

BRITISH COLUMBIA UTILITIES COMMISSION

ORDER

NUMBER

C-10-03

TELEPHONE: (604) 660-4700 BC TOLL FREE: 1-800-663-1385 FACSIMILE: (604) 660-1102

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

and

An Application by Terasen Gas Inc. for Approval to Extend the Expiry Date of the Operating Agreement with the Corporation of the District of 100 Mile House

BEFORE:

SIXTH FLOOR, 900 HOWE STREET, BOX 250

VANCOUVER, B.C. V6Z 2N3 CANADA

web site: http://www.bcuc.com

L.A. Boychuk, Commissioner

L.F. Kelsey, Commissioner

October 16, 2003

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

WHEREAS:

- A. The Commission, by Order No. C-13-02, approved for Terasen Gas Inc. ("Terasen Gas") (formerly known as BC Gas Utility Ltd.) a Certificate of Public Convenience and Necessity ("CPCN") with the Corporation of the District of 100 Mile House ("the District") that extended the expiry date of its Operating Agreement to June 30, 2003, or 60 days after the Commission's approval of a new operating agreement between Terasen Gas and the District, pursuant to Section 45(7) of the Utilities Commission Act ("the Act"); and
- B. On October 7, 2003, Terasen Gas applied to the Commission for approval to further extend the expiry date of CPCN No. C-22-80 and the Operating Agreement to June 30, 2004 or 60 days after the Commission's approval of a new operating agreement, whichever is earlier. Terasen Gas has agreed to continue for that period, payment of the franchise fee equivalent to three percent of gross annual revenues of Terasen Gas derived from sales of natural gas within the area encompassed by the terms of the Operating Agreement. The District supported Terasen Gas' request for the extension by letter dated September 30, 2003; and
- C. The Commission has reviewed the Application and finds that an extension to the expiry date of the Operating Agreement between Terasen Gas and the District and continuation of the franchise fee is in the public interest.

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NOW THEREFORE the Commission, pursuant to Section 45(7) of the Act, issues CPCN No. C-10-03 to Terasen Gas and extends the expiry date of the Operating Agreement with the District and the continuation of the payment of franchise fees to the District to June 30, 2004, or 60 days after the Commission's approval of a new Operating Agreement between BC Gas and the District, whichever is earlier.

DATED at the City of Vancouver, in the Province of British Columbia, this

 24^{th}

day of October 2003.

BY ORDER

Original signed by:

Lori Ann Boychuk Commissioner