



ORDER NUMBER
G-285-19

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

Pacific Northern Gas (N.E.) Ltd.
Application for Approval of Committed Operating Line Extension

BEFORE:

A. K. Fung, QC, Commissioner
D. M. Morton, Commissioner
C. M. Brewer, Commissioner
B. A. Magnan, Commissioner
R. I. Mason, Commissioner
R. D. Revel, Commissioner

on November 14, 2019

ORDER

WHEREAS:

- A. On October 25, 2019, Pacific Northern Gas (N.E.) Ltd. [PNG(N.E.)] applied to the British Columbia Utilities Commission (BCUC) pursuant to section 50 of the *Utilities Commission Act* (UCA), for approval of an extension of the existing operating line (Committed Operating Line) that is included in the Bank of Montreal (BMO) credit agreement dated May 4, 2018 (Credit Agreement) between Pacific Northern Gas Ltd. (PNG) and PNG(N.E.) as borrowers and BMO as lender (Application);
- B. By Order G-11-05 dated January 20, 2005, the BCUC approved PNG(N.E.)'s application for a new credit facility (Original Credit Agreement) which included the terms for PNG(N.E.)'s Committed Operating Line;
- C. The Original Credit Agreement was amended and extended through BCUC Orders G-81-09, G-175-10, G-60-12, G-145-13, G-77-15 and G-160-16A;
- D. By Order G-185-17, the BCUC approved a further extension of the maturity date for the Committed Operating Line by an additional 18 months to November 4, 2019 to allow PNG to continue to meet its working capital requirements and business obligations;
- E. PNG(N.E.) requests that financing terms set forth in the Application be held confidential on the basis they are commercially sensitive and disclosure of this information may adversely affect the position of PNG(N.E.) in negotiating financing with other parties in the future; and
- F. The BCUC has reviewed the Application and considers that approval is warranted.

NOW THEREFORE pursuant to section 50(3) of the UCA, the BCUC orders as follows:

1. PNG(N.E.)'s Application to extend the term of the existing Committed Operating Line with BMO by 18 months to May 4, 2021, and to incur indebtedness under the extended Committed Operating Line from time to time, is approved.
2. PNG(N.E.) is directed to inform the BCUC immediately of any significant departure in the terms and conditions set forth in the BMO Credit Agreement.
3. The financing terms set forth in the Application will be kept confidential due to their commercially sensitive nature.

DATED at the City of Vancouver, in the Province of British Columbia, this 14th day of November 2019.

BY ORDER

Original signed by:

A. K. Fung, QC
Commissioner