

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



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER E-9-97

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by Centra Gas British Columbia Inc. and Squamish Gas Co. Ltd.
for Approval of a Peaking Gas Management Agreement with Vancouver Island Gas Joint Venture

BEFORE: L.R. Barr, Deputy Chair)
and Acting Chair) July 31, 1997
K.L. Hall, Commissioner)

O R D E R

WHEREAS:

- A. On December 2, 1993 the Commission, by Order No. E-28-93, approved for Centra Gas British Columbia Inc. ("Centra Gas") a November 1, 1993 Peaking Gas Management Agreement among Centra Gas, Squamish Gas Co. Ltd. ("Squamish Gas") and the Vancouver Island Gas Joint Venture ("the Joint Venture") for a ten-year term commencing November 1, 1991; and
- B. On March 13, 1996 Centra Gas submitted for Commission approval a December 14, 1995 Peaking Gas Management Agreement ("the Agreement") among Centra Gas, Squamish Gas and the Joint Venture for an initial term ending January 1, 2006 replacing the 1991 Agreement which expired as of the Transition Time as defined in the Transition Release Agreement between Pacific Coast Energy Corporation, the Joint Venture and the Province of British Columbia; and
- C. On January 27 and June 27, 1997 Centra Gas and Squamish Gas, respectively, responded to March 28, 1996 Commission staff information requests; and
- D. The Agreement, which replaces the 1991 Agreement, is similar in terms to the prior agreement, as follows:
- The Joint Venture will provide Centra Gas and Squamish Gas with up to 50 percent of its firm Contract Demand on the Centra Gas pipeline system.

- The Agreement also provides that the Joint Venture, will make gas available to Centra Gas and Squamish Gas on an emergency basis when the utilities' supply is insufficient to meet its core market requirements; and

E. The Commission has reviewed the Agreement and is satisfied that approval is necessary and in the public interest.

NOW THEREFORE pursuant to Section 71 of the Utilities Commission Act and the Rules, the Commission approves the December 14, 1995 Peaking Gas Management Agreement among Centra Gas, Squamish Gas and the Joint Venture for an initial term ending January 1, 2006.

DATED at the City of Vancouver, in the Province of British Columbia, this 7th day of August, 1997.

BY ORDER

Original signed by:

Lorna R. Barr
Deputy Chair and
Acting Chair