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BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER E-16-00

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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 of a 2000/01 Gas Supply Contract

BEFORE: P. Ostergaard, Chair)
L.R. Barr, Deputy Chair)
B.L. Clemenhagen, Commissioner) December 14, 2000
N.F. Nicholls, Commissioner)

O R D E R

WHEREAS:

- A. On November 15, 2000, Pacific Northern Gas Ltd. ("PNG") filed with the Commission an October 13, 2000 Letter Agreement with CanWest Gas Supply Inc. ("CanWest"), which establishes prices for the 2000/01 gas contract year for the PNG service area; and
- B. The October 13, 2000 Letter Agreement amends the prices under the November 1, 1991 Gas Supply Contract with CanWest for natural gas supply to PNG customers for the period November 1, 2000 to October 31, 2001; and
- C. The Commission has reviewed the PNG filing and is satisfied that the Letter Agreement with CanWest is in the public interest.

NOW THEREFORE the Commission orders as follows:

- 1. Pursuant to Section 71 of the Utilities Commission Act and the Rules respecting Energy Supply Contracts, the Commission accepts for filing for PNG the October 13, 2000 Letter Agreement with CanWest that provides for 632.8 10³m³ of gas per day and establishes prices for the supply of gas under the November 1, 1991 Gas Supply Contract for the period November 1, 2000 to October 31, 2001.
- 2. The Commission accepts PNG's request to maintain the gas pricing information and Letter Agreement as confidential.
- 3. PNG is directed to file a report by January 31, 2001 that compares whether storage or acquiring seasonal and peaking gas is the preferable strategy for the 2001/02 gas contract plan.
- 4. The 2001/02 gas contract plan should be filed as soon as possible in 2001 and should include discussion of PNG's strategy for renegotiating prices under continuing gas purchase contracts.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of December 2000.

BY ORDER

Original signed by:

Peter Ostergaard
Chair