

Patrick Wruck Commission Secretary

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August 3, 2017

Sent via email Letter L-18-17

Ms. Janet P. Kennedy Vice-President, Regulatory Affairs & Gas Supply Pacific Northern Gas Ltd. 2550-1066 West Hastings Street Vancouver, BC V6E 3X2 jkennedy@png.ca

Re: Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd. – 2017 Annual Gas Contracting Plan

Dear Ms. Kennedy:

On June 6, 2017, Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd. (PNG) filed on a confidential basis its Annual Gas Contracting Plan (ACP) for the period from November 2017 to October 2018 (2017/18). PNG's 2017/18 ACP outlines plans to meet the natural gas requirements for PNG's service areas, including PNG-West (west of Summit Lake) and Pacific Northern Gas (N.E.) Ltd. [PNG (N.E.)]. PNG (N.E.) includes the Fort St. John and Dawson Creek and Tumbler Ridge service areas. PNG also provided a non-confidential executive summary of the 2017/18 ACP.

The British Columbia Utilities Commission (Commission) reviewed the filing and accepts PNG's 2017/18 ACP as in the public interest.

In PNG's 2018/19 Annual Contracting Plan, the Commission requests PNG include an update on transportation service developments and the impact of such developments on PNG's supply procurement plans, including a review of alternative options if necessary.

As directed by Order E-12-16, the 2018/19 ACP should include an analysis of the performance of PNG's storage contract and related transportation and gas purchase arrangements to date together with an updated evaluation of the projected value of the storage contract for the remaining term of the storage contract.

PNG is encouraged to meet with Commission staff prior to submitting the 2018/19 ACP to ensure the filing adequately addresses Commission requests and directives.

The Commission will hold the 2017/18 ACP and associated documents confidential as requested by PNG as they contain market sensitive information. A copy of the non-confidential executive summary of the 2017/18 ACP is attached to this letter and is available to the public.

Sincerely,

Original signed by:

Patrick Wruck Commission Secretary

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Enclosure (PNG 2017/18 Annual Contracting Plan non-confidential Executive Summary)