



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

and

An Application by Westcoast Energy Inc.
for Approval to Transfer Exemption Rights under Commission Order No. G-58-91
from Westcoast Power Inc. to McMahon Power Holdings Limited Partnership

BEFORE: P. Ostergaard, Chair)
R.D. Deane, Commissioner) September 26, 2002
K.L. Hall, Commissioner)

O R D E R

WHEREAS:

- A. Westcoast Power Inc. ("WPI") proposes to transfer its ownership in the McMahon Cogeneration Plant to another wholly owned subsidiary of Westcoast Energy Inc. called McMahon Power Holdings Limited Partnership; and
- B. Westcoast Energy Inc. applied to the Commission on July 17, 2002 to amend Order No. G-58-91, to transfer the exemption granted from Part 3 of the Act from WPI to McMahon Power Holdings Limited Partnership; and
- C. Westcoast Energy Inc. requires approval of a number of third parties (including British Columbia Hydro and Power Authority) to complete the transfer of ownership; and
- D. Commission Order No. G-58-02 dated August 14, 2002 varied Order No. G-58-91 in response to the Westcoast Energy Inc. application; and
- E. On September 19, 2002, Duke Energy Gas Transmission Canada, on behalf of Westcoast Energy Inc., requested that Order No. G-58-02 be amended or re-issued to clarify that the transfer of exemption applies to McMahon Power Holdings Limited Partnership.

NOW THEREFORE the Commission orders as follows:

1. Commission Order No. G-58-02 is rescinded and replaced by this Order.
2. Order No. G-58-91 is varied by deleting the operative clause on Page 2 of the Order and replacing it as follows:

“1. WPI and CU Power and each of their respective successors in interest to the Project (provided that at all times the ownership interests of such successors in interest are held directly or indirectly by Westcoast Energy Inc. or Canadian Utilities Limited), are exempted from the application of provisions of Part 3 of the Act to the extent that those provisions would apply by reason of their ownership and operation of the Project.

2. Westcoast Energy Inc. is to notify the Commission when the transfer of ownership to McMahon Power Holdings Limited Partnership is complete, and WPI and CU Power and their successors will notify the Commission within 90 days of any subsequent changes to the parties to which the exemption under this Order applies.”

DATED at the City of Vancouver, in the Province of British Columbia, this 26th day of September 2002.

BY ORDER

Original signed by:

Peter Ostergaard
Chair



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-58-91

IN THE MATTER OF the Utilities Commission
Act, S.B.C. 1980, c. 60, as amended

and

IN THE MATTER OF an Application by
Westcoast Power Inc. and CU Power Canada Limited

BEFORE: J.G. McIntyre,)
Chairman;)
N. Martin,)
Commissioner; and) July 10, 1991
W.M. Swanson, Q.C.,)
Commissioner)

O R D E R

WHEREAS:

- A. On May 10, 1991 Westcoast Power Inc. ("WPI") and CU Power Canada Limited, ("CU Power"), a wholly-owned subsidiary of CU Power International Limited and collectively referred to as ("Wescup") filed with the Commission an Application for their exemption from the provisions of Part 3 of the Utilities Commission Act ("the Act") to the extent those provisions would apply by virtue of their ownership and operation of the McMahon Cogeneration Project ("the Project") located at Taylor, B.C.; and
- B. By Order No. E-1-91 dated February 14, 1991 the Commission approved the Electricity Purchase Agreement between B.C. Hydro and Wescup for the supply of power from the Project to B.C. Hydro at Taylor, B.C.; and
- C. By Order No. E-7-91 dated May 16, 1991 the Commission approved the Gas Purchase/Supply Contracts covering the purchase of natural gas for the Project; and
- D. On May 27, 1991 the Minister of Energy, Mines and Petroleum Resources with the concurrence of the Minister of Environment, issued an Order pursuant to Section 19 (1)(c) of the Act allowing the construction and operation of the Project at Taylor, B.C.; and
- E. The Commission has considered the Application and is satisfied that an Order exempting Wescup from certain sections of the Act properly conserves the public interest; and
- F. On July 5, 1991 the approval of the Lieutenant Governor in Council was given to the said exemption by Order in Council No. 975, 1991 and is attached as Appendix A; and
- G. The Commission may, pursuant to Section 114 of the Act, reconsider, vary or rescind an Order made by it.

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-58-91

2

NOW THEREFORE pursuant to its powers under Section 103(3) of the Act the Commission orders that:

WPI and CU Power are exempted from the application of provisions of Part 3 of the Act to the extent that those provisions would apply by reason of their ownership and operation of the Project.

DATED at the City of Vancouver, in the Province of British Columbia, this ²⁸ // day of July, 1991.

BY ORDER



Norris Martin
Commissioner

Atch.

PROVINCE OF BRITISH COLUMBIA
ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL


Order in Council No. **975**, Approved and Ordered JUL -5 1991

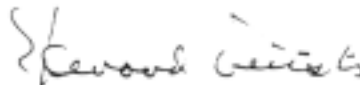



Lieutenant Governor

Executive Council Chambers, Victoria JUL -3 1991

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that approval is given to the B.C. Utilities Commission making an Order substantially in the form as set out in the schedule.


Minister of Energy, Mines
and Petroleum Resources


Presiding Member of
Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: Utilities Commission Act, section 103(3).

Other (specify):

(JP:all)