



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER C-5-03

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

and

An Application by Terasen Gas Inc.
for Approval to Further Extend the Expiry Date of the Operating Agreement
with the District of Chetwynd

BEFORE: R.H. Hobbs, Commissioner)
R.D. Deane, Commissioner) June 12, 2003

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

WHEREAS:

- A. On June 11, 2003, Terasen Gas Inc. ("Terasen Gas") applied to the Commission for approval to extend by one year the Certificate of Public Convenience and Necessity ("CPCN") No. C-20-80 which approved the 21-year Operating Agreement between Inland Natural Gas Co. Ltd. (predecessor company to Terasen Gas and BC Gas) and the District of Chetwynd (formerly the Village of Chetwynd) ("the District"); and
- B. By Order Nos. C-5-01 and C-8-02 dated May 24, 2001 and June 13, 2002, the Commission granted CPCN's to BC Gas approving extensions to the Operating Agreement with the District for further terms of one year, ending June 30, 2002 and June 30, 2003; and
- C. By letter dated June 4, 2003 the District has agreed to further extend the expiry date of the Operating Agreement with Terasen Gas from June 30, 2003 to June 30, 2004. Terasen Gas has agreed to continue for that period, payment of the franchise fee, equivalent to three percent of the gross annual revenues of Terasen Gas derived from sales of natural gas within the area encompassed by the terms of the Operating Agreement; and
- D. The Commission has reviewed the application and finds that a further one-year extension to the expiry date of the Operating Agreement and continuation of the franchise fee to June 30, 2004 is in the public interest.

NOW THEREFORE the Commission, pursuant to Section 45(7) of the Utilities Commission Act, approves for Terasen Gas a further one-year extension to CPCN No. C-20-80 and the continuation of the payment of the three percent franchise fee to the District of Chetwynd to June 30, 2004.

DATED at the City of Vancouver, in the Province of British Columbia, this 15th day of June 2003.

BY ORDER

Original signed by:

Robert H. Hobbs
Commissioner