

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER G-34-95

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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

Negotiated Settlement - Port Alice District

BEFORE:

M.K. Jaccard, Chairperson; and)

L.R. Barr, Deputy Chairperson)

April 20, 1995

ORDER

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 the Commission to 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. The Commission was informed by Centra Gas, registered intervenors and Commission staff that a settlement agreement to the 1995 and 1996 revenue deficiency for the Port Alice District had been reached through the ADR process. The negotiating parties agreed to remove two issues from the settlement agreement, namely the replacement of copper service lines and the 1994 revenue deficiency deferral account, for separate adjudication by the Commission; and
- G. Centra Gas and the registered intervenors also included a proposal on the filing of an integrated resource plan ("IRP") for the Port Alice District as part of the settlement agreement; and
- H. The Commission has reviewed the settlement proposal and considers that approval of the settlement proposal is in the public interest.

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NOW THEREFORE the Commission orders Centra Gas as follows:

- 1. The Commission approves for Centra Gas-Port Alice District a cumulative revenue deficiency for 1995 and 1996 of \$104,851 resulting in rates for all customers of \$5.00 per month basic charge plus \$11.763/GJ energy charge commencing May 1, 1995.
- 2. Centra Gas-Port Alice 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-Port Alice District.
- 4. Centra Gas-Port Alice District is to file a permanent Gas Tariff Rate Schedule that is in accordance with the terms of the ADR settlement and this Order.
- 5. The Commission accepts the Centra Gas proposal for the filing of the Port Alice District IRP.

DATED at the City of Vancouver, in the Province of British Columbia, this

day of May, 1995.

BY ORDER

Lorna R. Barr Deputy Chairperson