



**ORDER NUMBER  
G-124-21**

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

and

Pacific Northern Gas (N.E.) Ltd.  
Application for Approval of Third Amendment to Extend Committed Operating Line

**BEFORE:**

E. B. Lockhart, Panel Chair  
B. A. Magnan, Commissioner

on April 27, 2021

**ORDER**

**WHEREAS:**

- A. On March 9, 2021, Pacific Northern Gas (N.E.) Ltd. [PNG(NE)] applied to the British Columbia Utilities Commission (BCUC) pursuant to section 50 of the *Utilities Commission Act* (UCA), for approval of an extension to the existing operating line of credit (Committed Operating Line) that is included in the Bank of Montreal (BMO) Amended and Restated Credit Agreement dated May 4, 2018 (Credit Agreement) between Pacific Northern Gas (PNG) and PNG(NE) as borrowers and BMO as lender (Application);
- B. PNG(NE) requests that the financing terms set forth in the Application be held confidential on the basis that they are commercially sensitive and disclosure of this information may adversely affect the position of PNG(NE) in negotiating financing with other parties in the future;
- C. By Order G-11-05 dated January 20, 2005, the BCUC approved PNG(NE)'s application for a new credit facility (Original Credit Agreement) with BMO which included terms and conditions for a Committed Operating Line and a treasury/commodity hedge line. 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 dated December 14, 2017, the BCUC approved PNG(NE) to enter into a committed five-year term revolving credit facility with BMO (Committed Five-Year Revolving Facility) and to extend the term of the Committed Operating Line by an additional 18 months;
- E. On May 4, 2018, PNG(NE), PNG and BMO entered into the Credit Agreement which included the Committed Five-Year Revolving Facility in addition to the existing Committed Operating Line and treasury/commodity hedge line;
- F. By Order G-285-19 dated November 14, 2019, the Committed Operating Line was extended by 18 months to allow PNG(NE) to continue to meet its working capital requirements and business obligations; and

- G. The BCUC has reviewed the Application and determines that approval to extend the term of the Committed Operating Line is warranted.

**NOW THEREFORE** pursuant to section 50 of the UCA, the BCUC orders as follows:

1. PNG(NE)'s Application to extend the term of the existing Committed Operating Line with BMO by 18 months to November 4, 2022, and to incur indebtedness under the extended Committed Operating Line from time to time, is approved.
2. PNG(NE) is directed to inform the BCUC immediately of any significant departure from the terms and conditions set forth in the Credit Agreement.
3. The financing terms set forth in the Application will be kept confidential due to their commercial sensitive nature.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 27<sup>th</sup> day of April 2021.

BY ORDER

*Original signed by:*

E. B. Lockhart  
Commissioner