

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcac.com>



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER E-15-09**

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

and

**A Filing by Stargas Utility Ltd.
Gas Supply Purchase
Pursuant to Approved Natural Gas Supply Contract**

BEFORE: A. A. Rhodes, Commissioner
A. J. Pullman, Commissioner

November 5, 2009

O R D E R

WHEREAS:

- A. The British Columbia Utilities Commission (the "Commission"), by Order C-4-00, approved a Certificate of Public Convenience and Necessity for Stargas Utility Ltd. ("Stargas") to operate a natural gas distribution system at the resort community of Silver Star; and
- B. On July 10, 2009 Stargas filed an Application for Acceptance of a Price Mitigation Strategy locking in gas commodity prices for 2009/10 and 2010/11; and
- C. On July 23, 2009 the Commission issued Letter L-52-09 accepting Stargas' application for acceptance of a Price Mitigation Strategy locking in gas commodity prices for 2009/10 and 2010/11; and
- D. Letter L-52-09 required (amongst other things) Stargas to file any new physical supply contract(s) pursuant to section 71 of the *Utilities Commission Act* and to the extent Stargas locks in a gas price(s) the filing must include justification that the fixed price(s) is(are) competitive relative to current forward prices when the arrangement(s) was(were) entered into; and
- E. On July 29, 2009 Stargas applied for Commission approval to decrease delivery and commodity rates, effective November 1, 2009. Stargas also requested approval of a new term loan (the "Refinancing Application"), the amortization of various deferral accounts, the establishment of income tax deferral account and a new gas supply contract (the "Application"); and
- F. The Commission, by Order E-13-09, accepted the new Gas Supply Contract filed on July 29, 2009; and

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- G. On October 27, 2009 Stargas filed a Gas Purchase Transaction Confirmation pursuant to an approved Gas Supply Contract.

NOW THEREFORE following review of the Gas Supply Contract filed by Stargas as part of the Application, the Commission orders as follows:

1. The filed Gas Purchase Transaction Confirmation (Schedule A.001 dated October 26, 2009) is accepted.
2. Stargas will file any additional transaction confirmation "Schedules" to the Gas Supply Contract with the Commission for acceptance in accordance with the requirements of Letter L-52-09.

DATED at the City of Vancouver, in the Province of British Columbia, this 5th day of November 2009.

BY ORDER

Original signed by:

A. A. Rhodes
Commissioner