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BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-127-96

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

An Application by Pacific Northern Gas Ltd.
for Approval to Acquire Centra Gas Fort St. John Inc.

BEFORE: M.K. Jaccard, Chairperson; and)
L.R. Barr, Deputy Chairperson) December 19, 1996

O R D E R

WHEREAS:

- A. On December 4, 1996 Pacific Northern Gas Ltd. ("PNG") applied to the Commission for approval to acquire all of the outstanding shares of Centra Gas Fort St. John Inc. ("Centra Gas FSJ") pursuant to Section 61(6) of the Utilities Commission Act ("the Act"), effective January 1, 1997; and
- B. On November 29 and December 2, 1996 a Public Notice was published in newspapers in the Fort St. John area inviting residents to comment on the proposed transfer; and
- C. PNG met with community officials in Fort St. John and the District of Taylor and invited comments. Letters expressing no opposition to the transfer of shares were received from the Peace River Regional District, the City of Fort St. John and District of Taylor. No letters or comments of opposition were received from the public; and
- D. On December 10, 1996 Commission staff requested additional information concerning the acquisition to which PNG responded on December 16, 1996; and
- C. The acquisition of Centra Gas FSJ will be at a premium over book value, will not be recovered by increasing customer rates, will be financed by 50 percent debt and 50 percent equity, will not be detrimental to the financial integrity of PNG and will continue to provide the high level of service to the utility customers; and
- E. The Commission has reviewed the information provided and finds that approval of the acquisition is necessary and in the public interest.

NOW THEREFORE the Commission orders as follows:

1. Pursuant to Section 61(6) of the Act the acquisition by PNG of all outstanding shares of Centra Gas FSJ is approved effective January 1, 1997, subject to the terms of the share purchase agreement being fulfilled.
2. PNG is to provide all customers with a Notice on the acquisition of the Fort St. John utility from Centra Gas, Fort St. John.

DATED at the City of Vancouver, in the Province of British Columbia, this 23rd day of December, 1996.

BY ORDER

Original signed by:

Dr. Mark K. Jaccard
Chairperson