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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** A-35-10

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

and

An Application by AltaGas Energy Limited Partnership
for Extension of its Gas Marketer Licence

BEFORE: L.F. Kelsey, Commissioner
D.A. Cote, Commissioner November 18, 2010

O R D E R

WHEREAS:

- A. On August 19, 2010 by Order A-16-10, the British Columbia Utilities Commission (Commission) issued a Gas Marketer Licence to AltaGas Energy Limited Partnership (AltaGas) with an expiry date of November 19, 2010;
- B. The Order required AltaGas to file stand-alone audited financial statements, for the licence holder, for the recently concluded year by November 1, 2010, as well as unaudited quarterly statements for each concluded financial quarter following the most recently ended fiscal year, pursuant to Item 5 of the Licence Requirements;
- C. The Commission notes that AltaGas did not comply with this filing requirement by November 1 and to date, has not submitted any financial statement for the licence holder;
- D. The Commission has examined the audited consolidated financial statements filed by AltaGas's parent company, AltaGas Income Trust, for the year-ended December 31, 2009, and the unaudited quarterly statements for each concluded financial quarter following this fiscal year. Based on the information in these statements, AltaGas Income Trust, on behalf of AltaGas, is non-compliant in that it does not meet the Current Ratio and Working Capital licensing requirements of the Commission;
- E. On November 5, 2010, AltaGas applied to extend the validity of its Licence through December 31, 2010. AltaGas advised the Commission that its parent company, AltaGas Income Trust, converted to a corporation from a trust structure. It also noted that AltaGas's parent company under the new corporate structure, AltaGas Ltd., will apply for a Gas Marketer Licence under the Customer Choice Program and will submit the required audited financial statement for the year-ended December 31, 2010 by March 31, 2011;
- F. In its November 5, 2010 letter AltaGas committed to filing an application for a Licence no later than December 1, 2010 in accordance with Commission licence requirements.
- G. The Commission has reviewed AltaGas's Application for an extension to its Gas Marketer Licence.

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** A-35-10

2

NOW THEREFORE pursuant to section 71.1(6) of the *Utilities Commission Act* the Commission orders as follows:

1. The Commission approves the extension of AltaGas's Gas Marketer Licence for the period of November 19, 2010 to December 31, 2010, subject to receiving AltaGas Ltd.'s complete licence Application on or before December 1, 2010. Should AltaGas not comply, this licence shall be rescinded.
2. Due to continuing non-compliance with certain financial requirements, AltaGas is not permitted to enroll new customers under the Customer Choice Program.
3. The Gas Marketer Licence is subject to the following conditions:
 - a. AltaGas Ltd. must file a complete licence Application on or before December 1, 2010.
 - b. AltaGas will carry out the undertakings as set out in the Application for a Licence to Market Natural Gas dated August 17, 2010 and the Rules for Gas Marketers.
 - c. AltaGas will comply with the Code of Conduct for Gas Marketers and Rate Schedule 36 of Terasen Gas Inc.
 - d. AltaGas will maintain a \$250,000 Letter of Credit in full force and effect for the duration of the Licence.
 - e. AltaGas will maintain a Working Capital position of at least \$50,000 and a Current Ratio of Assets to Liabilities of at least 1.10.
 - f. The Commission may, at any time and without prior notice to AltaGas, amend or impose new terms and conditions on, suspend, or cancel the Gas Marketer Licence for reasons the Commission, in its sole discretion, deems and considers sufficient.
 - g. The Gas Marketer Licence and all copies of it shall remain the property of the Commission and AltaGas will return these documents forthwith upon written request from the Commission.
 - h. AltaGas is not permitted to enrol new customers under the Customer Choice Program.
 - i. AltaGas shall ensure that its employees, salespersons or other representatives of its products and services comply with the standards required of a Gas Marketer as set out in the Code of Conduct for Gas Marketers. AltaGas shall be responsible for the non-compliance of its employees, salespersons or other representatives of its products and services with the Code of Conduct for Gas Marketers.

DATED at the City of Vancouver, in the Province of British Columbia, this 18th day of November 2010.

BY ORDER

Original signed by:

D.A. Cote
Commissioner



LICENCE No. A-35-10

GAS MARKETER LICENCE

AltaGas Energy Limited Partnership

is granted a licence extension for the purpose of providing advice to, or acting on behalf of, a low volume consumer ⁽¹⁾ purchasing gas directly in the Province of British Columbia subject to the terms and conditions contained in Commission Order A-35-10, which are set out in the reverse of the Licence.

BRITISH COLUMBIA UTILITIES COMMISSION

Original signed by:

D.A. Cote, Commissioner

ISSUED: November 18, 2010

EXPIRES: December 31, 2010

(1) As described in the Rules for Gas Marketers

The Gas Marketer Licence is subject to the following conditions:

- a. AltaGas Ltd. must file a complete licence Application on or before December 1, 2010.
- b. AltaGas will carry out the undertakings as set out in the Application for a Licence to Market Natural Gas dated August 17, 2010 and the Rules for Gas Marketers.
- c. AltaGas will comply with the Code of Conduct for Gas Marketers and Rate Schedule 36 of Terasen Gas Inc.
- d. AltaGas will maintain a \$250,000 Letter of Credit in full force and effect for the duration of the Licence.
- e. AltaGas will maintain a Working Capital position of at least \$50,000 and a Current Ratio of Assets to Liabilities of at least 1.10.
- f. The Commission may, at any time and without prior notice to AltaGas, amend or impose new terms and conditions on, suspend, or cancel the Gas Marketer Licence for reasons the Commission, in its sole discretion, deems and considers sufficient.
- g. The Gas Marketer Licence and all copies of it shall remain the property of the Commission and AltaGas will return these documents forthwith upon written request from the Commission.
- h. AltaGas is not permitted to enrol new customers under the Customer Choice Program.
- i. AltaGas shall ensure that its employees, salespersons or other representatives of its products and services comply with the standards required of a Gas Marketer as set out in the Code of Conduct for Gas Marketers. AltaGas shall be responsible for the non-compliance of its employees, salespersons or other representatives of its products and services with the Code of Conduct for Gas Marketers.