

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



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER E-17-97

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 Pacific Northern Gas (N.E.) Ltd.
for Approval of a 1997/98 Gas Supply Contract

BEFORE: L.R. Barr, Deputy Chair)
and Acting Chair) December 11, 1997
K.L. Hall, Commissioner)
P.G. Bradley, Commissioner)

O R D E R

WHEREAS:

- A. On August 27, 1997, Pacific Northern Gas (N.E.) Ltd. ["PNG(N.E.)"] applied to the Commission for approval of a July 24, 1997 Letter Agreement with CanWest Gas Supply Inc. ("CanWest") which establishes prices for the 1997/98 gas contract year for the Tumbler Ridge service area; and
- B. The July 24, 1997 Letter Agreement amends prices under the November 1, 1991 Gas Supply Contract with CanWest for natural gas supply to Tumbler Ridge customers; and
- C. On November 26, 1997, PNG(N.E.) filed information which shows that the gas reserves which are used to supply Tumbler Ridge are declining; and
- D. The Commission has reviewed the application and finds 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 orders the following for PNG(N.E.):

- 1. The July 24, 1997 Letter Agreement with CanWest that establishes prices for the supply of gas under the November 1, 1991 Gas Supply Contract, for the 1997/98 gas contract year, is approved.
- 2. PNG(N.E.) is directed to file, by August 31, 1998, a forecast of gas availability, and to discuss supply options for Tumbler Ridge customers if the forecast does not indicate adequate deliverability for at least two years.

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of December 1997.

BY ORDER

Original signed by:

Kenneth L. Hall
Commissioner