



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

and

The Special Direction to the British Columbia Utilities Commission
By the Lieutenant Governor in Council through
Order in Council 1510, dated December 13, 1995

and

The Second Amending Transportation Service Agreement between
Centra Gas British Columbia Inc. and the Island Cogeneration Limited Partnership

and

Commission Order No. G-71-01

BEFORE: P. Ostergaard, Chair)
B.L. Clemenhagen, Commissioner)
R.D. Deane, Commissioner) July 12, 2001
K.L. Hall, Commissioner)
N.F. Nicholls, Commissioner)

WHEREAS:

- A. On June 21, 2001, Centra Gas British Columbia Inc. ("Centra Gas") applied to the Commission for approval to extend the Second Amending Transportation Service Agreement ("the Second Amending TSA Agreement") from June 30, 2001 to August 31, 2001; and
- B. On June 22, 2001, the Commission requested comments from interested parties on the extension with replies to be received by June 27, 2001. Comments were received from three parties; and
- C. On June 28, 2001, Commission staff requested responses to additional questions from Centra Gas, British Columbia Hydro and Power Authority ("B.C. Hydro") and Island Cogeneration Limited Partnership ("ICLP") for reply by July 5, 2001; and
- D. The Commission, by Order No. G-71-01 dated June 28, 2001, approved an extension to the term of the Second Amending TSA Agreement between Centra Gas and the ICLP to July 13, 2001; and

- E. In a letter dated June 27, 2001, Farris, Vaughan, Wills & Murphy, counsel for ICLP, stated that commissioning of the Island Cogeneration Plant was expected to extend into August 2001 and that it would incur substantial unrecoverable costs if the testing and commissioning programs were interrupted; and
- F. In a letter dated June 26, 2001, the Vancouver Island Gas Joint Venture ("VIGJV") stated that it was not opposed to the requested extension; and
- G. B.C. Hydro, in a letter dated July 5, 2001, stated that the Centra Gas application for an extension of the Second Amending TSA Agreement is inconsistent with the position of B.C. Hydro on the matter of the Commercial Operation Date. As a result B.C. Hydro was not able to support the requested extension; and
- H. In a letter dated July 5, 2001, Centra Gas stated that the extension of the Second Amending TSA Agreement will not result in unrecovered tolls, gas costs or other liability to Centra Gas; and
- I. The Commission, by Order No. G-75-01 dated July 6, 2001, extended by one week the filing dates in the regulatory timetable for the written hearing into applications by Centra Gas and B.C. Hydro for the transportation service agreements to the Island Cogeneration Plant, ending with the filing of Centra Gas' reply by August 17, 2001; and
- J. The Commission has reviewed the matter and finds that an Order extending its approval of the Second Amending TSA Agreement is required.

NOW THEREFORE the Commission approves a further extension to the term of the Second Amending TSA Agreement between Centra Gas and ICLP to August 31, 2001.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of July 2001.

BY ORDER

Original signed by:

Peter Ostergaard
Chair