

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



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 Pacific Northern Gas Ltd.  
for Approval to Acquire the Shares of  
Peace River Transmission Company Limited

**BEFORE:** L.R. Barr, Deputy Chair and )  
Acting Chair ) July 9, 1997  
K.L. Hall Commissioner )

**O R D E R**

**WHEREAS:**

- A. On July 9, 1997 Pacific Northern Gas Ltd. ("PNG") applied to the Commission for approval to acquire all of the issued and outstanding shares of Peace River Transmission Company Limited ("PRT") pursuant to the Utilities Commission Act ("the Act"); and
- B. PRT's pipeline facilities interconnect with those of Pacific Northern Gas (N.E.) Ltd. ("PNG (N.E.)") to facilitate the delivery of gas from the Westcoast Energy Inc. pipeline through the PRT pipeline to PNG (N.E.); and
- C. PNG (N.E.) is the only customer of PRT. PRT's transportation tolls recover its cost of service and are passed through to the Dawson Creek Division customers as a gas supply cost; and
- D. BC Gas Inc., owner of all the issued and outstanding shares of PRT, executed a Share Purchase Agreement dated December 20, 1996 with PNG. The transaction price is set at the net book value of the assets, less \$59,000 related to identified operating deficiencies of the PRT system; and
- E. PNG advises the Commission that it will operate the PRT as a separate entity, providing gas transportation service to PNG(N.E.) at the tolls currently in place and is satisfied that the transmission system is in good operating condition; and

F. The Commission has reviewed the information provided and finds that approval of the acquisition of the PRT shares by PNG is necessary and in the public interest.

**NOW THEREFORE** pursuant to Section 54 of the Utilities Commission Act, the acquisition by PNG of all the issued and outstanding shares of PRT is approved, effective June 30, 1997, subject to the terms of the December 20, 1996 Share Purchase Agreement between PNG and BC Gas Inc. being fulfilled.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 15th day of July, 1997.

BY ORDER

*Original signed by:*

Lorna R. Barr  
Deputy Chair and  
Acting Chair