



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

and

An Application by BC Gas Utility Ltd.  
Natural Gas Supply Contracts and Amendments for the  
1998/99 Gas Contract Year

**BEFORE:** P. Ostergaard, Chair )  
L.R. Barr, Deputy Chair ) October 29, 1998  
F.C. Leighton, Commissioner )

**O R D E R**

**WHEREAS:**

- A. On July 16, 1998 the Commission, by Letter No. L-40-98, accepted BC Gas Utility Ltd.'s ("BC Gas") 1998/99 Gas Contracting Plan for the acquisition of gas supplies needed for the 1998/99 gas contract year that was consistent with the Company's Integrated Resource Plan filing; and
- B. On October 5, 1998, BC Gas filed with the Commission for acceptance, copies of Baseload, Seasonal, Peaking and other gas supply contracts and amendments for the 1998/99 gas contract year, attached as Appendices 1 and 2 to this Order, with the following suppliers; and
- Engage Energy Canada, L.P. ("Engage")
  - Coral Energy Canada Inc. ("Coral")
  - Amoco Canada Petroleum Company Limited ("Amoco Canada")
  - Anderson Oil & Gas Co. Ltd. ("Anderson")
  - Unocal Canada Limited ("Unocal")
  - Imperial Oil Resources ("Imperial")
  - Northwest Pacific Energy Marketing Inc. ("Northwest")
  - Petro-Canada Oil and Gas ("Petro-Canada")
  - Ranger Oil Ltd. ("Ranger")
  - Berkley Petroleum Corporation ("Berkley") (formerly Rigel & Total Canada)
  - Dynegy Marketing and Trade ("Dynegy")
  - El Paso Energy Marketing Canada Inc. ("El Paso")
  - Husky Oil Operations Ltd. ("Husky")
  - Numac Energy Inc. ("Numac")
  - Canadian Natural Resources Limited ("CNRL")

- Avista Energy Inc. (“Avista”)
- Enershare Technology Corporation (“Enershare”)
- Questar Energy Trading Company (“Questar”)
- CanWest Gas Supply Inc. (“CanWest”)
- Duke Energy Trading and Marketing, L.L.C. (“Duke Energy”)

C. In the October 5, 1998 filing BC Gas outlined its peak-day supply resource portfolio, attached as Appendix 3 to this Order, that is consistent with its approved Gas Contracting Plan; and

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

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

1. Six new gas supply contracts for the 1998/99 gas contract year, which are listed in Appendix 1.
2. Twenty-two gas supply contract amendments for the 1998/99 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 future decisions that permit such agreements to remain in place during the evergreen period.
4. The Commission approves BC Gas’ proposal that the buy/sell reference prices should be based on the price of British Columbia 12-month baseload purchases at 100% load factor.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 19th day of November, 1998.

BY ORDER

*Original signed by:*

Peter Ostergaard  
Chair

Attachments

## BC Gas Utility Ltd.

### New Gas Supply Contracts for 1998/1999 Gas Contract Year

	<b>Supplier</b>	<b>Date of Amendment (Letter or Contract)</b>	<b>Contract Quantity (GJ/d)</b>	<b>Type</b>
1.	GS-1115 Amoco Canada Petroleum Co. Ltd. A	June 1, 1998	5,276	Seasonal
	Amoco Canada Petroleum Co. Ltd. B	June 1, 1998	5,000	Seasonal
	Amoco Canada Petroleum Co. Ltd. C	June 1, 1998	5,000	Seasonal
	Amoco Canada Petroleum Co. Ltd. C	June 1, 1998	5,000	Seasonal
2.	GS-1239 Husky Oil Operations Ltd.	October 6, 1998	9,001	Seasonal
3.	GS-1302 Engage Energy Canada, L.P.	September 30, 1998	15,828	Seasonal
4.	GS-1240 Numac Energy Inc.	October 6, 1998	6,701	Seasonal
5.	GS-1300 Canadian Natural Resources	September 23, 1998	5,276	Seasonal
6.	GS-9007 Avista Energy Inc. Recallable #1	September 22, 1998	10,552	Recallable
	Avista Energy Inc. Recallable #2	September 22, 1998	10,552	Recallable
	Avista Energy Inc. Recallable #3	September 22, 1998	10,552	Recallable

## BC Gas Utility Ltd.

### Gas Supply Contract Amendments for 1998/1999 Gas Contract Year

	<b>Supplier</b>	<b>Date of Amendment (Letter or Contract)</b>	<b>Contract Quantity (GJ/d)</b>	<b>Type</b>	<b>Previous Approval Order No.</b>
GS-2000	Northwest Pacific Energy Marketing Inc.	July 28, 1998	76,901	Baseload	E-13-96
GS-2001	Petro-Canada Oil and Gas	August 21, 1998	27,456	Baseload	E-13-96
GS-2002	Petro-Canada Oil and Gas	August 21, 1998	17,170	Baseload	E-13-96
GS-2007	CanWest Gas Supply Inc.	September 8, 1998	153,763	Baseload	E-13-96
GS-2008	Anderson Oil and Gas Ltd.	September 23, 1998	14,051	Baseload	G-83-98
GS-2010	Ranger Oil Ltd.	July 29, 1998	21,171	Baseload	E-16-97
GS-2011	Imperial Oil Resources	July 29, 1998	5,246	Baseload	E-13-96
GS-2013	Duke Energy Trading and Marketing, L.L.C.	July 29, 1998	10,666	Baseload	E-13-96
GS-2014	Northwest Pacific Energy Marketing Inc.	July 28, 1998	27,534	Baseload	E-13-96
GS-2016	Petro-Canada Oil and Gas	July 29, 1998	5,931	Baseload	E-13-96
GS-2018/ 2006	Berkley Petroleum Corporation	July 29, 1998	3,878	Baseload	E-13-96
GS-2019	Unocal Canada Ltd.	July 29, 1998	11,241	Baseload	E-13-96
GS-1101	Duke Energy Trading and Marketing, L.L.C.	September 15, 1998	21,101	Seasonal	E-23-96
GS-1106	Questar Energy Trading	September 17, 1998	10,551	Seasonal	E-16-97
GS-1114	Coral Energy Canada Inc.	September 30, 1998	21,102	Seasonal	E-16-97
GS-1113	Dynegy Marketing and Trade	September 17, 1998	10,551	Seasonal	E-16-97
GS-1222	CanWest Gas Supply Inc. - A	September 23, 1998	21,102	Seasonal	E-16-97
	CanWest Gas Supply Inc. - A		5,276	Seasonal	E-16-97
GS-1100	Duke Energy Trading and Marketing, L.L.C.	September 16, 1998	15,826	Peaking/ Backstopping	E-16-97
GS-1096	Engage Energy Canada, L.P.	September 25, 1998	15,827	Recallable	E-16-97
GS-6001	Enershare Technology Corporation	August 31, 1998	1,460	Buy/Sell	E-16-97
GS-6004	Enershare Technology Corporation	August 31, 1998	3,740	Buy/Sell	E-16-97
GS-6007	El Paso Energy Marketing Canada	August 31, 1998	3,000	Buy/Sell	E-16-97

BC Gas Utility Ltd.  
**1998/99 Gas Supply Portfolio**  
**PEAK DAY**

<b>Type Supply Resource</b>	<b>Gas Supply Annual Contracting Plan (TJ/day)</b>	<b>Contracted Recommended/ Expected November 1, 1998 (TJ/day)</b>
Fort Nelson Division	4	4
Canadian Baseload	455	459
120 day Baseload	22	22
Canadian Buy/Sell	12	8
U.S. Supplies	Ø	Ø
Storage	368	370
LNG	164	164
Seasonal	84	93
BC Spot	15	15
Alberta Spot	55	55
Peaking	74	69
Industrial Curtailment	26	26
<b>Total:</b>	<b>1,279</b>	<b>1,285</b>