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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-107-06

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

and

**An Application by Unocal Canada Limited
for Approval of a Certificate of Public Convenience and Necessity
and Approval of Gas Storage Agreements as Rates
for the Aitken Creek Storage Facility**

BEFORE: L.F. Kelsey, Commissioner September 7, 2006

O R D E R

WHEREAS:

- A. The Commission by Letter No. L-47-06 dated August 25, 2006 advised Unocal Canada Limited ("Unocal") that it had concluded that Unocal, as owner and/or operator of the Aitken Creek Storage Facility, fell within the definition of a public utility in the Utilities Commission Act (the "Act"); and
- B. On August 31, 2006 Unocal applied to the Commission for orders accepting for filing pursuant to Section 61(1) of the Act six Gas Storage Agreements and General Terms and Conditions for Firm Natural Gas Storage, granting a Certificate of Public Convenience and Necessity ("CPCN") for the operation of the Aitken Creek Storage Facility pursuant to Section 45 of the Act, and granting a CPCN for the operation of the facility on an interim basis pursuant to Sections 90 and 91 of the Act (the "Application"); and
- C. In the Application, Unocal advises that it is preparing an application and supporting evidence for an exemption order under Section 88(3) of the Act and that it intends to file an application for an exemption order by September 22, 2006; and
- D. In the Application, Unocal requests that the Commission grant the CPCN on an interim basis as soon as possible and without further process, and that the Commission delay any process on the application for a CPCN pursuant to Section 45 until the exemption order application is resolved; and

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E. The Commission has reviewed the Application and concludes that certain orders are necessary so that Unocal is in compliance with the Act.

NOW THEREFORE the Commission orders as follows:

1. Pursuant to Sections 59, 61, 90 and 91 of the Act, the Commission accepts for filing, on an interim basis, the gas storage agreements that are identified in Appendix A to this Order and the General Terms and Conditions for Firm Natural Gas Storage as set out in the Application, effective September 1, 2006.
2. Pursuant to Section 45, 46, 90 and 91 of the Act, the Commission grants Unocal a CPCN on an interim basis for the operation of the Aitken Creek Storage Facility as it currently exists, with the CPCN to be effective until Unocal's exemption order application is resolved or the Commission makes another determination on the matter of a CPCN.
3. Unocal will provide a copy of the Application, excluding the gas storage agreements that were attached to it, and this Order to each party with whom it currently has a gas storage agreement relating to the Aitken Creek Storage Facility.

DATED at the City of Vancouver, in the Province of British Columbia, this 8th day of September 2006.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner

Attachment

Unocal Canada Limited
Certificate of Public Convenience and Necessity Application
Approval of Gas Storage Agreements as Rates
Aitken Creek Storage Facility

Gas Storage Agreements

1. Firm Gas Storage Agreement with PacifiCorp Energy Ltd. originally dated March 22, 2002.
2. Firm Gas Storage Agreement with BC Gas Utility Ltd. dated March 31, 2003.
3. Firm Gas Storage Agreement with Terasen Gas Inc. dated March 29, 2004.
4. Firm Gas Storage Agreement with Anadarko Canada Corporation dated October 4, 2005.
5. Firm Gas Storage Agreement with Terasen Gas Inc. dated March 29, 2006.
6. Firm Natural Gas Storage Agreement with Westcoast Energy Inc. dated September 1, 2005.