



**ORDER NUMBER
G-336-22**

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

and

Pacific Northern Gas Ltd.
2022 Revenue Requirements Application
for the PNG-West Division
Compliance Filing of Regulatory Schedules in Accordance with Order G-281-22

BEFORE:

B. A. Magnan, Panel Chair/Commissioner

on November 24, 2022

ORDER

WHEREAS:

- A. On November 30, 2021, Pacific Northern Gas Ltd. (PNG) filed its 2022 Revenue Requirements Application (RRA) with the British Columbia Utilities Commission (BCUC) for the West Division (PNG-West) pursuant to sections 58 to 61 of the *Utilities Commission Act* (UCA);
- B. By Order G-378-21, the BCUC, among other things, approved PNG's delivery rates and Revenue Stabilization Adjustment Mechanism (RSAM) rate rider on an interim and refundable/recoverable basis, effective January 1, 2022;
- C. British Columbia Old Age Pensioner's Organization, Active Support Against Poverty, Council of Senior Citizen's Organizations of BC, Disability Alliance BC, and Tenant Resource and Advisory Center, known collectively as BCOAPO et al. (BCOAPO) and Residential Consumer Intervener Association (RCIA) participated as interveners in the 2022 RRA proceeding for PNG-West (2022 RRA proceeding);
- D. On March 7, 2022, PNG filed its amended application for approval of 2022 delivery rates and RSAM rate rider on a permanent basis (Application);
- E. By Order G-281-22 and accompanying decision the BCUC approved the 2022 delivery rates and RSAM rate rider filed in the Application on a permanent basis subject to the adjustments identified by PNG during the 2022 RRA proceeding and to the directives and determinations in the decision (Decision);
- F. On November 10, 2022, PNG filed its revised regulatory schedules in accordance with Directive 17 of Order G-281-22, which reflect the directives and determinations outlined in the Decision (Compliance Filing). As part of the Compliance Filing, PNG requests approval of an alternative treatment for the 2022 delivery rates and RSAM rate rider from that approved by the Decision as follows:

1. PNG requests approval to make the 2022 interim delivery rates approved by Order G-378-21 permanent and to refund the difference between the 2022 interim delivery rates and the 2022 delivery rates as calculated in the financial schedules of the Compliance Filing (2022 Calculated Delivery Rates) to customers by way of a rate adjustment rider that would apply to 2023 deliveries; and
 2. PNG requests approval to make the 2022 interim RSAM rate rider approved by Order G-378-21 permanent and to record the difference between the 2022 interim RSAM rate rider and the 2022 RSAM rate rider as calculated in the financial schedules of the Compliance Filing (2022 Calculated RSAM rate rider) in the RSAM interest bearing deferral account for amortization in 2023.
- G. On November 16, 2022, the BCUC established a procedural timetable and invited BCOAPO and RCIA to provide comments on PNG's proposed treatment of the 2022 delivery rates and RSAM rate rider and for PNG to reply. No comments were filed by BCOAPO or RCIA and on November 22, 2022, PNG requested that the BCUC proceed to grant the approvals sought in the Compliance Filing; and
- H. The BCUC reviewed the Compliance Filing and considers that a variance of Order G-281-22 is warranted.

NOW THEREFORE pursuant to section 99 of the UCA, the BCUC orders that Order G-281-22 be varied as follows:

1. Directive 1 of Order G-281-22 is varied to read:

PNG's 2022 interim delivery rates approved by Order G-378-21 are approved as permanent, effective January 1, 2022.

2. Directive 2 of Order G-281-22 is varied to read:

PNG's 2022 RSAM rate rider approved on an interim basis by Order G-378-21 is approved as permanent, effective January 1, 2022.

3. Directive 18 of Order G-281-22 is varied to read:

PNG is directed to refund the difference between the 2022 permanent delivery rates and the 2022 Calculated Delivery Rates through a rate adjustment rider on 2023 deliveries with interest at the average prime rate of PNG's principal bank for its most recent year. PNG is also directed to record the difference between the 2022 permanent RSAM rate rider and the 2022 Calculated RSAM rate rider in the RSAM interest bearing deferral account for amortization in 2023.

4. PNG is directed to file with the BCUC the tariff rate schedules reflecting the permanent approvals for endorsement within 15 business days of the date of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 24th day of November 2022.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner