



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

and

An Application by BC Gas Utility Ltd.
for Approval of an Operating Agreement and Addendum with the City of Penticton

BEFORE: P. Ostergaard, Chair)
R.H. Hobbs, Commissioner) April 16, 2003

O R D E R

WHEREAS:

- A. On January 22, 2003, BC Gas Utility Ltd. ("BC Gas") applied to the British Columbia Utilities Commission ("the Commission") for approval of an Operating Agreement and Addendum ("the Application") with the City of Penticton ("the City"); and
- B. The Operating Agreement has a 21-year term to December 31, 2023 and replaces the franchise agreement approved by Commission Order No. C-17-80. As this Agreement is one of the first of the new form intended to replace all gas franchise agreements, the Addendum contains a favoured municipality provision allowing it to substitute the provisions of any alternative agreement or arrangement that BC Gas might negotiate with other municipalities. The Addendum expires December 31, 2007 if this right is not exercised; and
- C. The Commission finds that a Regulatory Agenda for a written public hearing process is required.

NOW THEREFORE the Commission orders as follows:

- 1. The Commission refers the Application to a written hearing process pursuant to the following Regulatory Agenda.
- 2. BC Gas will publish, in display-ad format, the Notice of Written Hearing, attached as Appendix A, in the Penticton Western News by Friday, April 25, 2003.

3. The Application and supporting material will be made available for inspection at the Head Office of BC Gas at 1111 West Georgia Street, Vancouver, at the Penticton City Hall Reception Desk, 171 Main Street, Penticton, and at the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver.
4. Persons who expect to actively participate in the proceeding should register as Intervenors with the Commission, in writing, by Monday, May 5, 2003. Intervenors will receive copies of the Application and Agreements, all correspondence and filed documentation.
5. BC Gas is to distribute copies of the Application and any supplemental information, to Intervenors.
6. Copies of Information Requests about issues concerning the Application should be filed with the Commission, BC Gas and the City of Penticton's Director of Corporate Services by Friday, May 16, 2003.
7. The Information Requests should be responded to no later than Friday, May 23, 2003.
8. Intervenors may submit written submissions on the Application to the Commission, with copies to BC Gas by Friday, May 30, 2003.
9. BC Gas shall reply to the written submissions of Intervenors by Friday, June 6, 2003, after which time the Commission will make its determinations.

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of April 2003.

BY ORDER

Original signed by:

Peter Ostergaard
Chair

Attachment



NOTICE OF WRITTEN HEARING

BC GAS UTILITY LTD. Application for Approval of an Operating Agreement and Addendum with the City of Penticton

THE APPLICATION

On January 22, 2003, BC Gas Utility Ltd. ("BC Gas") applied to the British Columbia Utilities Commission ("the Commission") for approval of an Operating Agreement and Addendum ("the Application") with the City of Penticton ("the City").

The Operating Agreement has a 21-year term to December 31, 2023 and replaces the franchise agreement approved by Commission Order No. C-17-80. As this Agreement is one of the first of the new form intended to replace all gas franchise agreements, the Addendum contains a favoured municipality provision allowing it to substitute the provisions of any alternative agreement or arrangement that BC Gas might negotiate with other municipalities. The Addendum expires December 31, 2007 if this right is not exercised.

THE REGULATORY PROCESS

The Commission refers the Application for a written hearing process pursuant to the following Regulatory Agenda.

ACTION

Intervenor Registration Deadline
Filing of Intervenor Information Requests
Responses to Information Requests
Intervenor Written Submissions
BC Gas Written Reply

DATES (2003)

Monday, May 5
Friday, May 16
Friday, May 23
Friday, May 30
Friday, June 6

Persons who expect to actively participate in the proceeding should register as Intervenor with the Commission, in writing, by Monday, May 5, 2003. Intervenor will receive copies of the Application, all correspondence and filed documentation.

Persons not expecting to actively participate should register as Interested Parties with the Commission, in writing, by Monday, May 5, 2003. Interested Parties will receive a copy of the Application, all Orders issued and the Commission's Decision on the Application.

PUBLIC INSPECTION OF THE APPLICATION

The Application is available for inspection at the following locations:

BC Gas Head Office:	BC Gas Utility Ltd. 12 th Floor, 1111 West Georgia Street Vancouver, B.C. V6E 4M4 Telephone: (604) 443-6500
Penticton City Hall:	Reception Desk 171 Main Street Penticton, B.C. V2A 5A9 Contact: Mr. Jack Kler, Director Corporate Services Telephone: (250) 490-2400

The Application will be available to Intervenors upon request from BC Gas at no charge.

Copies of the Application are also available for inspection at the office of the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C. V6Z 2N3.

FURTHER INFORMATION

For further information, please contact Mr. Robert J. Pellatt, Commission Secretary, or Mr. Barry McKinlay, Manager, Rates and Finance as follows:

Telephone: (604) 660-4700
Facsimile: (604) 660-1102

E-Mail: Commission.Secretary@bcuc.com
Telephone: (B.C. Toll Free) 1-800-663-1385