



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

and

An Application by Pacific Northern Gas Ltd.
for Approval to Amalgamate Pacific Northern Gas (N.E.) Ltd.
Centra Gas Fort St. John Inc. and
Peace River Transmission Company Limited

BEFORE: P. Ostergaard, Chair)
L.R. Barr, Deputy Chair) June 2, 1999
P.G. Bradley, Commissioner)

O R D E R

WHEREAS:

- A. On November 26, 1998, Pacific Northern Gas Ltd. ("PNG") applied to the Commission, pursuant to Section 53(3) of the Utilities Commission Act (the "Act"), for an Order approving the amalgamation of the wholly-owned entities of Pacific Northern Gas (N.E.) Ltd. ["PNG (N.E.)"], Centra Gas Fort St. John Inc. ("Centra-FSJ") and Peace River Transmission Company Limited ("PRT") into a new public utility which will retain the PNG (N.E.) name; and
- B. On May 27, 1999, the Lieutenant Governor in Council's consent to the amalgamation was obtained and Order in Council No. 631, 1999 was issued; and
- C. As a Restricted Subsidiary under PNG's Deed of Trust and Mortgage (the "Trust Indenture"), the old PNG (N.E.) had received Commission approval in Order No. G-110-93 to guarantee the payment of Debentures issued by PNG from time to time and to grant a floating charge on all its assets to secure its obligations under the guarantee; and
- D. As a successor to the old PNG (N.E.), the new amalgamated company will be required to continue with these obligations under PNG's Deed of Trust and Mortgage; and
- E. The Commission has reviewed PNG's May 28, 1999 request for Commission approval for PNG (N.E.) to continue with the guarantees and obligations.

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-66-99

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NOW THEREFORE the Commission orders as follows:

1. Pursuant to Section 50(5) of the Act, the Commission authorizes the amalgamated PNG (N.E.) to give a guarantee, substantially as set out in the form of the Indenture of Guarantee contained in Article XXI of the Trust Indenture.
2. Pursuant to Section 52(1)(a) of the Act, the Commission authorizes the amalgamated PNG (N.E.) to grant a floating charge on its assets as security for its obligations under the guarantee, substantially as set out in the form of the Indenture of Guarantee contained in Article XXI of the Trust Indenture.

DATED at the City of Vancouver, in the Province of British Columbia, this 17th day of June 1999.

BY ORDER

Original signed by:

Peter Ostergaard
Chair