



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

An Application by BC Gas Utility Ltd.
for Approval of a One Year Extension to the 1998 - 2000
Performance Based Rate Settlement to Determine
Revenue Requirements for 2001

BEFORE: P. Ostergaard, Chair)
L.R. Barr, Deputy Chair)
P.G. Bradley, Commissioner)
B.L. Clemenhagen, Commissioner) March 23, 2000
K.L. Hall, Commissioner)
F.C. Leighton, Commissioner)

ORDER

WHEREAS:

- A. On March 10, 2000, BC Gas Utility Ltd. ("BC Gas") applied to the Commission for approval to establish revenue requirements and rates for 2001 through a one year extension of its 1998 - 2000 Performance Based Rate Settlement (the "Application"), pursuant to Sections 58 and 61 of the Utilities Commission Act; and
- B. Several stakeholders have endorsed the Application; and
- C. BC Gas has identified special reasons to justify an abbreviated review process for the Application; and
- D. The Commission requires that an initial timetable and a process for dealing with the issues be established.

NOW THEREFORE the Commission orders as follows:

1. BC Gas will publish, in display-ad format, the attached Public Notice in daily newspapers in its service areas by March 31, 2000, and in other newspapers in its service areas as soon as possible thereafter.
2. Intervenors and Interested Parties who would like to receive a copy of the Application should immediately request a copy from BC Gas and inform the Commission, in writing, by April 7, 2000, of their intention to intervene.

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3. Intervenors are to file their submissions regarding the Application by April 20, 2000. The submissions are to address the sufficiency of the Application, if the Application is justified, and whether any further proceedings are necessary before the Commission makes a decision on the Application.

DATED at the City of Vancouver, in the Province of British Columbia, this 23rd day of March 2000.

BY ORDER

Original signed by:

Peter Ostergaard
Chair

Attachment



ROBERT J. PELLATT
COMMISSION SECRETARY
Commission.Secretary@bcuc.com
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PUBLIC NOTICE

BC GAS UTILITY LTD. One Year Extension to the 1998-2000 Performance Based Rate Settlement to Determine Revenue Requirements for 2001

THE APPLICATION

BC Gas Utility Ltd. ("BC Gas") applied to the B.C. Utilities Commission on March 10, 2000 for approval to establish revenue requirements for 2001 through a one year extension to its 1998-2000 Performance Based Rate Settlement (the "Application"). The Application addresses BC Gas' costs to transport and deliver natural gas to customers. The 2001 gas commodity cost, which is passed on to customers without mark-up, will be set later this year.

The Application applies to the rates in the Lower Mainland, Inland and Columbia service areas. Fort Nelson rates and "Non-Captive" rates under various tariffs are unaffected.

The Application proposes the continuation of the existing method for establishing revenue requirements for 2001, including sharing of earnings variances between customers and BC Gas, a capital incentive mechanism, methods to account for customer growth and inflation, and a 1% productivity factor applying to operations and maintenance expenditures.

THE REGULATORY PROCESS

If you would like to receive a copy of the Application, you should immediately request a copy from BC Gas [Telephone: (604) 443-6572 / Facsimile: (604) 443-6696]. If you intend to intervene, please inform the Commission, in writing, by April 7, 2000.

Intervenors are to file their submissions regarding the Application by April 20, 2000. Submissions should address the sufficiency of the Application, if the Application is justified, and whether any further proceedings are necessary before the Commission makes a decision on the Application.

PUBLIC INSPECTION OF THE APPLICATION

The Application is also available for public inspection on the Commission's Website (www.bcuc.com) or at the following locations:

- **BC Gas Utility Ltd.**
Twelfth Floor, 1111 West Georgia Street, Vancouver, B.C., V6E 4M4
- **B.C. Utilities Commission**
Sixth Floor, 900 Howe Street, Vancouver, B.C., V6Z 2N3

BY ORDER

Original signed by:

Robert J. Pellatt