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**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER** G-88-06

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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 Inc.  
for Approval to Serve I.G. Machine & Fibers Ltd. under Rate Schedule 25  
General Firm Transportation Service**

**BEFORE:** L.F. Kelsey, Commissioner July 27, 2006

**O R D E R**

**WHEREAS:**

- A. On February 7, 2001, Terasen Gas Inc. ("Terasen Gas"), then BC Gas Utility Ltd., applied to the Commission for approval to serve I.G. Machine & Fibers Ltd. at its plant near Ashcroft, B.C. ("IG Ashcroft") under Rate Schedule 5 Large Commercial Service by way of a Tariff Supplement dated January 25, 2001; and
- B. On March 26, 2001, Terasen Gas provided the Commission with an executed Letter Agreement with IG Ashcroft., which identified that service to the customer will be constrained by Terasen Gas' system capacity following expiry of the term covered by the Tariff Supplement; and
- C. By Order No. G-42-01 dated May 2, 2001, the Commission approved for Terasen Gas the agreement with IG Ashcroft dated January 25, 2001 as Rate Schedule 5 Tariff Supplement No. D-3, for the period commencing July 1, 2001; and
- D. On June 22, 2006, Terasen Gas applied to the Commission for approval to eliminate Tariff Supplement No. D-3, and for approval of a Rate Schedule 25 General Firm Transportation Service agreement with IG Ashcroft dated April 30, 2006 as Tariff Supplement No. E-14, effective July 1, 2006 (the "Application"); and
- E. Tariff Supplement No. D-3 expired July 1, 2006. The term of the agreement with IG Ashcroft dated April 30, 2006 is from July 1, 2006 to November 1, 2007, and the agreement is renewed from year to year unless terminated by notice from one of the parties; and
- F. The agreement with IG Ashcroft dated April 30, 2006 provides Terasen Gas with the ability to curtail deliveries to IG Ashcroft to the extent it does not have system capacity to accommodate IG Ashcroft's full natural gas requirements; and
- G. The Commission has reviewed the Application and finds that approval is in the public interest.

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**NOW THEREFORE** the Commission orders as follows:

1. The Commission approves for Terasen Gas the Application for the elimination of Rate Schedule 5 Tariff Supplement No. D-3, and approval of the Rate Schedule 25 General Firm Transportation Service agreement with IG Ashcroft dated April 30, 2006 as Tariff Supplement No. E-14, effective July 1, 2006.
2. The Commission accepts the filing by Terasen Gas of Tariff Supplement No. E-14.

**DATED** at the City of Vancouver, in the Province of British Columbia, this      28<sup>th</sup>      day of July 2006.

BY ORDER

*Original signed by*

L.F. Kelsey  
Commissioner