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BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-98-00

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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 a Rate Schedule 30 Tariff Supplement
with Enron Canada Corp.

BEFORE: P. Ostergaard, Chair)
L.R. Barr, Deputy Chair)
P.G. Bradley, Commissioner) October 19, 2000
B.L. Clemenhagen, Commissioner)
K.L. Hall, Commissioner)
N.F. Nicholls, Commissioner)

O R D E R

WHEREAS:

- A. Commission Order No. G-44-96, dated May 10, 1996, approved amendments to Rate Schedule 30-Off-System Interruptible Sales Rate Schedule and Agreement (B.C. Sales); and
- B. On October 5, 2000, BC Gas Utility Ltd. (“BC Gas”) requested approval of a Master Firm Gas Purchase/Sale Agreement with Enron Canada Corp. (“Enron”) dated July 12, 2000 (the “Master Agreement”) as a Rate Schedule 30 Tariff Supplement; and
- C. The Master Agreement language relating to failure to deliver or receive gas and several other matters has been changed from that in Rate Schedule 30, so as to reflect the provisions of current contracts governing gas purchase and sales transactions; and
- D. BC Gas requested that the Payment Guarantee Agreement, attached as Exhibit C to the Master Agreement, be considered confidential; and
- E. Article 5 of the Master Agreement provides that Enron may confirm a transaction by sending out a Confirmation Letter to BC Gas and that BC Gas must advise of any inaccuracies in the Confirmation Letter within three business days; and
- F. The Commission has reviewed BC Gas’ Application and the Master Agreement enclosed with it.

NOW THEREFORE pursuant to Section 61 of the Utilities Commission Act, the Commission orders as follows:

1. The Master Agreement with Enron is approved as a Rate Schedule 30 Tariff Supplement, subject to BC Gas providing written confirmation from Enron that BC Gas is able to initiate a Confirmation Letter under Article 5 of the Master Agreement.
2. The Commission accepts the request to hold Exhibit C confidential, and directs BC Gas to file the Master Agreement, except for Exhibit C, in standard Tariff Supplement format with the Commission.
3. In the event that BC Gas, pursuant to the Master Agreement, enters into contracts to purchase gas, BC Gas will file such contracts with the Commission pursuant to Section 71 of the Utilities Commission Act and the Rules for Energy Supply Contracts.

DATED at the City of Vancouver, in the Province of British Columbia, this 25th day of October 2000.

BY ORDER

Original signed by:

Peter Ostergaard
Chair