



ROBERT J. PELLATT
COMMISSION SECRETARY

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January 18, 1996

Mr. C.P. Donohue
Manager of Regulatory Affairs
Pacific Northern Gas Ltd.
1400 - 1185 West Georgia Street
Vancouver, B.C.
V6E 4E6

Dear Mr. Donohue:

Re: Pacific Northern Gas Ltd.
Direct Purchase Reference Prices - Pursuant to Order No. G-65-95

Further to Mr. Oosterbaan's January 12, 1996 letter submitting November, 1995 Buy/Sell Reference Price Factors, the Commission accepts the information set out in the filing (attached as Appendix 1 to this letter) as conforming to the methodology that was approved by Order No. G-65-95. The acceptance will be subject to review after an audit of the calculation by Commission staff.

The Derivation of Forecast of Buy/Sell Reference Prices Supporting Material schedule to the January 12, 1996 filing, which contains disaggregated price information about individual gas supply contracts, will be held confidential at this time.

Please note that future reviews and acceptances by the Commission may be by way of a letter from this office following review by staff.

Yours truly,

A handwritten signature in black ink, appearing to read "R. Pellatt", written over a horizontal line.

Robert J. Pellatt

RJP/ssc
Attch.
cc: Enershare Technology Corp.



Pacific Northern Gas Ltd.
Suite 1400
1185 West Georgia Street
Vancouver, British Columbia
V6E 4E6
(604) 691-5882
Fax: (604) 691-5863

Craig P. Donohue
Manager of Regulatory Affairs

PRIVATE AND CONFIDENTIAL

December 19, 1995

File No. 4.2.25

British Columbia Utilities Commission
Box 250, Sixth Floor
900 Howe Street
Vancouver, BC V6Z 2N3

Attention: R.J. Pellatt
Commission Secretary

Re: Buy/Sell Demand and Commodity Reference Price Factors for November '95

REQUEST FOR CONFIDENTIALITY

PNG hereby requests that the gas supply price information contained herein be kept confidential by the Commission for the reasons set forth in PNG's confidentiality policy letter to the Commission dated July 4, 1994.

Enclosed is the detailed calculation of the Buy/Sell demand and commodity reference price factors for November, 1995. Pages 1 and 2 of the attached provide the summary figures that were filed under a separate letter. Pages 3 and 4 contain the gas price details that PNG considers should be kept confidential. The information is provided to assist Commission Staff in their review of the calculation of the reference price factors.

Please direct any questions concerning the enclosed to J.N. Oosterbaan, Manager of Gas Supply & Special Projects.

Yours truly,

A handwritten signature in dark ink, appearing to read 'C.P. Donohue', is written over a light-colored background.

C.P. Donohue

encl.
CPD/lgr

**Buy/Sell Reference Price for PNG - West
For the Period November/95**

	<u>Nov</u>
Reference Price	1.37
Demand Price**1	0.544
Commodity Price	0.824
Baseload Gas Load Factor	0.98
Enershare Load Factor	1.00
<u>Portfolio Composition(GJ's)</u>	
Total Purchases	729471
Fixed Price Purchases	0
Variable Price Purchases	729471
<u>Variable Price Composition(GJ's)</u>	
Sumas**2	625071
NYMEX	104400

Notes:

**1 - calculation based on 100% load factor.

**2 - based on beginning of the month index published
by Inside FERC Gas Market Report.

Amounts may not add due to rounding.

Buy/Sell Reference Price for PNG - West
Additional Information
For the Period November/95

	<u>Nov</u>
Total Demand Costs	405001
Total Commodity Costs	601310
Total Costs	1006310

<u>Actual Index</u>	
Sumas**1	1.260
NYMEX**2	1.763
Foreign Exchange **3	1.3532
Basis Differential **4	0.46

Notes:

****1 - Spot gas prices(US \$/mmbtu) at Sumas as published in the Inside FERC Gas Market Report.**

****2 - Closing prices(US \$/mmbtu) of last NYMEX trading day (October 24th) of near month.**

****3 - Average of the noon day rates for the month of November as published by the Bank of Canada.**

****4 - Actual basis differential as per negotiated agreements with baseload gas suppliers.**

****5 - Total demand and commodity costs are for purchases of baseload gas.**

Amounts may not add due to rounding.