BRITISH COLUMBIA UTILITIES COMMISSION

ORDER NUMBER



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E-7-08

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

and

A Filing by Terasen Gas Inc. of Firm Natural Gas Storage Agreements between the Aitken Creek Gas Storage ULC and Terasen Gas Inc.

BEFORE:

L.F. Kelsey, Commissioner P.E. Vivian, Commissioner

April 3, 2008

ORDER

WHEREAS:

- A. By Order No. G-167-07 dated December 18, 2007, the Commission approved the transfer of the Aitken Creek Storage Facility from Unocal Canada Limited to its wholly-owned subsidiary Aitken Creek Gas Storage ULC ("ACGS"). ACGS is now the owner and operator of the Aitken Creek Storage Facility; and
- B. By letter dated March 20, 2008, Terasen Gas Inc. ("Terasen Gas" or "TGI") submitted for Commission acceptance pursuant to Section 71 of the Utilities Commission Act ("the Act"), three firm gas storage contracts between ACGS (formerly Unocal Canada Limited) and TGI. The contracts consist of an agreement dated March 19, 2008 with a 3-year term expiring on March 31, 2011 for 5,513,004 GJ, an agreement dated March 19, 2008 with a 4-year term expiring on March 31, 2012 for 6,228,004 GJ, an agreement dated March 19, 2008 with a 5-year term expiring on March 31, 2013 for 5,513,004 GJ; and
- C. The Application is consistent with the Annual Gas Contracting Plan accepted by the Commission with Commission Letter No. L-58-07; and
- D. By letter dated March 28, 2008, the British Columbia Old Age Pensioners' Organization et al. stated that they were satisfied that the three contracts are in the interests of ratepayers and recommended that they be approved under Section 71; and
- E. The Commission has reviewed the filing and finds it to be in the public interest.

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2

NOW THEREFORE pursuant to Section 71 the Utilities Commission Act, the Commission accepts for filing three firm gas storage contracts between Aitken Creek Gas Storage ULC and TGI. The contracts consist of an agreement dated March 19, 2008 with a 3-year term expiring on March 31, 2011 for 5,513,004 GJ, a second agreement dated March 19, 2008 with a 4-year term expiring on March 31, 2012 for 6,228,004 GJ and a third agreement dated March 19, 2008 with a 5-year term expiring on March 31, 2013 for 5,513,004 GJ.

As requested by Terasen Gas, the Commission will hold confidential the three agreements described above.

 3^{rd} **DATED** at the City of Vancouver, in the Province of British Columbia, this day of April 2008.

BY ORDER

Original signed by

L.F. Kelsey Commissioner