

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-188-08



SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcuc.com>

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

and

An Application by Terasen Gas Inc. regarding
2008 Fourth Quarter Gas Costs Report
and Rate Changes effective January 1, 2009
for the Fort Nelson Service Area

BEFORE: L.F. Kelsey, Commissioner
P.E. Vivian, Commissioner December 11, 2008
D.A. Cote, Commissioner

WHEREAS:

- A. By Order G-128-08 dated September 11, 2008, the British Columbia Utilities Commission (the "Commission") approved the Gas Cost Recovery Charge for the Fort Nelson Service Area, effective October 1, 2008; and
- B. On December 4, 2008, pursuant to Commission Letter No. L-5-01, Terasen Gas Inc. ("Terasen Gas") filed its 2008 Fourth Quarter Report on the Gas Cost Reconciliation Account ("GCRA") balance and gas commodity recovery charges for the Fort Nelson Service Area, effective January 1, 2009, that were based on November 24, 2008 forward gas prices (the "2008 Fourth Quarter Report"); and
- C. The 2008 Fourth Quarter Report forecasts that gas commodity charges at current rates would be 105.7 percent of costs for the following 12 months; and requests a decrease of \$0.438/GJ in gas commodity recovery charges for natural gas customers in Fort Nelson Service Area, effective January 1, 2009; and
- D. This equates to a decrease to a typical residential customer's annual bill, based on an annual consumption of 140 GJ, of approximately \$61 or 4.5 percent. Combined with the Delivery Charge increase in that was approved by Order G-172-08, the annual bill of a typical residential customer will increase by approximately \$51 or 3.7 percent, effective January 1, 2009; and
- E. The Commission concludes that the requested change as outlined in the 2008 Fourth Quarter Report should be approved.

NOW THEREFORE pursuant to section 61(4) of the *Utilities Commission Act*, the Commission orders as follows:

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1. The Commission approves a \$0.438/GJ decrease in the Gas Cost Recovery Charge for Fort Nelson Service Area to \$7.640/GJ effective January 1, 2009, as set out in Terasen Gas' 2008 Fourth Quarter Report for Fort Nelson Service Area.
2. Terasen Gas will notify all customers that are affected by the rate changes with a bill insert or bill message to be included with the next monthly gas billing.

DATED at the City of Vancouver, in the Province of British Columbia, this 11th day of December 2008.

BY ORDER

Original signed by:

D.A. Cote
Commissioner