



**ORDER NUMBER**  
**G-305-20**

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

and

Pacific Northern Gas Ltd.  
2020-2021 Revenue Requirements Application  
for the PNG-West Division  
Compliance Filing of Regulatory Schedules in Accordance with Order G-255-20

**BEFORE:**

A. K. Fung, QC, Panel Chair/Commissioner

on December 1, 2020

**ORDER**

**WHEREAS:**

- A. On November 29, 2019, Pacific Northern Gas Ltd. (PNG) filed its 2020-2021 Revenue Requirements Application (RRA) with the British Columbia Utilities Commission (BCUC) for the West Division (PNG-West) pursuant to sections 58 to 61, 89 and 90 of the *Utilities Commission Act* (UCA);
- B. By Order G-330-19A, the BCUC, among other things, approved PNG's delivery rates and Rate Stabilization Adjustment Mechanism (RSAM) rate rider on an interim and refundable/recoverable basis effective January 1, 2020;
- C. British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Disability Alliance BC, Council of Senior Citizens' Organizations of BC, and Tenants Resource and Advisory Centre (BCOAPO) participated as the sole intervener in the 2020-2021 RRA proceeding;
- D. On February 28, 2020, PNG filed its amended application for approval of 2020 and 2021 delivery rates and RSAM rate rider on a permanent basis (Application);
- E. By Order G-255-20 and accompanying decision the BCUC approved the 2020 and 2021 delivery rates and RSAM rate rider filed in the Application on a permanent basis subject to the adjustments identified by PNG during the regulatory process and to the directives and determinations in the decision (Decision);
- F. On November 13, 2020, PNG filed its revised regulatory schedules in accordance with Directive 16 of Order G-255-20, which reflect the directives and determinations outlined in the Decision (Compliance Filing). As part of the Compliance Filing, PNG requests approval to make the 2020 interim RSAM rate rider approved by Order G-330-19A permanent. The difference between the 2020 interim RSAM rate rider and the 2020 RSAM rate rider as calculated in Tab 6, page 14, of the Compliance Filing (2020 Calculated RASM rate rider), would remain in the RSAM interest bearing deferral account for amortization in 2021;

- G. On November 23, 2020, the BCUC established a procedural timetable and invited BCOAPO to provide comments on PNG's proposed treatment of the 2020 RSAM rate rider and for PNG to reply. BCOAPO responded on November 25, 2020 and supported PNG's request; and
- H. The BCUC reviewed the Compliance Filing together with BCOAPO's letter of comment and considers that a variance of Order G-255-20 is warranted.

**NOW THEREFORE** pursuant to section 99 of the *Utilities Commission Act*, the BCUC orders that Order G-255-20 be varied as follows:

- 1. Directive 2 of Order G-255-20 is varied to read:

PNG's 2020 RSAM rate rider approved on an interim basis by Order G-330-19A is approved as permanent, effective January 1, 2020.
- 2. Directive 18 of Order G-255-20 is varied to read:

PNG is directed to record the difference between the 2020 permanent RSAM rate rider and the 2020 Calculated RSAM rate rider in the RSAM interest bearing deferral account for amortization in 2021.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 1<sup>st</sup> day of December 2020.

BY ORDER

*Original signed by:*

A. K. Fung, QC  
Commissioner