



**ORDER NUMBER
G-163-25**

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

and

Pacific Northern Gas Ltd.
Issuance of Debt Securities and Extension of Order for the Issuance of Additional Equity

BEFORE:

A. K. Fung, KC, Commissioner

on June 27, 2025

ORDER

WHEREAS:

- A. On June 10, 2025, Pacific Northern Gas Ltd. (PNG) applied for British Columbia Utilities Commission (BCUC) approval under sections 50 and 52 of the *Utilities Commission Act*:
- i. For \$100 million of new debt financing to replace the \$100 million four-year term revolving facility with its parent company, TriSummit Utilities Ltd. (TSU), maturing July 28, 2025, and the \$9.5 million 9.3 percent debenture maturing July 18, 2025, including approvals to enter into:
 - a) A new unsecured four-year term revolving credit facility (Revolving Term Facility) in the amount of \$75 million with TSU; and
 - b) A new thirty-year term fixed rate unsecured debenture (Term Debenture) on September 30, 2025, in the amount of \$25 million with TSU;
 - ii. To issue common equity of up to \$16 million, from time to time, on a semi-annual basis, through to November 30, 2027, to ensure that its equity thickness remains within the BCUC-approved levels, (collectively, Application);
- B. PNG proposes to use the net proceeds from the Term Debenture to repay amounts borrowed on the new \$75 million Revolving Term Facility, which will consist primarily of the current borrowings on the maturing \$100 million four-year term revolving facility, \$9.5 million to be drawn on the Revolving Term Facility to retire the 9.3 percent debenture, and additional borrowings expected to be incurred prior to September 30, 2025, to finance capital projects;
- C. PNG submits that the replacement of a portion of the maturing variable rate revolving term facility with the fixed rate long-term Term Debenture will provide future stability and certainty of interest costs;

- D. As part of the Application, PNG has filed term sheets relating to the Revolving Term Facility and the Term Debenture;
- E. PNG requests that the financing terms set forth in the Application be kept confidential by the BCUC on the basis that they are commercially sensitive; and
- F. The BCUC has reviewed the Application and considers that approval is warranted.

NOW THEREFORE pursuant to sections 50 and 52 of the *Utilities Commission Act*, the BCUC orders as follows:

1. PNG is approved to enter into the \$75 million Revolving Term Facility with TSU substantially on the terms and conditions set forth in the Application.
2. PNG is approved to enter into the \$25 million Term Debenture with TSU substantially on the terms and conditions set forth in the Application.
3. PNG is approved to issue additional common shares to TSU, not exceeding \$16 million, from time to time, effective from the date of this order until November 30, 2027, with issuance of common shares to occur on a semi-annual basis.
4. PNG must inform the BCUC of any significant departure in the terms and conditions set forth in the Application for the Revolving Term Facility or Term Debenture within 15 days of any significant change.
5. PNG is directed to reflect the new Revolving Term Facility and Term Debenture in the final regulatory schedules of its 2025-2027 Revenue Requirements Application by the deadline to be set in that proceeding.
6. PNG is directed to file with the BCUC, a term sheet for the Revolving Term Facility within 30 days of any draws on the facility and the final debt financing agreement for the Term Debenture with TSU within 15 days of the execution of the Term Debenture agreement.
7. Subject to any further order of the BCUC, the financing terms relating to the Revolving Term Facility and the Term Debenture set forth in the Application will be kept confidential due to their commercially sensitive nature.

DATED at the City of Vancouver, in the Province of British Columbia, this 27th day of June 2025.

BY ORDER

Electronically signed by Anna Fung

A. K. Fung, KC
Commissioner