



IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

The Special Direction to the British Columbia Utilities Commission
by the Lieutenant Governor in Council through
Order in Council No. 1510, dated December 13, 1995

and

An Application by Centra Gas British Columbia Inc.
for Approval of Changes to New Customer Rates effective January 1, 2002

BEFORE: P. Ostergaard, Chair)
P.G. Bradley, Commissioner)
K.L. Hall, Commissioner) December 19, 2001
N.F. Nicholls, Commissioner)

O R D E R

WHEREAS:

- A. On November 29, 2001, Centra Gas British Columbia Inc. ("Centra Gas") applied to increase rates for New Customers effective January 1, 2002, pursuant to Sections 60 and 61 of the Utilities Commission Act ("the Act") and the Special Direction issued by the Lieutenant Governor in Council through Order in Council No. 1510 dated December 13, 1995 ("the Application"); and
- B. The Special Direction directs the Commission on the fixing of New Customer rates up to the year 2002 and allows an annual increase in New Customer rates equivalent to the Consumer Price Index ("CPI") for Victoria, B.C., plus one percent, and any unused rate increases from prior years. New Customers generally are customers who contracted for natural gas service after February 13, 1996; and
- C. The Special Direction also provides that the Commission may, in accordance with Section 61(4) of the Act, allow the pass-through to New Customers of a change in Centra Gas' cost of service due to a change in Federal, Provincial or Municipal taxes; a material and uncontrollable change in costs due to a program established by a governmental or regulatory authority; and a difference in the cost of gas relative to the Designated Royalty Adjusted Cost of Gas as set out in the Special Direction (collectively referred to as "Pass-through Costs"); and
- D. The Special Direction provides that Pass-through Costs shall be recorded in a New Customer Rate Balancing Account ("NCRBA"), which is a notional account for the purpose of determining adjustments to New Customer rates; and
- E. The Application requested average increases in the rates of SGS-11, SGS-12 and LGS-11 classes of approximately 2.6 percent representing CPI plus one percent, and average rate increases to the LGS-12 class of 7.6 percent and the LGS-13 class of 6.7 percent, which included unused rate increases from prior years; and
- F. Commission Order No. G-136-99 approved an NCRBA and Order No. G-101-01 approved the current Rider C of \$1.705/GJ related to this account; and

- G. The Application also requested that the current Rider C of \$1.705/GJ, which recovers the forecast balance in the NCRBA, remain unchanged effective January 1, 2002; and
- H. For the average annual bill including Rider C, the proposed average increase in New Customer rates for SGS-11 will be 2.3 percent; for SGS-12 will be 2.2 percent; and for LGS-11, LGS-12 and LGS-13 classes will be from 2.1 percent to 6.0 percent; and
- M. The Commission has reviewed the Application and is satisfied that approval of the rate increases to New Customers is necessary.

NOW THEREFORE pursuant to Sections 60 and 61 of the Act, the Commission orders as follows:

1. The Commission approves for Centra Gas the proposed New Customer Basic Monthly Charges and Energy Charges as set out in its November 29, 2001 Application, and the continuation of the current cost of gas pass-through Rider C of \$1.705/GJ on sales to all New Customers, effective January 1, 2002. The approved New Customer rates are as follows:

	Basic Monthly Charge \$/Month	Energy Charge \$/GJ	Rider C \$/GJ
Small General Service Rate No. 11 (SGS-11)	9.45	9.631	1.705
Small General Service Rate No. 12 (SGS-12)	12.10	9.476	1.705
Large General Service Rate No. 11 (LGS-11)	112.06	6.584	1.705
Large General Service Rate No. 12 (LGS-12)	175.30	6.317	1.705
Large General Service Rate No. 13 (LGS-13)	181.74	6.308	1.705

2. Centra Gas is to notify all affected customers of the approved rate changes by way of a customer notice. Centra Gas is directed to review its communication plan, advertisement plan, advertisements and bill inserts related to the rate increase with Commission staff prior to release.
3. Centra Gas is directed to file, by fifteen business day prior to the start of each calendar quarter, an update on NCRBA balances and expected gas costs and revenue for the following 12 months. Centra Gas should request rate changes where forecast gas costs (including the NCRBA balance at the start of the period) and revenue differ by more than five percent.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of December 2001.

BY ORDER

Original signed by:

Peter Ostergaard
Chair