

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER E-19-13

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

and

An Application by Pacific Northern Gas Ltd. for 2013/2014 Natural Gas Supply Contracts

BEFORE: L. F. Kelsey, Commissioner

D. M. Morton, Commissioner N. E. MacMurchy, Commissioner

C. A. Brown, Commissioner R. D. Revel, Commissioner

B. A. Magnan, Commissioner

December 12, 2013

ORDER

WHEREAS:

- A. By Letter L-41-13 dated July 4, 2013, the British Columbia Utilities Commission (Commission) accepted the Pacific Northern Gas Ltd. (PNG) Annual Contracting Plan (ACP) for the November 1, 2013 to October 31, 2014 gas year (Original 2013-2014 ACP) with respect to the PNG-West, Fort St. John, Dawson Creek and Pink Mountain Service Areas and the partial ACP filed in respect to the Tumbler Ridge Service Area;
- B. By Letter L-48-13 dated August 22, 2013, the Commission accepted the 2013-2014 Tumbler Ridge Annual Contracting Plan (TR 2013-2014 ACP);
- C. By Order E-12-13 dated September 19, 2013, the Commission accepted the PNG amended Annual Contracting Plan for the 2013-2014 year (Amended 2013-2014 ACP) and approved a proposed gas storage contract with Tenaska Marketing Canada (Tenaska) with respect to the PNG-West, Fort St. John and Dawson Creek Service Areas (Proposed Storage Agreement);
- D. On October 31, 2013, pursuant to section 71 of the *Utilities Commission Act* and the Commission's Rules for Natural Gas Energy Supply Contracts, PNG filed gas contracts for Commission's approval of monthly and daily priced gas supply arrangements that include seasonal, peaking, storage contracts, and a Storage Service Agreement between PNG and Tenaska (Application);

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- E. PNG requests that the details of the Application be kept confidential for the reasons of commercial sensitivity; and
- F. The Commission reviewed the Application and is satisfied that the gas supply contracts are appropriate considering market conditions at the time they were negotiated, consistent with the Amended 2013-2014 ACP, the TR 2013-2014 ACP and the Proposed Storage Agreement, and in the public interest.

NOW THEREFORE pursuant to section 71 of the *Utilities Commission Act* and the Commission's Rules for Natural Gas Energy Supply Contracts, the Commission accepts for filing the natural gas contracts shown in Appendix A to this Order, and the Storage Service Agreement dated September 19, 2013 between Pacific Northern Gas Ltd. and Tenaska Marketing Canada. The Commission will hold the details of the Application and related filings confidential as requested to protect commercially sensitive information.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of December, 2013.

BY ORDER

Original Signed By:

D. M. Morton Commissioner

Attachment

Pacific Northern Gas Ltd. Application for 2013/14 Natural Gas Supply Contracts

Item	Term	Gas Supplier	Delivery Point	Volume (GJ/day)	Transaction Date
1	Nov13-Oct14	Canadian Natural Resources Limited	Station 2	1,500	August 8, 2013
2	Nov13-Mar14	Canadian Natural Resources Limited	Station 2	10,000	August 8, 2013
3	Dec13-Feb14	Encana Corporation	Station 2	10,277	October 10, 2013
4	Nov13-Mar14	Aitken Creek Gas Storage ULC (Chevron)	Station 2	9,190	October 17, 2013
5	Dec13-Feb14	Progress Energy Canada Ltd.	Station 2	11,810	October 29, 2013
6	Nov13-Oct14	Canadian Natural Resources Limited	Stoddart Outlet	2,500	September 10, 2013
7	Nov13-onward	Penn West Petroleum	Dawson Creek	250	October 17, 2011
8	Nov13-Oct14	Canadian Natural Resources Limited	Pine River Field	2,200	September 26, 2013
9	Nov13-Oct14	Encana Corporation	Ft. Nelson	100	September 26, 2013
10	Nov13-Oct14	Canadian Natural Resources Limited	Younger Plant	25,000	September 10, 2013
11	Sep 20-30, 2013	Tenaska Marketing Canada	Aitken Creek	50,000	September 20, 2013
12	Oct 1-20, 2013	Tenaska Marketing Canada	Aitken Creek	22,500	September 20, 2013