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CANADA



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-109-97

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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 (N.E.) Ltd.
for Approval of a Service Agreement with Canadian Natural Resources Limited

BEFORE: L.R Barr, Deputy Chair)
and Acting Chair) October 23, 1997
K.L. Hall, Commissioner)
F.C. Leighton, Commissioner)

ORDER

WHEREAS:

- A. On October 10, 1997 Pacific Northern Gas (N.E.) Ltd. ("PNG(N.E.)") applied to the Commission for approval of an October 14, 1994 Service Agreement with Canadian Natural Resources Limited ("CNRL") and to terminate a November 8, 1988 Gas Sales Agreement with CNRL with respect to the Thunder Creek gas well; and
- B. The Commission, by Order No. G-74-94, approved for PNG(N.E.) a letter of intent for transportation service arrangements with Sceptre Resources Limited (a company acquired by CNRL) for a two-year term ending November 1, 1996. Sceptre extended the agreement for an additional year to November 1, 1997; and
- C. PNG(N.E.) and CNRL negotiated termination arrangements to the November 8, 1988 Gas Sales Agreement; and
- D. The Commission has reviewed the Application and finds that approval of the PNG (N.E.)/CNRL Service Agreement is appropriate.

NOW THEREFORE the Commission orders as follows:

- 1. The Commission approves for PNG(N.E.) the October 14, 1994 Service Agreement with CNRL identified as Tariff Supplement No. 2 effective October 1, 1994 to January 1, 2003 and continuing from year-to-year thereafter until terminated by either party, as provided for in the Agreement.
- 2. Termination of the predecessor Thunder Creek Gas Sales Agreement dated November 8, 1988 between PNG(N.E.) and CNRL is approved effective immediately.

DATED at the City of Vancouver, in the Province of British Columbia, this 30th day of October, 1997.

BY ORDER

Original signed by:

Lorna R. Barr
Deputy Chair and
Acting Chair