



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-1-11**

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC V6Z 2N3 CANADA
web site: <http://www.bcuc.com>

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

and

An Application by Pacific Northern Gas Ltd.
for Approval of an Amendment to Supplement No. 28
to Pacific Northern Gas Tariff

BEFORE: L.F. Kelsey, Commissioner
N.E. MacMurchy, Commissioner January 6, 2011
D. Morton, Commissioner

ORDER

WHEREAS:

- A. Pacific Northern Gas (PNG) and Merrill Lynch Commodities, Inc. (MLCI) entered into a Firm and Interruptible Gas Transportation Service Agreement as of the May 26, 2010 (the Agreement) and the British Columbia Utilities Commission (Commission) accepted the Agreement on June 17, 2010 under Order G-39-09 as Supplement No. 28 to PNG Gas Tariff;
- B. The Agreement was assigned by MLCI to LNG Partners, LLC (LNGP) pursuant to an Assignment and Novation Agreement effective August 11, 2010, and PNG gave the Commission notice of the assignment by letter dated August 25, 2010;
- C. LNGP requested PNG on December 16, 2010 to agree to amend the Agreement to provide for three consecutive five-year renewal terms in place of the current single two to fifteen-year renewal term specified under the Agreement;
- D. On December 17, 2010, PNG applied for Commission approval of an amending agreement between PNG and LNGP dated December 16, 2010 (the Amending Agreement) to provide for three consecutive five-year renewal terms under the Agreement, and PNG filed as part of its application a letter from LNGP dated December 16, 2010 setting out the business reasons supporting the request for Commission approval of the Amending Agreement;
- E. PNG has requested the Commission to keep LNGP's December 16, 2010 letter confidential due to the commercial sensitivity of the information contained in the letter;

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-1-11**

2

- F. The Commission has reviewed the Application and supporting material and finds that the requested approval of the Amending Agreement is in the public interest.

NOW THEREFORE the Commission orders as follows:

1. The Amending Agreement between PNG and LNGP is approved.
2. The Commission will keep LNGP's letter to PNG dated December 16, 2010 confidential due to the commercial sensitivity of the information contained in the letter.

DATED at the City of Vancouver, in the Province of British Columbia, this 7th day of January 2011.

BY ORDER

Original signed by:

D. Morton
Commissioner