

PROVINCE OF BRITISH COLUMBIA
BRITISH COLUMBIA UTILITIES COMMISSION

IN THE MATTER OF the Utilities Commission
Act, S.B.C. 1980, c. 60, as amended

and

IN THE MATTER OF Natural Gas Supply Contracts
for Inland Natural Gas Marketing Ltd.

BEFORE: J.D.V. Newlands,)
Deputy Chairman,)
N. Martin,) October 31, 1989
Commissioner; and)
W.M. Swanson, Q.C.)
Commissioner)

O R D E R

WHEREAS Section 85.3 of the Utilities Commission Act ("the Act"), requires that Energy Supply Contracts between producers and consumers, be filed with the Commission for approval; and

WHEREAS on August 18, 1988 the Commission issued Rules for the filing of such Contracts ("Rules"); and

WHEREAS Inland Natural Gas Marketing Ltd. ("INGM") has filed with the Commission draft natural gas supply contracts ("the Contracts") dated for reference November 1, 1989 between INGM and its suppliers Petro-Canada Inc., Quintanna Exploration Canada Ltd., and Canterra Energy Ltd. ("the suppliers") and INGM's clients: Molycop Canada, Petrosul International Ltd., and Husky Oil Operations Ltd. ("the customers") for the period commencing November 1, 1989 to October 31, 1990 inclusive under Rules - Section 1.2.3; and

WHEREAS the Contracts represent a small incremental addition to the contracted supply previously approved by Commission Order No. E-5-88; and

WHEREAS INGM by letter dated October 27, 1989 has stated that approval of contracts for these incremental customers is now required to avoid additional transmission charges being borne by other INGM customers; and

WHEREAS INGM has obtained written commitments from its customers and suppliers to negotiate contracts for the period following October 31, 1990 as soon as possible, but no later than January 31, 1990; and

.../2

BRITISH COLUMBIA UTILITIES COMMISSION	
ORDER	
NUMBER	<u>E-9-89</u>

2

WHEREAS the Commission recognizes the need to provide some flexibility in the application of its Rules as noted in Section 1.1.8 thereof to enable customers to take best advantage of current market conditions; and

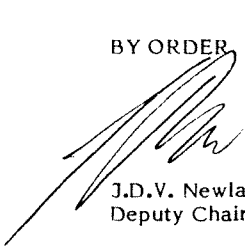
WHEREAS the Commission has reviewed the draft Contracts and supporting material and is satisfied that they are in the public interest.

NOW THEREFORE pursuant to Section 85.3 of the Act the Commission orders as follows:

1. The Commission approves and accepts for filing the draft Energy Supply Contracts between INGM, the suppliers and the customers dated for reference November 1, 1989 which are designated as Energy Supply Contracts, NGSC No. 15.
2. INGM is to file with the Commission a fully executed set of Energy Supply Contracts on or before November 30, 1989.
3. INGM is to report its progress in securing a longer term supply for its 17 customers no later than January 31, 1990. The Commission will expect INGM to demonstrate that significant progress has been made by that time.

DATED at the City of Vancouver, in the Province of British Columbia, this 31st day of October, 1989.

BY ORDER


J.D.V. Newlands
Deputy Chairman

431/22/cms