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CANADA



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER E-16-97

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

and

An Application by BC Gas Utility Ltd.
for Approval of Natural Gas Supply Contracts and Amendments

BEFORE: L.R. Barr, Deputy Chair)
and Acting Chair)
K.L. Hall, Commissioner) December 4, 1997
P.G. Bradley, Commissioner)

O R D E R

WHEREAS:

- A. On July 2, 1997 the Commission, by Letter No. L-30-97, approved BC Gas' 1997/98 Gas Contracting Plan that was consistent with the Company's Integrated Resource Plan filing; and
- B. On October 27, 1997, BC Gas Utility Ltd. ("BC Gas") filed with the Commission for approval, copies of baseload, seasonal, peaking and other gas contracts and amendments for the 1997/98 gas contract year, attached as Appendices 1 and 2 to this Order, with the following suppliers; and

- Engage Energy Canada, L.P. ("Engage")
- Natural Gas Clearing House Canada Inc. ("NGCHC")
- Coral Energy Canada Inc. ("Coral")
- Amoco Canada Petroleum Company Limited ("Amoco Canada")
- Enron Capital & Trade Resources Canada ("Enron")
- Anderson Oil & Gas ("Anderson")
- Canadian Hunter Exploration Ltd. ("Canadian Hunter")
- Unocal Canada Limited ("Unocal")
- Novagas Clearinghouse Ltd. ("NCCL")
- Amoco Energy Trading Company ("Amoco Energy")
- Union Oil Company of California ("Union Oil")
- Imperial Oil Limited ("Imperial")
- ECNG Inc. ("ECNG")

- Enershare Technology Corporation (“Enershare”)
- Questar Energy Trading Company (“Questar”)
- CanWest Gas Supply Inc. (“CanWest”)
- Union Pacific Resources, Inc. (“Union Pacific”)
- Duke Energy Trading and Marketing, LLC (“Duke Energy”)
- Duke Energy - Clay Basin Redelivery
- ATCO Gas Services (“ATCO”)

C. In the October 27, 1997 filing BC Gas outlined its peak-day supply resource portfolio, attached as Appendix 3, that is consistent with its Gas Contracting Plan; and

D. The Commission has reviewed the BC Gas filing and is satisfied that approval of the gas supply contracts and amendments is appropriate and in the public interest.

NOW THEREFORE pursuant to Section 71 of the Utilities Commission Act and the Rules, the Commission approves the following for BC Gas, subject to the timely filing of fully executed contract documents:

1. Five new gas supply contracts for the 1997/98 gas contract year, which are listed in Appendix 1.
2. Twenty-six gas supply contract amendments for the 1997/98 gas contract year, which are listed in Appendix 2.
3. BC Gas has entered into a number of gas supply contracts which contain evergreen term provisions. BC Gas is advised that it must be prepared to defend its decisions in the future that permit such agreements to remain in place during the evergreen period.

DATED at the City of Vancouver, in the Province of British Columbia, this 10th day of December, 1997.

BY ORDER

Original signed by:

Lorna R. Barr
Deputy Chair
and Acting Chair

Attachments

BC Gas Utility Ltd.

New Gas Supply Contracts for 1997/1998 Gas Year

Supplier	Contract Date	Contract Quantity (GJ/d)	Term (Years)	Type
Engage	1997-09-15	10,551	1	Peaking
NGCHC	1997-10-01	10,551	1	Seasonal
Coral	1997-08-15 1997-09-01	10,551	5	Baseload / Seasonal
Enron	1997-05-05	21,183	1	Synthetic Storage

BC Gas Utility Ltd.

Gas Supply Contract Amendments for 1997/1998 Gas Year

Supplier	Date of Amendment	Contract Quantity (GJ/d)	Remaining Term (Years)	Type	Previous Approval Order No.
Amoco Canada	1997-10-01	30,413	1	Baseload	E-4-91
Canadian Hunter	1997-10-01	22,107	4	Baseload	E-4-91
Canadian Hunter	1997-10-01	7,494	4	Baseload	E-4-91
Anderson	1997-10-01	14,051	9	Baseload	E-4-91
Unocal	1997-10-01	11,241	3	Baseload	E-4-91
Canadian Hunter	1997-10-01	12,799	5	Baseload	E-15-94
Imperial Oil	1997-10-01	5,246	2	Baseload	E-4-91
Amoco Energy	1997-11-01	10,551	1	U.S. Longterm	E-23-93
Union Oil	1997-10-28	5,275	1	U.S. Longterm	E-1-92
Duke Energy	1997-10-09	—	1	US Sup'y Mgt	
Duke Energy	1997-10-09	15,826	3	Seasonal	E-23-95
Questar	1997-08-26	10,551	1	Seasonal	E-23-95
CanWest	1997-08-15	15,826	1	Seasonal	E-20-96
Union Pacific	1997-10-01	10,551	1	Seasonal	E-23-95
Duke Energy	1997-10-09	21,101	3	Peaking	E-23-95
Questar	1997-08-26	15,826	1	Peaking	E-23-95
CanWest	1997-08-15	10,551	1	Peaking	E-20-96
Enershare	1997-10-21	1,772	1	Buy/Sell	E-31-95
Enershare	1997-10-21	3,881	1	Buy/Sell	E-31-95
NCCL	1997-06-25	0	1	Buy/Sell	E-31-95
NCCL	1997-06-25	0	1	Buy/Sell	E-31-95
ECNG Inc.	1997-10-28	560	1	Buy/Sell	E-31-95
ECNG	1997-10-28	5,610	1	Buy/Sell	E-31-95
Unocal	1997-10-24	35,243	1	Storage (Aitken Cr.)	E-23-93
Duke Energy	1997-09-26	22,472	2	Storage Redelivery (Clay Basin)	E-9-94
Questar	1997-04-01	31,651	2	Storage Redelivery (Clay Basin)	E-9-94

BC Gas Utility Ltd.

1997/98 Gas Supply Portfolio

PEAK DAY		
1997/98	(TJ/day)	
Type Supply Resource	Gas Supply Annual Contracting Plan	Recommended/Expected November 1, 1997
Fort Nelson Division	4	4
Canadian Baseload	522	524
Canadian Buy/Sell	28	12
U.S. Supplies	Ø	Ø
Storage	370	391
LNG	164	164
Seasonal	48	61
Alberta Spot	33	33
Peaking	65	58
Industrial Curtailment	26	26
Total:	1,260	1,273