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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-98-07

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

and

**A Filing by Unocal Canada Limited
of Firm Natural Gas Storage Agreements as Rates
for the Aitken Creek Storage Facility**

BEFORE: L.F. Kelsey, Commissioner
L.A. Zaozirny, Commissioner August 23, 2007

O R D E R

WHEREAS:

- A. By Letter No. L-47-06 dated August 25, 2006, the Commission advised Unocal Canada Limited ("Unocal") that it had concluded that Unocal, as owner and/or operator of the Aitken Creek Storage Facility, falls within the definition of a public utility under the Utilities Commission Act (the "Act" or "UCA"); and
- B. By Order No. G-107-06 dated September 8, 2006, pursuant to Sections 45, 46, 90 and 91 of the Act the Commission granted Unocal a Certificate of Public Convenience and Necessity ("CPCN") on an interim basis for the operation of the Aitken Creek Storage Facility and accepted for filing pursuant to Sections 59, 61, 90 and 91 of the Act, five Gas Storage Agreements and the General Terms and Conditions for Firm Natural Gas Storage; and
- C. By a submission dated October 24, 2007 Unocal applied to the Commission, pursuant to Section 88(3) of the UCA for an order exempting it from provisions of the Act; and
- D. By Order No. G-128-06 dated October 27, 2006 pursuant to sections 59, 61, 90 and 91 of the Act, the Commission accepted for filing on an interim basis effective November 1, 2006, a Firm Natural Gas Storage Agreement dated October 5, 2006 between Unocal and Westcoast Energy Inc.; and
- E. In the Commission's May 14, 2007 Reasons for Decision with respect to Unocal's application for an exemption from the UCA, the Commission directed Unocal to file its new storage service agreements with the Commission until the final exemption order is issued; and
- F. By letter dated June 8, 2007, Unocal requested clarification of the Commission's Reasons for Decision and draft Order, and the Commission responded by Letter No. L-47-07 dated June 20, 2007 and provided a revised draft Order; and
- G. In the June 8, 2007 letter, Unocal requested the interim CPCN for the Aitken Creek Storage be permitted to expire effective the date that Unocal is exempted from Section 45 of the Act; and

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- H. By Order No. C-6-07 with Reasons for Decision, the Commission denied the application to permit the interim CPCN to expire and pursuant to Sections 45 and 46 of the Act, ordered that a CPCN be granted to Unocal for the Aitken Creek Storage Facility as an amendment and replacement for the interim CPCN granted by Order No. G-107-06, effective July 6, 2007; and
- I. By letter dated August 10, 2007, Unocal filed two firm natural gas storage agreements for approval as interim rates at the Aitken Creek Facility; one with Terasen Gas Inc. and the other with Constellation Energy Commodities Group Inc. pursuant to Sections 59, 61, 90 and 91 of the Act; and
- J. The Commission has reviewed the filing and finds it to be in the public interest.

NOW THEREFORE pursuant to Sections 59, 61, 90 and 91 of the Act, the Commission accepts for filing on an interim basis the following agreements:

1. An agreement between Unocal and Terasen Gas Inc. for firm natural gas storage at the Aitken Creek Storage Facility dated July 18, 2007 for the period July 1, 2007 to March 31, 2010.
2. An agreement between Unocal and Constellation Energy Commodities Group Inc. dated July 6, 2007 for firm natural gas storage at the Aitken Creek Storage Facility for the period July 6, 2007 to March 31, 2010.
3. Unocal will provide a copy of the Order to Terasen Gas Inc. and Constellation Energy Commodities Group Inc.

DATED at the City of Vancouver, in the Province of British Columbia, this 23rd day of August 2007.

BY ORDER

Original signed by:

L.A. Zaozirny
Commissioner