



**ORDER NUMBER  
G-337-23**

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

and

Pacific Northern Gas Ltd.  
Cedar LNG Partners LP – Transportation Reservation Agreement

**BEFORE:**

B. A. Magnan, Commissioner

on December 8, 2023

**ORDER**

**WHEREAS:**

- A. On October 27, 2023, Pacific Northern Gas Ltd. (PNG) submitted an application (Application) to the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA), for approval of a Transportation Reservation Agreement dated September 25, 2023 (TRA), between PNG and Cedar LNG Partners LP (Cedar LNG), a potential new customer planning a liquified natural gas export project in Kitimat, British Columbia. In addition, PNG seeks BCUC approval to record all reservation fees received under the TRA in its existing Deferred Demand Charges deferral account;
- B. PNG submitted a redacted version of the TRA with the Application, and requests that the redacted information contained in the TRA be held confidential, pursuant to Section 18 of the BCUC's Rules of Practice and Procedure, until September 25, 2028, on the basis that certain information contained in the TRA is commercially sensitive and based on negotiated terms and conditions and that disclosure of this information may adversely affect both PNG's and Cedar LNG's ability to effectively negotiate with other parties in the future;
- C. In the Application, PNG states that the TRA is a precursor to execution of a transportation service agreement (TSA), and that PNG and Cedar LNG have agreed to advance negotiation of definitive agreements (including the TSA, a facilities agreement and credit support provisions) to support a positive financial investment decision by Cedar LNG, currently targeted by the end of the fourth quarter of 2023. PNG further states that key terms for the TSA and other definitive agreements were set out and agreed to by PNG and Cedar LNG in a term sheet executed concurrently with the TRA on September 25, 2023;
- D. PNG also states that the TRA has been entered into by sophisticated parties, has limited risks, and is the precursor to a potential TSA that will provide financial benefits to PNG's existing customers. Based on the foregoing, PNG submits that the TRA is fair, just and not unduly discriminatory and requests that the BCUC approve the TRA as applied for in the Application; and
- E. The BCUC has completed its review of the Application and makes the following determinations.

**NOW THEREFORE** pursuant to section 59 to 61 of the UCA, the BCUC orders as follows:

1. The TRA is approved as filed.
2. PNG is approved to record all reservation fees received under the TRA in its Deferred Demand Charges deferral account.
3. The BCUC will hold the redacted portions of the TRA submitted with the Application confidential, as they contain commercially sensitive information, until September 25, 2028, or until otherwise determined by the BCUC.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 8<sup>th</sup> day of December 2023.

BY ORDER

*Original signed by:*

B. A. Magnan  
Commissioner