



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

An Application by ATCO Electric Ltd.
(formerly Alberta Power Ltd.)
for Approval of an Exemption Covering the Sale of Power
to Pioneer Natural Resources at its Chinchaga Area Facilities

BEFORE: P. Ostergaard, Chair)
R.D. Deane, Commissioner) February 14, 2002
K.L. Hall, Commissioner)

O R D E R

WHEREAS:

- A. On January 31, 2002, ATCO Electric Ltd. ("ATCO") applied to the Commission to amend existing approvals for the sale of power to Pioneer Natural Resources Canada Inc.'s ("Pioneer") Chinchaga site to include an additional 3.5 km 25 kV extension and the sale of power to Pioneer's Compressor Station; and
- B. Commission Order No. E-4-98 dated April 1, 1998, approved the sale of power by Alberta Power Ltd. ("APL") to Pioneer pursuant to Section 71 of the Utilities Commission Act ("the Act"); and
- C. Commission Order No. C-2-98 dated April 1, 1998, approved a Certificate of Public Convenience and Necessity ("CPCN") for the construction of 1.5 km of 25 kV distribution line to Pioneer's Chinchaga Gas Plant; and
- D. Commission Order No. G-58-98 dated June 30, 1998, approved an exemption for APL covering the sale of power from the requirements under Part 3 of the Act, except Section 22; and
- E. Pursuant to Section 88(3), approval from the Lieutenant Governor in Council was given for the Commission to exempt APL from Part 3 of the Act, except Section 22, by Order in Council No. 0696, dated June 3, 1998; and
- F. On June 11, 1999, APL changed its name to ATCO Electric Ltd.; and
- G. Circumstances regarding Pioneer's options for supply alternatives have not materially changed since the Commission Orders were issued in 1998; and
- H. ATCO has stated that British Columbia Hydro and Power Authority has been informed of the application and did not identify any concerns regarding the proposed 25 kV powerline extension; and
- I. The agreements for the electric service, transportation, and sale of electricity by ATCO to Pioneer are consistent and generally based on the terms of the tariffs that have been approved by the Alberta Energy and Utilities Board ("AEUB"); and

- J. Pursuant to Section 99 of the Act, the Commission may reconsider, vary or rescind an Order made by it; and
- K. Customers of ATCO have recourse to complain to the Commission pursuant to Part 6, Section 83 of the Act.

NOW THEREFORE the Commission orders as follows:

1. Commission Order No. C-2-98 is amended to include in the CPCN all additions and extensions which may be required as part of the electrical service to Pioneer's Chinchaga area facilities.
2. Commission Order No. G-58-98 is amended to exempt ATCO from Part 3 of the Act, except Section 22, with respect to its electrical facilities required to serve Pioneer's Chinchaga area facilities.
3. The Commission accepts for filing the Memorandum of Agreement for the supply of service dated January 11, 2002, the application of the AEUB approved Tariff D31 for the transportation of electricity, and the AEUB approved tariff for the terms and conditions of Default Retailer Service and Supplier of Last Resort for the energy commodity, pursuant to Section 71 of the Act.

DATED at the City of Vancouver, in the Province of British Columbia, this 21st day of February 2002.

BY ORDER

Original signed by:

Peter Ostergaard
Chair