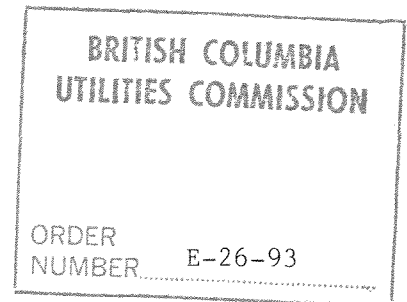




SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3
CANADA



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 Pacific Northern Gas Ltd.

BEFORE: M.K. Jaccard, Chairperson; and)
K.L. Hall, Commissioner) November 25, 1993

ORDER

WHEREAS:

- A. Commission Order No. E-4-93 approved for Pacific Northern Gas Ltd. ("PNG") pricing amendments to its long-term gas supply contracts for periods commencing November 1, 1992, pursuant to the Rules Respecting Energy Supply Contracts ("the Rules") and Section 85.3 of the Utilities Commission ("the Act"); and
- B. On November 4, 1993 PNG applied to the Commission for approval of pricing amendments to its baseload contracts with Czar Resources Ltd. and Orbit Oil and Gas Ltd. ("Czar"), Talisman Energy Inc. (formerly Encor Energy) ("Talisman"), and a one-year supply contract with Amerada Hess Canada Ltd. ("Amerada") effective for the gas contract year commencing November 1, 1993; and
- C. PNG also advised that 1993/94 prices for its baseload contract with Ocelot Energy Inc. are still being negotiated by Westcoast Gas Services Inc. under the Gas Management Services Agreement; and
- D. The Commission has reviewed the contract filings and has determined that approval of pricing amendments to its long-term baseload gas contracts are necessary and in the public interest.

NOW THEREFORE the Commission, pursuant to the Rules and Section 85.3 of the Act, approves for PNG the following:

1. Letter Agreement dated October 18, 1993 amending the Gas Purchase Agreement with Czar dated October 28, 1991.
2. Letter Agreement dated November 4, 1993 amending the Gas Purchase Agreement with Talisman dated October 24, 1991.

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER E-26-93

2

3. The draft Letter Agreement dated November 2, 1993 with Amerada.
4. The Commission requires that the executed agreement and amendments to the baseload contracts be filed with the Commission in a timely manner.
5. The Commission advises PNG that approvals of gas supply contracts and amendments for the 1994/95 gas contract year will require demonstration, in context to PNG's Integrated Resource Plan, that the contracts are in the public interest.

DATED at the City of Vancouver, in the Province of British Columbia, this 26th day of November, 1993.

BY ORDER



Dr. Mark K. Jaccard
Chairperson