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IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by Pacific Northern Gas Ltd.,
Pacific Northern Gas (N.E.) Ltd., and Centra Gas Fort St. John Inc.
for Approval of Seasonal and Peaking Gas Purchase Contracts
for the 1997/98 Gas Contract Year

BEFORE: K.L. Hall, Commissioner)
F.C. Leighton, Commissioner) June 25, 1997

O R D E R

WHEREAS:

- A. On May 2, 1997 the Commission, by Letter No. L-19-97 approved for Pacific Northern Gas Ltd., Pacific Northern Gas (N.E.) Ltd. ("PNG"), and Centra Gas Fort St. John Inc. ("Centra Gas") its Gas Contracting Plan ("the Plan") for the 1997/98 gas contract year. The Plan anticipated that PNG would contract for 19,500 GJ/day of seasonal/peaking gas for its amalgamated gas supply pool for the PNG West, Dawson Creek and Fort St. John service areas; and
- B. On June 6, 1997 PNG applied to the Commission for approval of three Letter Agreements covering winter seasonal gas supply contracts with Engage Energy Canada L.P. ("Engage"), ProGas Limited ("ProGas"), and Novagas Clearinghouse Limited Partnership ("Novagas") for the 1997/98 gas contract year; and
- C. The three gas supply contracts are based on an index at Station 2 on the Westcoast Energy transmission line system which is at or near the physical points of delivery; and
- D. The Commission has reviewed the PNG filing and is satisfied that approval of the seasonal and peaking gas supply contracts are necessary and in the public interest.

NOW THEREFORE pursuant to Section 71 of the Utilities Commission Act, and subject to the timely filing of fully executed documentation, the Commission approves for PNG the following seasonal and peaking gas supply contracts for the 1997/98 gas contract year:

1. A seasonal supply contract dated May 15, 1997 between Engage and PNG for 5,000 GJ/d for November, 1997 through March, 1998.
2. A seasonal supply contract dated June 4, 1997 between ProGas and Centra Gas for 6,500 GJ/d for November, 1997 through March, 1998.
3. A peaking supply contract dated May 22, 1997 between Novagas and PNG for 7,500 GJ/d for November, 1997 through February, 1998.

DATED at the City of Vancouver, in the Province of British Columbia, this 2nd day of July, 1997.

BY ORDER

Original signed by:

Kenneth L. Hall
Commissioner