



SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3
CANADA

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER E-28-93

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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)
L.R. Barr, Deputy Chairperson) December 2, 1993

ORDER

WHEREAS:


- A. On December 2, 1993 Centra Gas British Columbia Inc. ("Centra Gas") filed for Commission approval a Peaking Gas Management Agreement ("the Agreement") dated November 1, 1993 among Centra Gas, Squamish Gas Co. Ltd. ("Squamish Gas") and the Vancouver Island Gas Joint Venture ("the Joint Venture"), pursuant to Section 85.3 of the Utilities Commission Act ("the Act"); and
- B. Under the Agreement the Joint Venture will provide Centra Gas and Squamish Gas ("the Utilities") with up to 50 percent of its firm Maximum Daily Quantity of gas; and
- C. The Agreement is for a ten-year term commencing November 1, 1991 and fulfills the Joint Venture's obligation to provide access to 50 percent of its firm gas supply for five days on a "return-of-gas basis" and for an additional five days where the gas is returned and the Joint Venture is reimbursed for its incremental fuel costs; and
- D. The Agreement also provides that the Joint Venture will make gas available to the Utilities on an emergency basis when an utility's supply is insufficient to meet its core market requirements; and
- E. The Commission has reviewed the Agreement and is satisfied that approval is necessary and in the public interest.

NOW THEREFORE pursuant to Section 85.3 of the Act and the Rules Respecting Energy Supply Contracts the Commission orders the following:

- 1. The Peaking Gas Management Agreement dated November 1, 1993 is approved.
- 2. Future Commission reviews will consider the Agreement in the context of the Integrated Resource Plans of Centra Gas and Squamish Gas, and will require overall cost minimization for the Vancouver Island Gas Project.

DATED at the City of Vancouver, in the Province of British Columbia, this 7th day of December, 1993.

BY ORDER


Dr. Mark K. Jaccard
Chairperson