



**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER C-2-08**

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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 of an Operating Agreement  
with The Corporation of the Village of Warfield

**BEFORE:** L.F. Kelsey, Commissioner  
P.E. Vivian, Commissioner May 22, 2008

**CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

**WHEREAS:**

- A. Terasen Gas Inc. ("Terasen Gas") undertook negotiations with the Union of British Columbia Municipalities ("UBCM") Operating Committee to establish the terms of a new form of Operating Agreement. In 2005 Terasen Gas successfully negotiated a pro-forma Operating Agreement with the UBCM and, using this agreement as a template, negotiated new Operating Agreements with 10 municipalities; and
- B. On August 29, 2006, Commission Orders No. C-7-06, C-8-06, C-9-06, C-10-06, C-11-06, C-12-06, C-13-06, C-14-06, C-15-06 and C-16-06 approved new Operating Agreements between TGI and 10 municipalities; and
- C. The Franchise Agreement between The Corporation of the Village of Warfield ("the Municipality", the "Village of Warfield") and Terasen Gas approved by Commission Order No. C-15-98 expired on January 26, 2008; and
- D. On April 10, 2008, Terasen Gas applied for approval of a January 27, 2008 Operating Agreement with the Municipality ("the Application"); and
- E. The proposed operating agreement is in the same form as the Operating Agreements between Terasen Gas and 10 municipalities; and
- F. The Application requests approval of a 20-year Operating Agreement between Terasen Gas and the Municipality from January 27, 2008 to January 26, 2027 that sets out the terms and conditions, including a 3 percent operating fee, under which Terasen Gas shall exercise its rights to use the public places of the Municipality in conducting its business of distributing gas within the Municipality; and

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G. The Commission has reviewed the Application and has determined that the January 27, 2008 Operating Agreement with the Village of Warfield should be approved.

**NOW THEREFORE** the Commission, pursuant to Section 45 of the Utilities Commission Act, approves for Terasen Gas and the Village of Warfield the Operating Agreement for the period January 27, 2008 to January 26, 2027.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 22<sup>nd</sup> of May 2008.

BY ORDER

*Original signed by:*

L.F. Kelsey,  
Commissioner