

**MANITOBA** ) **Order No. 17/01**  
 )  
**THE PUBLIC UTILITIES BOARD ACT** ) **January 31, 2001**

Before: G. D. Forrest, Chairman  
R. Mayer, Q.C., Vice-Chairman  
M. Girouard, Member

**APPROVAL OF SALES RATES TO BE CHARGED BY SWAN  
VALLEY GAS CORPORATION, PURSUANT TO ORDER 161/00**

## **Background**

On December 7, 2000, Swan Valley Gas Corporation (“Swan Valley”) filed information with The Public Utilities Board of Manitoba (“the Board”) pursuant to Order 93/00, dated July 4, 2000. Subsequent to a review of the information, the Board issued Order 161/00, dated December 15, 2000, which granted Swan Valley authority to operate, subject to receipt of all revised franchise agreements before February 28, 2001, and approved sales rates. The Board also approved sales rates, customer contribution fees and terms of service for Louisiana Pacific Canada, Ltd., and the general terms and conditions of service submitted by Swan Valley. The sales rates were only approved until January 31, 2001, pending a detailed review by the Board of Swan Valley’s rate design and cost allocation methodology.

## **Board Findings**

The Board has now completed a review of Swan Valley’s cost allocation and rate design and is satisfied that these are reasonable, and in accordance with the requirements of Order 93/00. The Board will therefore grant final approval of the Rate Schedules, appended as Part 3 of the “Terms and Conditions of Natural Gas Service”, to Order 161/00, pages 26 to 35.

The Board will expect Swan Valley to file for Board approval any revised rate schedules as and when necessary to reflect material changes in operating and maintenance costs, sales and other revenue, non-gas related deferral accounts, and other factors which would impact existing rates. Additionally, Swan Valley will be expected to file for Board approval revised rates schedules necessary because of changes in tariffs approved by the National Energy Board in respect of the Many Islands Pipeline (Canada) Limited tolls, and

the Saskatchewan Rate Review Panel in respect of any tolls within their jurisdictions.

Pursuant to Order 93/00 wherein the Board approved Swan Valley's request for the establishment of a purchased gas variance deferral account, the Board will expect Swan Valley to file a report, in a format satisfactory to the Board, detailing the status of the balance of this deferral account on a quarterly basis. The Board also reminds Swan Valley that, in accordance with the approved least cost regulation procedure, Swan Valley is required to file annual financial statements and supporting schedules on an annual basis, within 120 days of Swan Valley's fiscal year end. This filing should include a purchase gas variance account status report.

**IT IS THEREFORE ORDERED THAT:**

1. The rate schedules appended as Part 3 of the "Terms and Conditions of Natural Gas Service", pages 26 to 35, attached to Order 161/00 BE AND ARE HERBY APPROVED, to be effective on February 1, 2001, and shall remain in effect until further Order of the Board.
2. The initial purchase gas variance deferral account report shall be filed no later than in conjunction with the first annual filing required pursuant to the least cost regulation procedure approved in Order 93/00, and thereafter on a quarterly basis.

THE PUBLIC UTILITIES BOARD

"G. D. FORREST"

Chairman

"H. M. SINGH"

Acting Secretary

Certified a true copy of Order No. 17/01  
issued by The Public Utilities Board

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Acting Secretary