

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



**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER** G-78-14

TELEPHONE: (604) 660-4700  
BC TOLL FREE: 1-800-663-1385  
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IN THE MATTER OF  
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

Canwest Propane ULC  
Application for Approval to Acquire Cal-Gas Inc.

**BEFORE:** D.M. Morton, Commissioner  
C.A. Brown, Commissioner  
H.G. Harowitz, Commissioner June 12, 2014  
K.A. Keilty, Commissioner  
B.A. Magnan, Commissioner  
R.D. Revel, Commissioner  
C. van Wermeskerken, Commissioner

**O R D E R**

**WHEREAS:**

- A. On April 11, 2014, Canwest Propane ULC (Canwest) and Cal-Gas Inc. (Cal-Gas) entered into a letter agreement under which all of the issued and outstanding common shares of Cal-Gas will be purchased by Canwest subject to the finalization of formal documents. Such formal documents have been finalized;
- B. On May 30, 2014, Canwest applied to the British Columbia Utilities Commission (the Commission), pursuant to section 54 of the *Utilities Commission Act* (the Act), for approval to acquire all of the issued and outstanding shares of Cal-Gas, which would result in Cal-Gas becoming a direct, wholly owned subsidiary of Canwest (the Application);
- C. Cal-Gas is a public utility regulated by the Commission under the Act and provides propane service to residential customers in the Kicking Horse Mountain Resort (Kicking Horse) area and Canyon Ridge Estates (Canyon Ridge) area near Golden, B.C.;
- D. Canwest and Cal-Gas are incorporated in the Province of Alberta;
- E. Section 54(9) of the Act states:  
  
*"The commission may give its approval under this section subject to conditions and requirements it considers necessary or desirable in the public interest, but the commission must not give its approval under this section unless it considers that the public utility and the users of the service of the public utility will not be detrimentally affected.";*
- F. Canwest states that it will not seek to recover from Cal-Gas customers any acquisition premium or transaction costs incurred directly in connection with the sales transaction;

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- G. On May 26 and 27, 2014, Cal-Gas contacted its existing customers in the Kicking Horse and Canyon Ridge areas by telephone and email advising them of the sales transaction and provided customers with contact information should they have any questions or concerns about the sales transaction;
- H. Canwest states that the acquisition of Cal-Gas will not result in any adverse change or detrimental effect on Cal-Gas' existing customers; and
- I. The Commission determines that a written public hearing process and a regulatory timetable should be established and a public notice should be issued.

**NOW THEREFORE** the British Columbia Utilities Commission orders as follows:

- 1. The Application shall proceed by way of a written public hearing according to the Preliminary Regulatory Timetable attached as Appendix A to this Order.
- 2. Canwest Propane ULC is to publish, as soon as possible, the Notice of Application, attached as Appendix B to this Order, in the Business Section of the Vancouver Sun and the Golden Star to provide adequate notice to those parties affected by the Application.
- 3. The Application, together with any supporting non-confidential materials, will be made available for inspection at Cal-Gas Inc., 4255-64 th Avenue S.E., Calgary, Alberta T2C 2C8 and at the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, BC, V6Z 2N3. These materials will also be available on the Commission's website.
- 4. Interveners or Interested Parties must register with the Commission, in writing or electronic submission, by Friday, June 27, 2014. Interveners must specify the nature of their interest in the Application and the issues that they may intend to pursue.

**DATED** at the City of Vancouver, in the Province of British Columbia, this    12<sup>th</sup>            day of June 2014.

BY ORDER

*Original signed by:*

D. Morton  
Commissioner

Attachments

Canwest Propane ULC  
Application for Approval to Acquire Cal-Gas Inc.

**PRELIMINARY REGULATORY TIMETABLE**

| ACTION  | DATES (2014)       |
|---|--------------------|
| Canwest to Publish Notice of Application                  | by Friday, June 20 |
| Commission Information Requests (Commission IRs)          | Friday, June 20    |
| Intervener Registration and Interested Party Registration | Friday, June 27    |
| Intervener Information Requests (Intervener IRs)          | Wednesday, July 2  |
| Canwest responds to Commission IRs and Intervener IRs     | Friday, July 4     |



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**NOTICE OF APPLICATION**

**THE APPLICATION**

Canwest Propane ULC (Canwest), incorporated in the Province of Alberta, has applied to the British Columbia Utilities Commission (Commission) for approval to acquire all of the issued and outstanding shares of Cal-Gas Inc. (Cal-Gas), which would also result in Cal-Gas becoming a direct, wholly-owned subsidiary of Canwest.

Cal-Gas provides propane service in Alberta, Saskatchewan, northwest Ontario and British Columbia. Cal-Gas owns and operates two public utilities in British Columbia where it provides underground piped propane service to residential customers at the Kicking Horse Mountain Resort and the Canyon Ridge Estates, near Golden, BC.

**REGISTERING TO PARTICIPATE**

Persons who expect to actively participate in this proceeding must register as Interveners with the Commission Secretary by Friday, June 27, 2014, as follows: by email to: [Commission.Secretary@bcuc.com](mailto:Commission.Secretary@bcuc.com), or by electronic submission: <http://www.bcuc.com/Registration.aspx>

Interveners must identify the issues that they intend to pursue in the review of the Application. All submissions and/or correspondence received from active participants or the general public relating to the Application will be placed on the public record and posted to the Commission's website.

**FURTHER INFORMATION**

For further information, please contact the Commission Secretary at (604) 660-4700 or e-mail to [commission.secretary@bcuc.com](mailto:commission.secretary@bcuc.com).