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BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-36-95

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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
1994 Revenue Deficiency Deferral Account - Port Alice District

BEFORE: M.K. Jaccard, Chairperson; and)
L.R. Barr, Deputy Chairperson) April 20, 1995

O R D E R

WHEREAS:

- A. On December 21, 1993 Centra Gas British Columbia Inc. ("Centra Gas") determined that preliminary calculations of the 1994 revenue requirements for the Port Alice District would result in a revenue deficiency of \$27,600. Centra Gas proposed that the forecast 1994 revenue deficiency be deferred and the 1994 and 1995 cost of service for the Port Alice District be examined concurrently; and
- B. The Centra Gas-Port Alice District 1994 revenue requirements and revenue deficiency proposal was based on a forecast of sales revenues and costs and did not include any decoupling proposal between sales and costs; and
- C. The Commission by letter dated May 10, 1994 approved in principle the creation of a deferral account for the 1994 revenue deficiency subject to the filing of a 1995 revenue requirements and 1994 revenue deficiency application not later than December 1, 1994; and
- D. On December 7, 1994 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 of the Whistler and Port Alice Districts effective May 1, 1995; and
- E. The Application requested that the Commission approve the recovery of a consolidated revenue deficiency for 1995 and 1996 and included an application to recover a balance of \$48,024 in the 1994 Revenue Deficiency Deferral Account for the Port Alice District; and
- F. By Order No. G-12-95 the Commission approved the use of an Alternate Dispute Resolution ("ADR") process and set down a timetable for public review of the Application; and
- G. The Commission was informed that Centra Gas-Port Alice District, registered intervenors and Commission staff agreed to remove the 1994 revenue deficiency deferral account issue from the negotiated settlement for separate adjudication by the Commission; and
- H. On March 24, 1995 Centra Gas-Port Alice District revised the 1994 revenue deficiency application to \$40,628 to reflect actual revenues and costs and the adjustments from the ADR negotiated settlement; and

- I. On April 20, 1995 the Commission reviewed the ADR settlement proposal package for the 1995 and 1996 revenue requirements and issued Order No. G-34-95; and
- J. The Commission has reviewed the 1994 Revenue Deficiency Deferral Account application and the submissions of the negotiating parties and finds that recovery of the revenue deficiency is in the public interest.

NOW THEREFORE the Commission orders Centra Gas as follows:

1. The Commission approves for Centra Gas-Port Alice District a 1994 revenue deficiency of \$27,600 to be recovered in rates over the 20 month period commencing May 1, 1995.
2. The Commission denies the Centra Gas request to record sales adjustments in the 1994 revenue requirements and revenue deficiency account for the lower normalized actual use per account.

DATED at the City of Vancouver, in the Province of British Columbia, this *26* day of May, 1995.

BY ORDER



Lorna R. Barr
Deputy Chairperson