



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

and

An Application by BC Gas Inc.
to Acquire a Reviewable Interest in the Shares of
Centra Gas British Columbia Inc. and Centra Gas Whistler Inc.

BEFORE: P. Ostergaard, Chair)
R.D. Deane, Commissioner) January 31, 2002
K.L. Hall, Commissioner)

O R D E R

WHEREAS:

- A. On December 6, 2001, BC Gas Inc. filed an Application for approval to acquire a reviewable interest in the shares of Centra Gas British Columbia Inc. ("Centra BC"), and Centra Gas Whistler Inc. ("Centra Whistler"), both public utilities regulated by the British Columbia Utilities Commission ("the Commission"), pursuant to Section 54 of the Utilities Commission Act ("the Act"); and
- B. BC Gas Inc. will also acquire the short term debt of Centra BC; and
- C. Centra BC owns and operates a natural gas distribution system in Victoria and other communities on the Sunshine Coast and Vancouver Island, together with a natural gas pipeline that extends from Coquitlam to Victoria; and
- D. Centra Whistler owns and operates a propane gas distribution system in the Whistler area of British Columbia; and
- E. Both Centra BC and Centra Whistler are indirect wholly-owned subsidiaries of Westcoast Energy Inc.; and
- F. BC Gas Inc. is a public company that is widely held and provides natural gas and propane purchase and delivery services in British Columbia through its subsidiary, BC Gas Utility Ltd., with total assets in excess of \$3.5 billion; and

- G. Westcoast Energy Inc. has undertaken a comprehensive stakeholder communication and consultation program in the Centra BC and Centra Whistler service areas; and
- H. The transaction will not change the jurisdiction of the Commission over Centra BC or Centra Whistler; and
- I. Consent to a change in control of Centra BC is also required from the Province of British Columbia, through amendments to the Vancouver Island Natural Gas Pipeline Act; and
- J. The Commission has considered the Application and supporting material and has determined that the users of the service of Centra BC and Centra Whistler will not be detrimentally affected.

NOW THEREFORE the Commission approves pursuant to Section 54 of the Act the acquisition by BC Gas Inc. of a reviewable interest in the shares of Centra Gas British Columbia Inc. and Centra Gas Whistler Inc., subject to the consent of the Province of British Columbia, through amendments to the Vancouver Island Natural Gas Pipeline Act.

DATED at the City of Vancouver, in the Province of British Columbia, this 31st day of January 2002.

BY ORDER

Original signed by:

Peter Ostergaard
Chair