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BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER E-15-94

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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.
for Approval of Energy Supply Contracts

BEFORE: M.K. Jaccard, Chairperson; and)
L.R. Barr, Deputy Chairperson) September 30, 1994

O R D E R

WHEREAS:

- A. On September 9, 1994 BC Gas Utility ("BC Gas") requested approval of a new baseload Gas Purchase Contract and a Cost of Service Agreement with Canadian Hunter Marketing Ltd. ("Canadian Hunter") dated November 1, 1994; and
- B. On September 26, 1994 BC Gas applied to the Commission for approval of pricing amendments for the 1994/95 gas contract year to its baseload gas purchase contracts that presently contain prices for 1993/94 that were approved by Commission Order No. E-20-93; and
- C. The Commission has reviewed 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, the Commission orders the following:

1. Pricing amendments to the following baseload Gas Purchase Contracts for the gas purchase year commencing November 1, 1994, as set out in the September 26, 1994 BC Gas application, are approved:
 - Amerada Hess Canada Ltd., 567 $10^3\text{m}^3/\text{d}$ under two contracts .
 - Canadian Hunter Marketing Ltd., 770 $10^3\text{m}^3/\text{d}$ under two contracts.
 - CanWest Gas Supply Inc., 3,965 $10^3\text{m}^3/\text{d}$ under one contract.
 - Czar Resources Ltd., 848 $10^3\text{m}^3/\text{d}$ under two contracts.
 - Penn West Petroleum Ltd., 142 $10^3\text{m}^3/\text{d}$ under one contract.
 - Rigel Oil & Gas Ltd., 142 $10^3\text{m}^3/\text{d}$ under one contract.
 - Summit Resources, 280 $10^3\text{m}^3/\text{d}$ under one contract.
 - Talisman Energy Inc., 1,243 $10^3\text{m}^3/\text{d}$ under one contract.
 - Mobil Oil Canada, 283 $10^3\text{m}^3/\text{d}$ under one contract.
2. A baseload Gas Purchase Contract and a Cost of Service Agreement with Canadian Hunter both dated November 1, 1994 for 330 $10^3\text{m}^3/\text{day}$ are approved, subject to BC Gas filing by November 1, 1994 a written agreement between BC Gas and Canadian Hunter which does not affect the cost of gas in the Contract and which clarifies that the pro-rata market-out provision in the Contract applies to market loss resulting from buy/sell direct purchases.

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3. BC Gas is directed to include similar clarification in all future baseload gas purchase contracts.
4. Contract-specific information in the applications including the contracts and amendments, will be treated as confidential material.
5. The Agreements and amendments are approved subject to BC Gas filing the fully executed documents in a timely fashion.

DATED at the City of Vancouver, in the Province of British Columbia, this 4th day of October, 1994.

BY ORDER



Dr. Mark K. Jaccard
Chairperson