



**ORDER NUMBER**  
**E-5-17**

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

and

Stargas Utilities Ltd.  
Application to Vary and Extend Natural Gas Purchase Plan

**BEFORE:**

D. J. Enns, Commissioner  
R. I. Mason, Commissioner

on March 6, 2017

**ORDER**

**WHEREAS:**

- A. On February 17, 2017, Stargas Utilities Ltd. (Stargas) submitted an application to the British Columbia Utilities Commission (Commission) to vary and extend the Stargas natural gas purchase plan (Application). The Application also includes a copy of the transaction confirmation between Stargas and Shell Energy North America (Canada) Ltd. (Shell) setting out the terms for natural gas purchases for the contract year commencing November 1, 2014 (2014-2015 Transaction Confirmation);
- B. On October 26, 2006, the Commission issued Order G-130-06 which set out the Commission's Rules for Natural Gas Energy Supply Contracts as Appendix A to the order;
- C. In Order E-14-13 dated October 17, 2013, the Commission accepted a number of contracts setting out the natural gas purchase arrangements between Stargas, Shell and Independent Energy Consultants (B.C.) Ltd.;
- D. On November 30, 2015, Stargas filed for acceptance of a winter purchase plan to mitigate price volatility for the winter period during the 2016/2017 and 2017/2018 fiscal years (Winter Purchase Plan);
- E. On December 24, 2015, via Letter L-46-15, the Commission accepted the Winter Purchase Plan;
- F. In Order E-3-17 dated January 12, 2017, the Commission accepted the Stargas annual contracting plan for the year commencing November 1, 2016 and accepted for filing, pursuant to section 71 of the *Utilities Commission Act*, a number of energy supply contracts. In Order E-3-17 the Commission also directed Stargas to meet with Commission staff to review whether there are any further energy supply contracts executed by Stargas that have not yet been filed for acceptance by the Commission;
- G. On February 22, 2017, Stargas filed responses to Commission staff questions;
- H. On February 23, 2017, in response to further Commission staff questions, Stargas filed a transaction confirmation between Stargas and Shell setting out the terms for natural gas purchases for the contract year commencing November 1, 2015 (2015-2016 Transaction Confirmation);

- I. On March 6, 2017, Stargas requested that the Application, the 2014-2015 Transaction Confirmation, and the 2015-2016 Transaction Confirmation be held as confidential; and
- J. The Commission reviewed the Application, the responses to Commission staff questions and the contracts that were filed with these responses and finds the purchase plan set out in the Application, the 2014-2015 Transaction Confirmation and the 2015-2016 Transaction Confirmation to be in the public interest.

**NOW THEREFORE** pursuant to section 71 of the *Utilities Commission Act* and the British Columbia Utilities Commission's (Commission) Rules for Natural Gas Energy Supply Contracts:

1. The Commission accepts as being in the public interest the Stargas Utilities Ltd. (Stargas) purchase plan set out in the Stargas Application to Vary and Extend Natural Gas Purchase Plan dated February 17, 2017 (Application).
2. The Commission accepts for filing the following contracts as being in the public interest:
  - a. The Transaction Confirmation setting out the terms of the gas purchase contract between Stargas and Shell Energy North America (Canada) Inc. (Shell) for the contract year commencing November 1, 2014 (2014-2015 Transaction Confirmation); and
  - b. The Transaction Confirmation setting out the terms of the gas purchase contract between Stargas and Shell for the contract year commencing November 1, 2015 (2015-2016 Transaction Confirmation).
3. The Commission will keep confidential the Application and related documents, including the 2014-2015 Transaction Confirmation and the 2015-2016 Transaction Confirmation, as they contain commercially sensitive information.

**DATED** at the City of Vancouver, In the Province of British Columbia, this 8<sup>th</sup> day of March 2017.

BY ORDER

*Original signed by:*

R. I. Mason  
Commissioner