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

and

An Application by Centra Gas British Columbia Inc.

BEFORE:

M.K. Jaccard, Chairperson; and K.L. Hall, Commissioner

December 15, 1993

ORDER

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WHEREAS:

- A. On November 19, 1993 Centra Gas British Columbia Inc. ("Centra Gas") provided the Commission with a review of its gas supply portfolio for the Fort St. John District covering the gas contract year 'commencing November 1, 1993; and
- B. On November 3, 1993 Centra Gas requested approval of a Letter Agreement dated October 15, 1993 amending the November 1, 1986 Gas Purchase Contract ("Conoco Arrangement") with Centra Gas Inc. for deliveries from Conoco Canada Limited ("Conoco"); and
- C. The Conoco Arrangement expires on October 31, 1997 and has a remaining term which is less than the rolling four year term requirement of the Commission's Rules for Energy Supply Contracts: and
- D. On November 22, 1993 Centra Gas also requested approval of restated propane supply contracts with Petro Canada Inc. dated October 7, 1993 for Whistler and Port Alice Districts covering the period October 1, 1993 to September 30, 1994; and
- E. The Commission has reviewed the filings and is satisfied that approval of the restated propane contracts is necessary and in the public interest but considers that Centra Gas' supply arrangements for Fort St. John require further review.



NOW THEREFORE pursuant to Section 85.3 of the Utilities Commission Act and the Rules, the Commission orders Centra Gas as follows

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- Centra Gas' gas supply arrangements for the Fort St. John District, including the October 15, 1993 Letter Agreement amending the Conoco Arrangement and its strategy to ensure compliance with the Rules for Energy Supply Contracts, will be reviewed as part of the February 7, 1994 Revenue Requirements Hearing set down by Order No. G-122-93.
- 2. Centra Gas is directed to file its peaking gas supply contracts for Fort St. John District for 1993/94 by January 7, 1994.
- 3. The restated propane supply contracts for the Whistler and Port Alice Districts, covering the period October 1, 1993 to September 30, 1994, are approved.
- 4. The Commission advises Centra Gas that approvals of gas supply contracts and amendments for the 1994/95 gas year will require demonstration, in the context of the Utility's Integrated Resource Planning process and considering possible synergies between the supply arrangements for the Fort St. John and Vancouver Island Districts, that the contracts are in the public interest.

DATED at the City of Vancouver, in the Province of British Columbia, this 23 alday of December, 1993.

BY ORDER

Dr. Mark K. Jaccard Chairperson