Prior BCUC approval is not required for a funding transfer from one program area to another program area in the accepted expenditure schedule within the same year, if the funding transfer is less than or equal to 25 percent of the budget for each of the program areas;</li> <li>ii. Prior BCUC approval is required for each funding transfer from one program area to another program area in the accepted expenditure schedule, if the funding transfer is greater than 25 percent of the budget of either program area; and</li> <li>iii. Unspent funds from a program in the accepted expenditure schedule may be transferred to the next year for spending on the same program without prior approval of the BCUC.</li> </ul>	10
<b>The Panel approves PNG's request to continue to record all DSM expenditures in the rate base regulatory asset deferral account, amortized over a ten-year period.</b>	11
<b>The Panel directs PNG to continue filing DSM annual reports with the BCUC, subject to the requirements set out below, unless the BCUC orders otherwise.</b>	12