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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-82-13**

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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 Approval to Issue Debt Securities and Granting of Security for Certain Financial Obligations

BEFORE: L.F. Kelsey, Commissioner
N.E. MacMurchy, Commissioner May 23, 2013
B.A. Magnan, Commissioner
D.M. Morton, Commissioner
R.D. Revel, Commissioner
C. van Wermeskerken, Commissioner

ORDER

WHEREAS:

- A. On May 6, 2013, Pacific Northern Gas Ltd. (PNG) applied for British Columbia Utilities Commission (Commission) approval under section 50 of the *Utilities Commission Act* to enter into a committed five year term revolving debt facility with its parent company, AltaGas Ltd., in the principal amount of \$70,000,000 (the 2013 AltaGas Facility) and to secure the 2013 AltaGas Facility by the issuance of a \$70,000,000 secured debenture to AltaGas Ltd. (the Revolving Credit Debenture) (together, the Application);
- B. The 2013 AltaGas Facility will supercede and increase the current debt facility approved by Commission Order G-145-09 (the Existing Facility);
- C. The 2013 AltaGas Facility will be used solely for utility purposes;
- D. The term sheet from AltaGas Ltd., as provider of the 2013 AltaGas Facility to be secured by the Revolving Credit Debenture, was filed with the Commission as part of the Application;
- E. The Commission has reviewed the Application and supporting material and finds, because of the favorable terms of the facility, that the requested approvals are warranted.

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NOW THEREFORE pursuant to section 50 of the *Utilities Commission Act*, the Commission orders as follows:

1. Pacific Northern Gas Ltd. is approved to enter into the \$70,000,000 2013 AltaGas Facility with AltaGas Ltd. on the terms and conditions set forth in the term sheet filed with the Application, and incurring indebtedness thereunder from time to time, and securing the 2013 AltaGas Facility by the issuance of the Revolving Credit Debenture.
2. The 2013 AltaGas Facility will be used for utility purposes only.
3. The unamortized debt issue costs under the Existing Facility are to be recorded in an interest bearing deferral account to be amortized over what would have been the remaining life of the Existing Facility.
4. The Commission will keep confidential the financing terms set forth in the Application due to the commercial sensitivity of the terms.

DATED at the City of Vancouver, in the Province of British Columbia, this 23rd day of May 2013.

BY ORDER

Original Signed By:

D.M. Morton
Commissioner