



**ORDER NUMBER
E-23-18**

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

Stargas Utilities Ltd.
Application to Vary Commodity Rates

BEFORE:

R. I. Mason, Commissioner
R. D. Revel, Commissioner

on November 8, 2018

ORDER

WHEREAS:

- A. On September 18, 2018, Stargas Utilities Ltd. (Stargas) submitted an application to the British Columbia Utilities Commission (BCUC) for approval of the Stargas Natural Gas Purchase Plan (Application), which included 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, 2018. The Application also included a request to decrease the commodity component of rates from \$4.14 per gigajoule (GJ) to \$3.98 per GJ effective November 1, 2018;
- B. By Order E-5-17 dated March 6, 2017, the BCUC accepted the Stargas application to vary and extend the Stargas natural gas purchase plan (Winter Purchase Plan Extension). The Winter Purchase Plan Extension includes Stargas' plan to mitigate price volatility for the winter period during the 2017/2018 and 2018/2019 fiscal years;
- C. By Order G-130-06 dated October 26, 2006, the BCUC established the Rules for Natural Gas Energy Supply Contracts in Appendix A to that order;
- D. Stargas requests that the Application and related documents be held confidential due to their commercially sensitive nature;
- E. The BCUC reviewed the Application, the responses to the BCUC staff questions and the transaction confirmation contract and finds that the Natural Gas Purchase Plan and the 2018/2019 Transaction Confirmation are in the public interest.

NOW THEREFORE the BCUC orders as follows:

1. The BCUC accepts the Stargas Natural Gas Purchase Plan as set out in the Application dated September 18, 2018 to be in the public interest.
2. The BCUC accepts the Transaction Confirmation setting out the terms of the gas purchase contract between Stargas and Shell for the contract year commencing November 1, 2018 as being in the public interest; and
3. The BCUC will keep confidential the Application and related documents as they contain commercially sensitive information.

DATED at the City of Vancouver, in the Province of British Columbia, this 8th day of November 2018.

BY ORDER

Original signed by:

R. I. Mason
Commissioner