



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER A-3-99

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

and

an Application to Transfer an Agents/Brokers/Marketers Licence
from El Paso Energy Marketing Canada Inc. to ECNG Inc.

BEFORE: P. Ostergaard, Chair)
L.R. Barr, Deputy Chair) July 29, 1999
B.L. Clemenhausen, Commissioner)

O R D E R

WHEREAS:

- A. On October 30, 1998, El Paso Energy Marketing Canada Inc. ("El Paso") applied to the Commission for an Agents/Brokers/Marketers ("A/B/M") Licence for the period November 1, 1998 through October 31, 1999, and included with its application an Irrevocable Standby Letter of Credit, dated October 30, 1998, with the Royal Bank of Canada for a one-year term ending October 31, 1999. The Letter of Credit, in the amount of \$250,000, is to be used to guarantee the performance of El Paso's gas supply contracts; and
- B. El Paso applied to the Commission on July 29, 1999 to transfer El Paso's A/B/M Licence to ECNG Inc. ("ECNG"), a subsidiary of El Paso; and
- C. An Irrevocable Letter of Credit in the amount of \$250,000 to the benefit of BC Gas Utility Ltd. has been filed with the Commission by ECNG; and
- D. The Commission has reviewed El Paso's application to transfer the A/B/M Licence to ECNG and, relying upon the information and representations made by El Paso in the transfer application, finds that the transfer of the A/B/M Licence, subject to conditions, is required.

NOW THEREFORE the Commission orders as follows:

1. The Commission issues to ECNG an A/B/M Licence for the period July 30, 1999 up to and including October 31, 1999.
2. A/B/M Licence and Certificate No. A-4-98 issued to El Paso is cancelled effective July 30, 1999. El Paso is ordered to return the original licence to the Commission.
3. The A/B/M Licence is issued subject to the following conditions:
 - 3.1 ECNG will carry out the undertakings set out in Section 19 of El Paso's October 30, 1998 A/B/M Application;
 - 3.2 ECNG will comply with the approved A/B/M Code of Conduct;
 - 3.3 ECNG will maintain its Letter of Credit in full force and effect for the duration of the A/B/M Licence;
 - 3.4 ECNG will maintain a Working Capital position of at least \$50,000 and a Current Ratio of current assets to current liabilities of at least 1:10;
 - 3.5 The Commission may, at any time and without prior notice to ECNG, withdraw the A/B/M Licence for reasons the Commission, in its sole discretion, deems and considers sufficient; and
 - 3.6 The A/B/M Licence and all copies of it shall remain the property of the Commission and ECNG will return these documents forthwith upon written request from the Commission.

DATED at the City of Vancouver, in the Province of British Columbia, this 4th day of August 1999.

BY ORDER

Original signed by:

Peter Ostergaard
Chair

Attachment

Order/ABM Transfer El Paso-ECNG



CERTIFICATE A-3-99

AGENTS / BROKERS / MARKETERS LICENCE

ECNG INC.

is granted a licence for the purpose of providing advice to, or acting on behalf of, core market customers purchasing gas directly in the Province of British Columbia subject to the terms and conditions contained in Commission Order No. A-3-99, which are set out on the reverse of the Licence.

BRITISH COLUMBIA UTILITIES COMMISSION

Original signed by:

DATE: JULY 29, 1999

CHAIR

EXPIRES: OCTOBER 31, 1999

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1. ECNG will carry out the undertakings set out in Section 19 of El Paso's October 30, 1998 A/B/M Application;
2. ECNG will comply with the approved A/B/M Code of Conduct;
3. ECNG will maintain its Letter of Credit in full force and effect for the duration of the A/B/M Licence;
4. ECNG will maintain a Working Capital position of at least \$50,000 and a Current Ratio of current assets to current liabilities of at least 1:10;
5. The Commission may, at any time and without prior notice to ECNG, withdraw the A/B/M Licence for reasons the Commission, in its sole discretion, deems and considers sufficient; and
6. The A/B/M Licence and all copies of it shall remain the property of the Commission and ECNG will return these documents forthwith upon written request from the Commission.