



ORDER NUMBER

E-8-20

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

and

FortisBC Energy Inc.
Amendment to GasEDI Base Contract with
J. Aron & Company LLC.

BEFORE:

B. A. Magnan, Commissioner
E. B. Lockhart, Commissioner
T. A. Loski, Commissioner
R. I. Mason, Commissioner

on March 26, 2020

ORDER

WHEREAS:

- A. On March 13, 2020, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (BCUC), pursuant to section 71 of the *Utilities Commission Act* and the BCUC's Rules for Natural Gas Energy Supply Contracts, for acceptance an amendment to FEI's existing GasEDI Base Contract with J. Aron & Company LLC (J. Aron) that would permit FEI's adherence to the ISDA 2018 U.S. Stay Resolution Protocol and the U.S. Federal Reserve Systems Stay Rules (Stay Rules) (Application);
- B. On March 1, 2003, FEI (then Terasen Gas Inc.) and Nexen Marketing entered into a GasEDI Base Contract. Subsequently, by Order E-25-10, the BCUC accepted for filing a novation agreement assigning the original GasEDI from Nexen Marketing to J. Aron, a subsidiary of the Goldman Sachs Group Inc;
- C. By Letter L-32-19 dated June 19, 2019, the BCUC accepted the FEI Annual Contracting Plan (ACP) for the 2019/20 gas year commencing November 1, 2019, and requested FEI to file an updated 2019/20 ACP to address transmission service customers returning to bundled service;
- D. By Letter L-40-19 dated August 8, 2019, the BCUC accepted an update to FEI's 2019/20 ACP;
- E. As a result of the implementation of the U.S. Stay Rules by the U.S. Federal Reserve System, J. Aron can no longer trade with FEI, effective immediately, unless FEI agrees to adhere to the Stay Rules that would limit its rights as a creditor under the J. Aron GasEDI;
- F. FEI requests the agreements identified in the Application be kept confidential due to the commercially sensitive nature; and

G. The BCUC has reviewed the Application and considers the following determinations are warranted.

NOW THEREFORE, pursuant to section 71 of the *Utilities Commission Act* and the BCUC's Rules for Natural Gas Energy Supply Contracts, the BCUC orders as follows:

1. The proposed amendments to FEI's existing GasEDI Base Contract with J. Aron permitting FEI's adherence to the ISDA 2018 U.S. Stay Resolution Protocol and the U.S. Federal Reserve Systems Stay Rules are accepted.
2. The BCUC will keep the agreements identified in the Application confidential as requested by FEI as they contain commercially sensitive information.
3. FEI must file the amended GasEDI Contract with J. Aron with the BCUC within 30 days of the date of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 26th day of March 2020.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner