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

and

An Application by BC Gas Utility Ltd.
for Approval of Energy Supply Contracts for the 1995/96 Gas Contract Year

BEFORE: M.K. Jaccard, Chairperson; and)
K.L. Hall, Commissioner) October 5, 1995

O R D E R

WHEREAS:

- A. On September 25, 1995 BC Gas Utility Ltd. ("BC Gas") applied to the Commission for approval of pricing amendments, for the 1995/96 gas contract year, to the majority of its baseload gas purchase contracts; and
- B. The application also requests approval of pricing amendments for several US Long-Term Contracts for the 1995/96 gas contract year; and
- C. The application also provides additional information regarding BC Gas' price risk management plans for 1995/96; and
- D. The Commission has reviewed the Contracts and is satisfied that approval is necessary and in the public interest.

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

1. Pricing amendments to the following Canadian Baseload Gas Purchase Contracts, as set out in the September 25, 1995 BC Gas application, are approved for the contract year commencing November 1, 1995:
 - Amerada Hess Canada Ltd., 567 10³m³/d under two contracts.
 - Amoco Canada, 795 10³m³/d under one contract.
 - Anderson Oil & Gas Company Inc., 375 10³m³/d under one contract.
 - Canadian Hunter Marketing Ltd., 200 10³m³/d under one contract.
 - Canadian Hunter Marketing Ltd., 900 10³m³/d under two Alberta contracts.
 - CanWest Gas Supply Inc., 3,965 10³m³/d under one contract.
 - Esso Resources Ltd., 170 10³m³/d under one contract.
 - Northwest Pacific Energy Marketing Inc., 710 10³m³/d under one contract.
 - Northwest Pacific, 1983 10³m³/d under one contract .
 - Penn West Petroleum Ltd., 142 10³m³/d under one contract.
 - Petro-Canada, 708 10³m³/d under one contract.
 - Shell Canada Limited, 283 10³m³/d under one contract.
 - Rigel Oil & Gas Ltd., 100 10³m³/d under one contract.

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- Summit Resources, 280 10³m³/d under one contract.
 - Unocal Canada Limited, 300 10³m³/d under one contract.
 - Mobil Oil Canada, 283 10³m³/d under one contract .
2. Pricing amendments to the following US Long-Term Gas Purchase Contracts, as set out in the application, are approved for the contract year commencing November 1, 1995:
- Amoco Energy Trading Corporation, 10,000 MMBtu/d.
 - Conoco Inc., 5,000 MMBtu/d.
 - Enron Oil & Gas Marketing, Inc., 10,000 MMBtu/d.
 - Associated Gas Services, Inc., 5,000 MMBtu/d.
 - Union Oil Company of California, 5,000 MMBtu/d.
3. BC Gas, in its 1996/97 Gas Contracting Plan, is directed to include an analysis of the role, economics and appropriate amount of US long-term gas in its supply portfolio.
4. BC Gas' price risk management plan (hedging) for 1995/96, as set out in its September 25, 1995 application, is approved. BC Gas is directed to report all hedging transactions to the Commission within 30 days following the month in which the transaction is executed.

DATED at the City of Vancouver, in the Province of British Columbia, this 5th day of October 1995.

BY ORDER


Dr. Mark K. Jaccard
Chairperson