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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-70-15**

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**IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473**

and

**Pacific Northern Gas (NE) Ltd.
Application for Changes to the 2015 Revenue Stabilization Adjustment
Mechanism Rate Riders for the Fort St. John/Dawson Creek and Tumbler Ridge Divisions**

BEFORE: C. A. Brown, Panel Chair/Commissioner
K. A. Keilty, Commissioner May 1, 2015
D. M. Morton, Commissioner

O R D E R

WHEREAS:

Fort St. John/Dawson Creek Division

- A. On December 15, 2014, by Order G-197-14, the British Columbia Utilities Commission (Commission), pursuant to sections 89 and 90 of the *Utilities Commission Act* (UCA), approved on an interim basis, effective January 1, 2015, the increase in the Pacific Northern Gas (N.E.) Ltd. [PNG (NE)] Fort St. John/Dawson Creek division (FSJ/DC) Revenue Stabilization Adjustment Mechanism (RSAM) credit rate rider, applicable to residential and small commercial customers, from \$0.022/GJ to \$0.068/GJ;
- B. On March 9, 2015, PNG (NE) FSJ/DC filed a submission seeking among other things, Commission approval to withdraw its 2015 Revenue Requirements Application (2015 FSJ/DC RRA) and retain the delivery rates approved under the 2014 Negotiated Settlement Process for 2015 and retract the change to the FSJ/DC division RSAM;
- C. On March 27, 2015, by Order G-50-15, the Commission directed PNG (NE) to retract the 2015 FSJ/DC RRA and refund or recover from customers, as the case may be, the difference between the interim and permanent FSJ/DC RSAM rate rider at the average prime rate of PNG (NE)'s principal bank for its most recent year;

Tumbler Ridge Division

- D. On December 15, 2014, by Order G-196-14A, the Commission, pursuant to sections 89 and 90 of the UCA, approved on an interim basis, effective January 1, 2015 for PNG (NE) Tumbler Ridge (TR), the RSAM rate rider set forth in the 2015 TR Revenue Requirements Application (2015 TR RRA) on an interim basis, effective January 1, 2015;
- E. On March 9, 2015, PNG (NE) filed a request seeking Commission approval to withdraw the 2015 TR RRA and the TR RSAM rate rider;
- F. On March 27, 2015, by Order G-49-15, the Commission directed PNG (NE) to retract the 2015 TR RRA and refund or recover from customers, as the case may be, the difference between the interim and permanent TR RSAM rate rider at the average prime rate of PNG (NE)'s principal bank for its most recent year;

Fort St. John/Dawson Creek and Tumbler Ridge Divisions

- G. On March 10, 2015, PNG (NE) filed its 2015 RSAM application for the FSJ/DC and TR divisions (Application) with the Commission, pursuant to sections 59 to 61 of the UCA. PNG (NE) sought Commission approval of the 2015 PNG (NE) FSJ/DC RSAM credit rate rider on a permanent basis, effective January 1, 2015, of \$0.146/GJ annualized, as set out in section 2 of the Application;
- H. The Application also requested approval of the PNG (NE) TR RSAM debit rate rider, on a permanent basis, effective January 1, 2015, of \$0.456/GJ annualized, as set out in section 2 of the Application;
- I. The effective date of January 1, 2015 for the 2015 PNG (NE) FSJ/DC RSAM credit rate rider and the 2015 TR RSAM debit rate rider constitute retroactive ratemaking and was not approved by the Commission;
- J. On April 17, 2015, PNG (NE) filed a submission requesting that the Commission vary Commission Orders G-49-15 and G-50-15. On April 20, 2015, the Commission issued a letter inviting intervenor submissions on this issue by Thursday, April 23, 2015 and PNG (NE)'s reply submission (if any) by Monday, April 27, 2015;
- K. British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Disability Alliance BC, Council of Senior Citizens' Organizations of BC, and the Tenant Resource and Advisory Centre filed its intervenor submission on April 23, 2015 and PNG (NE) filed its reply submission April 27, 2015; and
- L. The Commission has reviewed the Application and related submissions and considers that approval is warranted.

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NOW THEREFORE pursuant to sections 58-61 and 99 of the *Utilities Commission Act*, the Commission orders as follows:

For Tumbler Ridge Division

1. Directive 2 from Commission Order G-49-15 is varied and replaced with:

The interim Revenue Stabilization Adjustment Mechanism (RSAM) debit rate rider of \$0.471/GJ is made permanent for the period January 1, 2015 to May 31, 2015 and the permanent RSAM debit rate rider is set at \$0.549/GJ effective June 1, 2015.

For Fort St. John/Dawson Creek Division

2. Directive 2 from Commission Order G-50-15 is varied and replaced with:

The interim Revenue Stabilization Adjustment Mechanism (RSAM) credit rate rider of \$0.068/GJ is made permanent for the period from January 1, 2015 to May 31, 2015 and the permanent RSAM credit rate rider is set at \$0.254/GJ effective June 1, 2015.

For Fort St. John/Dawson Creek and Tumbler Ridge Divisions

3. Pursuant to section 61 of the *Utilities Commission Act*, Pacific Northern Gas (N.E.) Ltd. is directed to file amended tariff sheets for the Fort St. John/Dawson Creek and Tumbler Ridge divisions, in accordance with the terms of this order, within 15 business days of the date of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 1st day of May 2015.

BY ORDER

Original Signed By:

C. A. Brown
Commissioner