

BRITISH COLUMBIA UTILITIES COMMISSION

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Number E-10-97

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

and

An Application by BC Gas Utility Ltd. for Approval of Propane Gas Supply Contract

BEFORE:

L.R. Barr, Deputy Chair
and Acting Chair
F.C. Leighton, Commissioner

August 14, 1997

## ORDER

## **WHEREAS:**

- A. Commission Order No. G-26-91 directed BC Gas Utility Ltd. ("BC Gas") to conduct a competitive bidding process for the supply of propane to the City of Revelstoke for future contract years commencing September 1, 1991; and
- B. On August 12, 1997 BC Gas applied to the Commission for approval in principle of an agreement with Link Petroleum Services Ltd. ("Link Petroleum") for the supply of liquid propane to the underground grid system at Revelstoke, B.C. for the period commencing September 1, 1997, with variable pricing based on Edmonton postings and including a price cap (the "Link Petroleum Agreement"); and
- C. The Link Petroleum Agreement has an initial term which expires August 31, 1998 and remains in effect thereafter on a year-by-year basis unless cancelled by notice from either party; and
- D. The Link Petroleum Agreement is the result of the bids received from propane suppliers in response to BC Gas' competitive tendering process for the supply of approximately 10,000 m<sup>3</sup> of liquid propane for a period commencing September 1, 1997; and
- E. The Commission has considered the Link Petroleum Agreement for the supply of liquid propane to BC Gas and is satisfied that approval is necessary and in the public interest.

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**NOW THEREFORE** pursuant to Section 71 of the Utilities Commission Act and the Rules, the Commission approves for BC Gas the Link Petroleum Agreement covering the supply of liquid propane to the Revelstoke grid system for the period September 1, 1997 to August 31, 1998, subject to the timely filing by BC Gas of a fully executed contract.

BC Gas is directed to request Commission approval not less than 140 days prior to August 31, 1998 if it wishes to have the Link Petroleum Agreement remain in place after August 31, 1998.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 14th day of August, 1997.

BY ORDER

*Original signed by:* 

Lorna R. Barr Deputy Chair and Acting Chair