



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** **A-7-11**

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC V6Z 2N3 CANADA
web site: <http://www.bcuc.com>

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

and

**An Application by AltaGas Ltd.
for an Amendment to its Gas Marketer Licence
under the Customer Choice Program**

BEFORE: L.F. Kelsey, Commissioner
 D. Morton, Commissioner
 N.E. MacMurchy, Commissioner March 31, 2011
 C.A. Brown, Commissioner

O R D E R

WHEREAS:

- A. By Commission Order A-38-10, AltaGas Ltd. (AltaGas) was issued a gas marketer licence with an expiry date of August 22, 2011. The Commission examined the financial statements submitted with the application and determined that AltaGas was non-compliant in that it did not meet the Current Ratio and Working Capital licensing requirement. The license was approved with conditions;
- B. Condition (h) of the Licence required the filing of AltaGas' audited financial statements for the year-ended December 31, 2010 by March 31, 2011; condition (i) required the filing of the unaudited monthly financial statements; and condition (g) restricted AltaGas from enrolling new customers under the Customer Choice program;
- C. On January 13, 2011, AltaGas replied to the Commission's assessment of the licence application and filed an amended Letter of Credit with an expiry date of October 31, 2011;
- D. On January 19, 2011, March 15, 2011 and March 29, 2011, AltaGas submitted the unaudited financial statements for the months of December 2010, January 2011 and February 2011, respectively. In addition, on March 29, 2011 AltaGas submitted the complete audited financial statements for the year-ended December 31, 2010;
- E. On March 9, 2011, AltaGas submitted additional financial information concerning the company's liquidity position. While AltaGas does not meet the Current Ratio and Working Capital requirements, considering the entire business, the risk of AltaGas not meeting its requirement to supply gas to its customers, is significantly decreased.

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER A-7-11

2

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

1. AltaGas' current licence to market natural gas is amended effective this date with an expiry of October 31, 2011.
2. This licence is subject to the following conditions:
 - a. AltaGas Ltd. will, except as noted in item (d) below, carry out the undertakings as set out in the Application for a Licence to Market Natural Gas dated December 1, 2010 and the Rules for Gas Marketers.
 - b. AltaGas Ltd. will comply with the Code of Conduct for Gas Marketers and Rate Schedule 36 of FortisBC Energy Inc. AltaGas Ltd. 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 and AltaGas Ltd. shall be responsible for any non-compliance of its employees, salespersons or other representatives of its products and services.
 - c. AltaGas Ltd. will maintain a \$250,000 Letter of Credit in full force and effect for the duration of the Licence.
 - d. For the remainder of this licence period, AltaGas Ltd. is exempt from the requirement to maintain a Working Capital position of at least \$50,000 and a Current Ratio of at least 1.10, provided that it will not draw down the credit facilities beyond \$55 million.
 - e. AltaGas Ltd. will file with the Commission unaudited monthly financial statements, including an update on the credit facilities, no later than 30 days after the end of each month.
 - f. The Commission may, at any time and without prior notice to AltaGas Ltd., 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. AltaGas Ltd. will return these documents forthwith upon written request from the Commission.

DATED at the City of Vancouver, in the Province of British Columbia, this 1st day of April 2011.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner

Attachment

ORDERS/A-7-11_A-38-10A_AltaGas-Licence Amendment



LICENCE No. A-38-10A

GAS MARKETER LICENCE

AltaGas Ltd.

is granted a licence 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-7-11, which are set out in the reverse of the Licence.

BRITISH COLUMBIA UTILITIES COMMISSION

Original Signed by:

L.F. Kelsey, Commissioner

ISSUED: April 1, 2011

EXPIRES: October 31, 2011

(1) As described in the Rules for Gas Marketers

This Gas Marketer Licence is subject to the following conditions:

- a. AltaGas Ltd. will, except as noted in item (d) below, carry out the undertakings as set out in the Application for a Licence to Market Natural Gas dated December 1, 2010 and the Rules for Gas Marketers.
- a. AltaGas Ltd. will comply with the Code of Conduct for Gas Marketers and Rate Schedule 36 of FortisBC Energy Inc. AltaGas Ltd. 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 and AltaGas Ltd. shall be responsible for any non-compliance of its employees, salespersons or other representatives of its products and services.
- b. AltaGas Ltd. will maintain a \$250,000 Letter of Credit in full force and effect for the duration of the Licence.
- c. For the remainder of this licence period, AltaGas Ltd. is exempt from the requirement to maintain a Working Capital position of at least \$50,000 and a Current Ratio of at least 1.10, provided that it will not draw down the credit facilities beyond \$55 million.
- d. AltaGas Ltd. will file with the Commission unaudited monthly financial statements, including an update on the credit facilities, no later than 30 days after the end of each month.
- e. The Commission may, at any time and without prior notice to AltaGas Ltd., 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.
- f. The Gas Marketer Licence and all copies of it shall remain the property of the Commission. AltaGas Ltd. will return these documents forthwith upon written request from the Commission.