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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-70-03

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

and

**An Application by Terasen Gas (Vancouver Island) Inc.
for Approval of an Amending Agreement that amends the Transportation Service Agreement,
Peaking Agreement, Capacity Assignment Agreement and the Compressor Facility Agreement**

BEFORE: L.A. Boychuk, Commissioner)
L.F. Kelsey, Commissioner) October 30, 2003

O R D E R

WHEREAS:

- A. On October 14, 2003, Terasen Gas (Vancouver Island) Inc. ("TGVI") applied for approval of an Amending Agreement to the Transportation Service Agreement, Peaking Agreement, Capacity Assignment Agreement and Compressor Facility Agreement ("the Amending Agreement") dated September 30, 2003 that amends the Transportation Service Agreement ("TSA") dated March 7, 2001 as amended September 1, 2001 and October 17, 2002; the Peaking Agreement ("PA") dated March 7, 2001 as amended October 17, 2002; the Capacity Arrangement Agreement ("CAA") dated March 7, 2001 as amended September 1, 2001 and October 17, 2002, and the Compressor Facility Agreement ("CFA") dated May 18, 2001; and
- B. The TSA, PA, and CFA are between British Columbia Hydro and Power Authority ("BC Hydro") for the transportation of natural gas on the TGVI high pressure natural gas transmission system ("HPTS") to the Island Cogeneration Plant at Elk Falls; and
- C. The CAA is between Terasen Gas Inc. ("Terasen Gas"), BC Hydro and TGVI. It reduces the assigned capacity on the TGVI system from BC Hydro to Terasen Gas by 25 TJ/Day; and
- D. The Amending Agreement extends the TSA, PA, CFA and CAA by one year to October 31, 2004; and
- E. On October 17, 2003, the Commission requested Intervenor comments on the application by October 27, 2003; and

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F. The Commission has considered the application and the comments received.

NOW THEREFORE the Commission approves for TGVI the Amending Agreement dated September 30, 2003 that extends the TSA, PA, CAA and the CFA between TGVI, Terasen Gas and BC Hydro by one year to October 31, 2004.

DATED at the City of Vancouver, in the Province of British Columbia, this 31st day of October 2003.

BY ORDER

Original signed by:

Lori Ann Boychuck
Commissioner