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BRITISH COLUMBIA  
UTILITIES COMMISSION

ORDER  
NUMBER E-21-93

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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 )  
L.R. Barr, Deputy Chairperson ) October 6, 1993

**ORDER**

**WHEREAS:**

- A. On August 10, 1993 Centra Gas British Columbia Inc. ("Centra Gas") applied to the Commission for approval of a spot gas procurement strategy by which it proposes to purchase spot gas for system requirements and for injection into storage facilities for use during peak winter months; and
- B. Centra Gas also applied on September 27, 1993 for Commission approval of its spot gas purchases made during the months of April to August 1993; and
- C. The Commission has reviewed the procurement strategy and actual spot purchases made during April to August, 1993 and is satisfied that approval is necessary and in the public interest.

**NOW THEREFORE** pursuant to Section 85.3 of the Utilities Commission Act and the Rules the Commission approves the following:

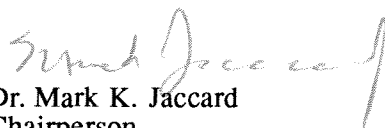
1. Centra Gas' spot gas procurement strategy as outlined in its August 10, 1993 application covering the period September 1, 1993 to October 31, 1994, subject to the following conditions:
  - a) Spot gas will not be purchased if less expensive gas is available under baseload or other supply contracts.
  - b) Appropriate exchange rates and transportation differentials will be used to correlate the index price and the price at the point of delivery.

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- c) The purchase price will not exceed the Canadian Hydrocarbon Marketing Inc. average spot pool price for the time period, for equivalent deliveries.
  - d) Centra Gas will monitor alternative reference indexes and propose a revision to the strategy if a more appropriate reference for intra-British Columbia deliveries emerges.
2. Centra Gas' spot gas purchases made in the months of April through August 1993, as set out in its September 27, 1993 letter.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 21<sup>st</sup> day of October, 1993.

BY ORDER

  
Dr. Mark K. Jaccard  
Chairperson

/lm