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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 for the 1996/97 Gas Contract Year

BEFORE: M.K. Jaccard, Chairperson;)
L.R. Barr, Deputy Chairperson; and)
K.L. Hall, Commissioner) April 10, 1997

O R D E R

WHEREAS:

- A. On June 27, 1996 the Commission, by Letter No. L-24-96, approved for BC Gas Utility Ltd. ("BC Gas") its 1996/97 Gas Contracting Plan as filed by letter dated May 31, 1996. The Commission also accepted BC Gas' plan to release or resell higher priced gas supplies where they could be replaced by more economical alternatives; and
- B. On December 18, 1996 the Commission, by Order No. E-20-96, approved several Energy Supply Contracts for the 1996/97 gas contract year and directed BC Gas to file all contracts it had entered into to optimize its supply portfolio; and
- C. On June 30, 1996 BC Gas provided the Commission with information regarding several transactions, related to the 1996/97 gas supply portfolio, for approval; and
- D. The Commission has reviewed the Contracts and is satisfied that approval of a number of the transactions is necessary and in the public interest.

NOW THEREFORE, pursuant to Section 85.3 of the Utilities Commission Act, the Commission approves for BC Gas for the 1996/97 gas contract year, the following:

- Agreements which resell 30,000 MMBtu/d (31,652 GJ/d) of U.S. long-term supply, subject to timely filing of fully executed copies of the resale agreements.

- The Letter Agreement with PanEnergy Trading and Market Services, Inc. (“PEGS”) dated February 26, 1996 and amended October 16, 1996 which releases for 1996/97 21,300 MMBtu/d (22,472 GJ/d) of Clay Basin storage supply.
- The Agreement with PEGS dated December 16, 1996, as amended by notice from BC Gas dealing with the period February through June, 1997, for the purchase of 7,000 GJ/d at Station 2 in December 1996 and January 1997.

DATED at the City of Vancouver, in the Province of British Columbia, this 18th day of April, 1997.

BY ORDER

Original signed by:

Lorna R. Barr
Deputy Chairperson
and Acting Chair