

BRITISH COLUMBIA
UTILITIES COMMISSION

Order

Number

G-69-02

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

and

An Application by Centra Gas British Columbia Inc. for Approval of an Industrial Gas Sales Agreement Amendment with the University of Victoria

<b>BEFORE:</b>	P. Ostergaard, Chair	)	
	R.D. Deane, Commissioner	)	September 26, 2002
	K.L. Hall, Commissioner	)	-

### ORDER

#### WHEREAS:

- A. On March 1, 1993 the Commission, by Order No. G-18-93, approved for Centra Gas British Columbia Inc. ("Centra Gas") an Industrial Gas Sales Agreement with the University of Victoria ("the University") at its Gordon Head Campus for a ten-year initial term ending May 15, 2002. The Industrial Gas Sales Agreement provided for successive one-year extensions; and
- B. On August 25, 2001, Centra Gas provided the University with one year's written notice that the Industrial Gas Sales Agreement would not be extended; and
- C. On September 11, 2002, Centra Gas applied to the Commission, pursuant to Sections 60(1) and 61(2) of the Utilities Commission Act ("the Act"), for approval of an Amendment to Industrial Gas Sales Agreement covering the period August 25, 2002 to December 31, 2002 or until such time as new rates become effective as approved by the Commission; and
- D. The September 3, 2002 Amendment to Industrial Gas Sales Agreement provides for a monthly rate based on an amended pricing formula ("APF"). The APF is equal to the Vancouver Rack price for No. 2 heating oil less a natural gas price discount of 10 percent. The rate will be the lesser of the APF or the LGS-13 rate, and the greater of the APF and the delivered monthly purchase price of natural gas into the Centra Gas system for the 2002 year, plus 10 percent; and
- E. The Commission has reviewed the Centra Gas Application and finds that the Amendment to Industrial Gas Sales Agreement with the University is in the public interest.

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2

## NOW THEREFORE the Commission orders as follows:

1. The Commission approves for Centra Gas the September 3, 2002 Amendment to Industrial Gas Sales Agreement with the University of Victoria, effective August 25, 2002.

2. The Amendment to Industrial Gas Sales Agreement shall continue in effect until December 31, 2002, or until such time as new rates being considered by revenue requirements and rate design proceedings in the fall of 2002 become effective as approved by the Commission.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 1<sup>st</sup> day of October 2002.

BY ORDER

Original signed by:

Peter Ostergaard Chair