

ORDER NUMBER E-23-93

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## AN ORDER IN THE MATTER OF the Utilities Commission Act, S.B.C. 1980, c. 60, as amended

and

An Application by BC Gas Utility Ltd.

**BEFORE:** 

M.K. Jaccard, Chairperson; and

L.R. Barr, Deputy Chairperson

October 20, 1993

## ORDER

## WHEREAS:

- A. On October 4, 1993 BC Gas Utility Ltd. ("BC Gas Utility") applied to the Commission for approval of three new seasonal gas supply contracts ("the Application") for a total of 67,000 GJ/day; and
- B. In the Application BC Gas Utility also applied for approval of four new U.S. sourced baseload contracts for 36,900 GJ/day; and
- C. The Application also requested Commission approval for an amendment to a Natural Gas Transportation and Service Agreement dated November 1, 1991 with Grand Valley Gas Company, effective November 1, 1993; and
- D. The Application also requested approval for an amendment to one peaking agreement with Universal Resources Corporation and for one seasonal agreement with Unocal Canada Limited to replace an agreement dated August 10, 1989; and
- E. The Commission has considered the Application and the Agreements and is satisfied that approval is necessary and in the public interest.

**NOW THEREFORE** pursuant to Section 85.3 of the Utilities Commission Act and the Rules thereunder, the Commission orders as follows:

- 1. Three new Seasonal Gas Supply Contracts are approved as follows:
  - a) Ocelot Energy Inc., dated July 1, 1993 for 5,000 GJ/d.
  - b) Talisman Energy Inc., dated July 1, 1993 for 10,000 MMBtu/d.

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- c) Western Gas Marketing Limited, dated July 1, 1993 for 52,000 GJ/d.
- 2. Four new US sourced baseload contracts are approved as follows:
  - a) Amoco Energy Trading Corporation, dated November 1, 1993 for 10,000 MMBtu/d (Opal).
  - b) Amoco Energy Trading Corporation, dated November 1, 1993 for 10,000 MMBtu/d (Blanco).
  - c) Enron Oil & Gas Marketing Inc., dated November 1, 1993 for 10,000 MMBtu/d.
  - d) Philips Gas Marketing Company, dated November 1, 1993 for 5,000 MMBtu/d.
- 3. An amendment dated November 1, 1993 to a November 1, 1991 Natural Gas Transportation and Service Agreement with Grand Valley Gas company effective November 1, 1993 is approved.
- 4. An amendment dated September 7, 1993 to the July 1, 1992 Peaking Agreement with Universal Resources Corporation for 15,000 MMBtu/d is approved.
- 5. A seasonal agreement dated July 1, 1993 with Unocal Canada Limited for 906 10<sup>3</sup>m <sup>3</sup>/d which replaces an earlier seasonal contract is approved.
- 6. The foregoing approvals are subject to the timely filing of fully executed agreements.
- 7. The Commission advises that approvals of gas supply contracts and amendments for the 1993/94 gas year will require demonstration, in the context of BC Gas Utility's Integrated Resource Planning process, that the contracts are in the public interest.

**DATED** at the City of Vancouver, in the Province of British Columbia, this  $7 \ge 100$  day of October, 1993.

BY ORDER

Dr. Mark K. Jaccard

Chairperson