

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER E-20-93

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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 ) October 6, 1993 L.R. Barr, Deputy Chairperson )

## ORDER

## WHEREAS:

- A. On September 17, 1993 BC Gas Utility Ltd. applied to the Commission for approval of pricing amendments to its 21 Canadian baseload gas contracts, previously approved by Orders No. E-2-91, E-4-91 and E-8-91, effective for the gas contract year commencing November 1, 1993; and
- B. BC Gas Utility also requested approval of pricing amendments to 3 U.S. baseload contracts, previously approved by Order No. E-1-92, effective November 1, 1993; and
- C. The BC Gas Utility baseload contracts allow for annual pricing renegotiations based on current long-term prices for natural gas supplies. The negotiations between the utility and its suppliers resulted in agreements for a fixed price for Canadian supplies and indexed pricing for its U.S. baseload; and
- D. 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 approves the following:

1. The pricing amendments to the Agreements between BC Gas Utility and its Canadian baseload suppliers for the gas contract year commencing November 1, 1993, as filed on September 17, 1993.

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- 2. The pricing amendments to the Agreements between BC Gas Utility and its U.S. baseload suppliers for the gas contract year commencing November 1, 1993, as filed on September 17, 1993.
- 3. The Alberta & Southern Gas Co. Ltd. contract price amendment is approved in principle subject to satisfactory restructuring of the supply arrangements for this contract as a result of the A&S Decontracting Plan.
- 4. The Commission requires that the executed amendments to the Canadian and U.S. baseload contracts be filed with the Commission, in a timely fashion.

**DATED** at the City of Vancouver, in the Province of British Columbia, this day of October, 1993.

BY ORDER

Lorna R. Barr Deputy Chairperson