



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

and

an Application by El Paso Energy Marketing Canada Inc.
for an Agents/Brokers/Marketers Licence

BEFORE: P. Ostergaard, Chair)
L.R. Barr, Deputy Chair) November 5, 1998
K.L. Hall, Commissioner)

O R D E R

WHEREAS:

- A. The Commission, by Order No. A-1-98, approved the renewal of an Agents/Brokers/Marketers Licence ("A/B/M Licence") for ECNG Inc. for the period ending October 31, 1998. In 1998 El Paso Energy Marketing Canada Inc. ("El Paso") purchased the direct purchase marketing assets and customers base of ECNG Inc.; and
- B. On October 30, 1998 El Paso applied to the Commission for an A/B/M Licence for the period November 1, 1998 through October 31, 1999, and included in its Application an Irrevocable Standby Letter of Credit, dated October 30, 1998, with the Royal Bank of Canada for a one-year term ending October 31, 1999. The Letter of Credit, in the amount of \$250,000, is to be used to guarantee the performance of El Paso's gas supply contracts; and
- C. The Commission has reviewed El Paso's Application and, relying upon the information and representations made by El Paso in the Application, finds that approval of an A/B/M Licence, subject to conditions, is required.

NOW THEREFORE the Commission orders as follows:

- 1. The Commission issues to El Paso an A/B/M Licence for the period up to and including October 31, 1999.
- 2. The A/B/M Licence is issued subject to the following conditions:
 - 2.1 El Paso will carry out the undertakings set out in Section 19 of its October 30, 1998 Application;
 - 2.2 El Paso will comply with the approved A/B/M Code of Conduct;
 - 2.3 El Paso will maintain a Performance Bond or acceptable substitute in full force and effect for the duration of the A/B/M Licence;
 - 2.4 El Paso will maintain a Working Capital position of at least \$50,000 and a Current Ratio of current assets to current liabilities of at least 1.10;

- 2.5 The Commission may, at any time and without prior notice to El Paso, withdraw the A/B/M Licence for reasons the Commission, in its sole discretion, deems and considers sufficient; and
- 2.6 The A/B/M Licence and all copies of it shall remain the property of the Commission and El Paso will return these documents forthwith upon written request from the Commission.

DATED at the City of Vancouver, in the Province of British Columbia, this 17th day of November, 1998.

BY ORDER

Original signed by:

Peter Ostergaard
Chair

Attachment



CERTIFICATE A-4-98

AGENTS / BROKERS / MARKETERS LICENCE

EL PASO ENERGY MARKETING CANADA INC.

is granted a licence for the purpose of providing advice to, or acting on behalf of, core market customers purchasing gas directly in the Province of British Columbia subject to the terms and conditions contained in Commission Order No. A-4-98, which are set out on the reverse of the Licence.

BRITISH COLUMBIA UTILITIES COMMISSION

Original signed by:

DATE: NOVEMBER 5, 1998

CHAIR

EXPIRES: OCTOBER 31, 1999

The A/B/M Licence is issued subject to the following conditions:

1. El Paso will carry out the undertakings set out in Section 19 of its Application.
2. El Paso will comply with the approved ABM Code of Conduct.
3. El Paso will maintain a satisfactory performance bond or acceptable substitute in full force and effect at all times when it is participating in buy/sell arrangements.
4. El Paso will maintain a Working Capital position of at least \$50,000 and a Current Ratio of current assets to current liabilities of at least 1.10.
5. The Commission may withdraw the licence for reasons it considers sufficient.
6. The licence and all copies of it remain the property of the Commission and El Paso will return these documents upon request.