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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** E-5-04

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**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 of 2004/05 Natural Gas Supply and Propane Contracts**

BEFORE: L.F. Kelsey, Commissioner
K.L. Hall, Commissioner December 2, 2004

O R D E R

WHEREAS:

- A. On June 24, 2004 the Commission, by Letter No. L-37-04, accepted the Pacific Northern Gas Ltd. ("PNG") 2004/2005 Gas Contracting Plan and Price Risk Management Plan; and
- B. On November 5, 2004, PNG filed with the Commission for acceptance copies of the price redetermination letter with CanWest Supply Inc. ("CanWest"), a synthetic gas storage agreement with Terasen Gas Inc. ("Terasen Gas"), gas price confirmation letters with BP Energy Co., a transaction confirmation letter with Canadian Natural Resources ("CNR"), and a Superior Propane Ltd. pricing agreement letter for propane supply to Granisle; and
- C. The Commission has reviewed the PNG filing and is satisfied that the gas supply contracts are appropriate and in the public interest.

NOW THEREFORE pursuant to Section 71 of the Utilities Commission Act and the Commission's Energy Supply Contract - Rules, the Commission accepts the following natural gas supply contracts and amendments and propane supply contract for PNG:

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1. The natural gas contracts and propane contract are as follows:

Term	Company	Location	Volume GJ/day)	Type of Contract	Transaction Date
Nov04-Oct05 1	CanWest	Stn2/Ft St John/Pink Mtn	24,300	Gas Pricing Redetermination Letter	6-Oct-2004
Nov04-Mar05 2	Terasen (Aitken Creek Storage)	Solex	5,000	Synthetic Gas Storage Agreement	30-Jun-2004
Nov 04-Mar05 3	BP Canada	Stn2	2,500	GasEdI contract with confirmation letter	30-Jul-2004
Nov04-March05 4	BP Canada	Stn 2	2,500	GasEdI contract with confirmation letter	18-Aug-2004
Nov04-March05 5	BP Canada	Stn 2	2,500	GasEdI contract with confirmation letter	16-Sep-2004
Nov04-March05 6	BP Canada	Stn 2	2,500	GasEdI contract with confirmation letter	27-Oct-2004
Dec04-Feb05 7	BP Canada	Stn2	1,500	GasEdI contract with confirmation letter	30-Jul-2004
Dec03-Feb04 8	BP Canada	Stn2	4,500	GasEdI contract with confirmation letter	18-Aug-2004
Dec04-Feb05 9	BP Canada	Stn2	3,000	GasEdI contract with confirmation letter	16-Sep-2004
Dec04-Feb05 10	BP Canada	Stn2	3,000	GasEdI contract with confirmation letter	27-Oct-2004
Apr05 - Oct05 11	BP Canada	Stn2	1,000	GasEdI contract with confirmation letter	30-Jul-2004
Apr05 - Oct05 12	BP Canada	Stn2	1,000	GasEdI contract with confirmation letter	23-Aug-2004
Apr05 - Oct05 13	BP Canada	Stn2	1,000	GasEdI contract with confirmation letter	16-Sep-2004
Nov04-March05 14	CNR	Younger Plant	5,000	Transaction Confirmation November 22, 2004 Letter	20-Oct-2004
Nov04-March05 15	CNR	PR Field	2,500	Transaction Confirmation	27-Oct-2004
3-Nov 16	Superior Propane	Granisle	N/A	Contract to be filed	

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2. PNG is directed to file a report with the Commission within 30 days of execution of the Super Peaking Agreement.
3. The Superior Propane Ltd. agreement for propane supply to Granisle is approved subject to PNG filing a fully executed contract by December 31, 2004.

DATED at the City of Vancouver, in the Province of British Columbia, this 10th day of December 2004.

BY ORDER

Original signed by:

K.L. Hall
Commissioner