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**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER** E-16-07

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

**and**

**An Application by Stargas Utilities Ltd.  
for Acceptance of a Natural Gas Supply and Management Services Agreement  
with Direct Energy Marketing Limited**

**BEFORE:** L.F. Kelsey, Commissioner August 23, 2005  
L.A. Zaozirny, Commissioner

**O R D E R**

**WHEREAS:**

- A. Commission Order No. C-4-00 approved a Certificate of Public Convenience and Necessity for Stargas Utilities Ltd. ("Stargas"), formerly known as Silver Star Mountain Resorts Utilities Ltd., to operate a natural gas distribution system at the resort community of Silver Star in British Columbia; and
- B. Commission Order No. E-2-05 dated February 22, 2005 approved a Natural Gas Supply and Management Services Agreement with Direct Energy Marketing Limited ("DEML"); and
- C. Commission Letter No. L-62-06 dated October 5, 2006 responded to a request from Stargas regarding a proposal to lock in gas commodity prices; and
- D. Commission Order No. G-163-06 approved a Stargas application for rates effective November 1, 2006; and
- E. On July 30, 2007, Stargas filed a revised Natural Gas Supply and Management Services Agreement with DEML dated July 26, 2007 that fixes the price of a portion of the gas to be purchased by Stargas from August 1, 2007 through November 1, 2008 (the Agreement"); and
- F. On August 14, 2007, Stargas responded to a Commission Information Request; and

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G. The Gas Cost Variance Account has a credit balance and current rates are consistent with the account balance and projected gas costs for the next year; and

H. The Commission has reviewed the Stargas filing and is satisfied that the Agreement is in the public interest.

**NOW THEREFORE** pursuant to Section 71 of the Utilities Commission Act, the Commission accepts for filing the Natural Gas Supply and Management Services Agreement between Stargas and DEML dated July 26, 2007. The Commission directs Stargas to provide within 90 days of the end of each Stargas financial year, a yearly report to the Commission on natural gas volumes purchased, prices and fees paid to DEML under this Agreement.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 23<sup>rd</sup> day of August 2007.

BY ORDER

*Original signed by:*

L.A. Zaozirny  
Commissioner