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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-148-10**

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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.
to Alter Commodity Component of Rates and Approve Consolidation
and Extend Amortization of its Term Financing**

BEFORE: D.A. Cote, Commissioner
L.F. Kelsey, Commissioner

September 30, 2010

O R D E R

WHEREAS:

- A. On September 3, 2010, Stargas Utilities Ltd. (Stargas) filed an application to Alter Commodity Component of Rates and Approve Consolidation and extend amortization of Term Financing (Application) with the British Columbia Utilities Commission (Commission). The loan consolidation portion of the Application (Loan Consolidation Application) requests Commission approval to consolidate two term loans aggregating \$462,861 at August 31, 2010 into a single 10-year loan with an annual interest rate of prime plus 1.5 percent;
- B. The two loans that Stargas proposes to consolidate are:
- Loan A (principal of \$250,000) - a 5-year term loan payable in monthly principal installments at an annual interest rate of prime plus 1.5 percent;
 - Loan B (principal of \$212,861) - a term loan payable without principal payments to October 31, 2010 but required principal repayments monthly (60 months) at an annual interest rate of prime plus 1.5 percent;
- C. Stargas states that the principal payments over five years on Loan B would seriously compromise its cash flows;
- D. The Commission has reviewed the Loan Consolidation Application and finds that approval is warranted.

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NOW THEREFORE pursuant to section 50(2) of the *Utilities Commission Act*, the Commission approves the Stargas Loan Consolidation Application to consolidate two term loans aggregating \$462,861 at August 31, 2010 into a single 10-year loan with an annual interest rate of prime plus 1.5 percent.

DATED at the City of Vancouver, in the Province of British Columbia, this 30th day of September 2010.

BY ORDER

Original signed by:

D.A. Cote
Commissioner