



SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3
CANADA

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-41-95

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

AN ORDER IN THE MATTER OF the Utilities Commission
Act, S.B.C. 1980, c. 60, as amended

and

An Application by Centra Gas British Columbia Inc.
for Approval of 1995/96 Revenue Requirements - Whistler and Port Alice Districts
Negotiated Settlement - Whistler District

BEFORE: M.K. Jaccard, Chairperson; and)
L.R. Barr, Deputy Chairperson) May 8, 1995

O R D E R

WHEREAS:

- A. On December 7, 1994 Centra Gas British Columbia Inc. - Whistler and Port Alice Districts ("Centra Gas") filed, pursuant to Sections 64 and 104 of the Utilities Commission Act ("the Act"), an Application for a permanent rate increase to customers effective May 1, 1995; and
- B. The Application requested that the Commission approve the recovery of a consolidated revenue deficiency for 1995 of \$105,651 and for 1996 of \$277,513 over the 20 month period beginning May 1, 1995 as an average compound rate increase of 10.3% over the existing rates. Centra Gas requested that the current rates be made interim effective January 1, 1995 pending resolution of its Revenue Requirements Application; and
- C. Centra Gas also applied to consolidate its Whistler and Port Alice Districts for rate-making purposes and to revise the rates for both Districts to incorporate a common fixed and commodity charge; and
- D. On January 19, 1995 the Commission, by Order No. G-12-95, approved an Alternate Dispute Resolution ("ADR") process and set down a timetable for public review of the Application; and
- E. On February 23, 1995, at the ADR meeting in Whistler, B.C., Centra Gas officially withdrew its proposal to consolidate the two Districts and proceeded to review and settle the 1995 and 1996 Revenue Requirements independently of each other; and
- F. On April 20, 1995 the Commission approved the ADR settlement agreement for the Port Alice District 1995 and 1996 revenue deficiency and issued Order No. G-34-95; and
- G. On April 28, 1995 a settlement agreement was reached between Centra Gas and the registered intervenors on the 1995 and 1996 revenue deficiency for the Whistler District through the ADR process; and
- H. In the Whistler District settlement agreement, Centra Gas and the registered intervenors identified that they share the following objectives:
 - 1. to arrive at mutually acceptable rates for propane gas service in Whistler for the years 1995 and 1996.
 - 2. to strive for stability and predictability in the rates for 1995, 1996 and beyond.
 - 3. to provide a rate making process with steps that are known and understood by the Participants; and

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- I. Consistent with the objectives, Centra Gas and the registered intervenors agreed, on a best efforts basis, to:
1. inform each other about issues concerning the utility through communication with the local and Victoria offices, including advance communication prior to finalizing and filing applications to the Commission.
 2. limit rate changes to no more than once per year.
 3. minimize rate increases to the rate of increase in the Consumer Price Index.
 4. minimize the number of rate changes as a result of pass throughs of uncontrollable costs pursuant to Section 67(4) of the Act; and
- J. On May 4, 1995 the Commission was informed by Centra Gas, registered intervenors and Commission staff that the settlement agreement had been reached; and
- K. The Commission has reviewed the settlement proposal and considers that approval of the settlement proposal is in the public interest.

NOW THEREFORE the Commission orders Centra Gas as follows:

1. The Commission approves for Centra Gas-Whistler District a cumulative revenue surplus for 1995 and 1996 of \$7,898 resulting in rates for all customers of \$5.00 per month basic charge plus \$9.281/GJ energy charge commencing May 1, 1995.
2. Centra Gas-Whistler District is to inform all customers of the ADR process and the rate increase by way of a bill stuffer.
3. Issues considered by all parties during the negotiations to derive proposed reductions to the revenue requirements application may be reviewed without prejudice on a forward looking basis by the Commission on its own initiative or in a future hearing of Centra Gas-Whistler District.
4. Centra Gas-Whistler District is to file a permanent Gas Tariff Rate Schedule that is in accordance with the terms of the ADR settlement and this Order.

DATED at the City of Vancouver, in the Province of British Columbia, this 9th day of May, 1995.

BY ORDER


Dr. M.K. Jaccard
Chairperson