



ORDER NUMBER
E-9-16

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

and

FortisBC Energy Inc.
Section 71 Filing of a GasEDI Base Contract with
Black Swan Energy Ltd.

BEFORE:

D. M. Morton, Commissioner
D. J. Enns, Commissioner
W. M. Everett, Commissioner
H. G. Harowitz, Commissioner

on May 5, 2016

ORDER

WHEREAS:

- A. On April 27, 2016, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (Commission) a copy of a fully executed GasEDI Base Contract including amendments called "Standard Provisions to The GasEDI Contract for Short-Term Sale and Purchase of Natural Gas," negotiated between FEI and Black Swan Energy Ltd. (Contract);
- B. FEI uses the GasEDI Base Contract dated October 26, 2000, together with FEI's Standard Provisions, as the starting point for negotiations with counterparties with whom FEI wishes to execute off-system sales or purchase agreements. The GasEDI Base Contract and FEI's Standard Provisions are set out in Rate Schedule 30 as approved by Commission Order G-197-11, and most recently updated through Order G-19-16, dated February 11, 2016. The GasEDI Base Contract and the standard provisions executed with the counterparty form the underlying basis of the contract with the counterparty. Each gas purchase or sale transaction is then confirmed via a transaction confirmation deal sheet described in section 9 of the GasEDI Base Contract General Terms and Conditions and presented on page R-30.19 of FEI's Rate Schedule 30;
- C. On July 9, 2015, the Commission accepted FEI's 2015/16 Annual Gas Contracting Plan (2015/16 ACP) through Letter L-28-15. The 2015/16 ACP outlines FEI's strategy to contract for gas commodity, storage, and pipeline transportation resources to meet peak day and annual demand for customers for the upcoming gas contract year;
- D. FEI requested that the details of the subject filing be kept confidential due to the commercially sensitive nature of the Contract and to ensure that FEI's ability to obtain favourable commercial terms for future natural gas contracting is not impaired; and

E. The Commission reviewed the filing and is satisfied that the Contract is consistent with FEI's 2015/16 ACP and in the public interest.

NOW THEREFORE pursuant to section 71 of the *Utilities Commission Act* and the British Columbia Utilities Commission's Rules for Natural Gas Energy Supply Contracts, the Commission accepts the GasEDI Base Contract between FortisBC Energy Inc. and Black Swan Energy Ltd. for filing. The Commission will keep the filing confidential as it contains commercially sensitive information.

DATED at the City of Vancouver, in the Province of British Columbia, this 5th day of May 2016.

BY ORDER

Original signed by:

D. M. Morton
Commissioner