

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** A-25-09

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

and

An Application by Nexen Marketing
for Renewal of its Gas Marketer Licence

BEFORE: L.F. Kelsey, Commissioner October 29, 2009
 P.E. Vivian, Commissioner

O R D E R

WHEREAS:

- A. On August 26, 2009, Nexen Marketing ("Nexen") applied to the British Columbia Utilities Commission ("Commission") for renewal of its Gas Marketer Licence ("Application"). The Application included the payment of the \$1,000 Application Fee, a \$250,000 Letter of Credit, and financial statements of Nexen's parent company, Nexen Inc., pursuant to items 2, 3 and 5 respectively, of the Licence Requirements; and
- B. The Commission notes that the Application is incomplete and not in-compliance with item 5 of the Licence Requirements. Nexen has proposed a remedy for this non-compliance. Therefore, in accordance with this proposal and relying upon the information and representations made by Nexen, the Commission finds that renewal of Nexen's Gas Marketer Licence, subject to conditions, is warranted.

NOW THEREFORE pursuant to section 71.1(6) of the *Utilities Commission Act* the Commission orders as follows:

1. The Commission issues to Nexen an Interim Gas Marketer Licence for the period November 1, 2009 to January 15, 2010.
2. The Gas Marketer Licence is subject to the following conditions:
 - 2.1 Nexen will carry out the undertakings as set out in the Application for a Gas Licence to Market Natural Gas dated August 26, 2009 and the Rules for Gas Marketers.

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER A-25-09**

2

- 2.2 Nexen will comply with the Code of Conduct for Gas Marketers and Rate Schedule 36 of Terasen Gas Inc.
- 2.3 Nexen will maintain a Letter of Credit or acceptable substitute in full force and effect for the duration of the Licence.
- 2.4 Nexen will maintain a Working Capital position of at least \$50,000 and a Current Ratio of current assets to current liabilities of at least 1.10.
- 2.5 The Commission may, at any time and without prior notice to Nexen, amend or impose new terms and conditions on, suspend, or cancel the Gas Marketer Licence for reasons the Commission, in its sole discretion, deems and considers sufficient.
- 2.6 The Gas Marketer Licence and all copies of it shall remain the property of the Commission and Nexen will return these documents forthwith upon written request from the Commission.
- 2.7 Nexen must file with the Commission unaudited quarterly financial statements no later than 45 days after the end of the relevant quarter, pursuant to item 5 of the Licence Requirements.
- 2.8 Nexen will provide additional security in the form of a parent company guarantee with terms acceptable to the Commission. This financial guarantee will be filed with the Commission no later than December 31, 2009.
- 2.9 Nexen shall ensure that its employees, salespersons or other representatives of its products and services comply with the standards required of a Gas Marketer as set out in the Code of Conduct for Gas Marketers. Nexen shall be responsible for the non-compliance of its employees, salespersons or other representatives of its products and services with the Code of Conduct for Gas Marketers.

DATED at the City of Vancouver, in the Province of British Columbia, this 30th day of October 2009.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner

Attachment



LICENCE No. A-25-09

GAS MARKETER LICENCE

NEXEN MARKETING

is granted a licence for the purpose of providing advice to, or acting on behalf of, a low volume consumer⁽¹⁾ purchasing gas directly in the Province of British Columbia subject to the terms and conditions contained in Commission Order A-25-09, which are set out in the reverse of the Licence.

BRITISH COLUMBIA UTILITIES COMMISSION

Original signed by:

L.F. KELSEY, COMMISSIONER

ISSUED: October 29, 2009

EFFECTIVE: November 1, 2009 to January 15, 2010

(1) As described in the Rules for Gas Marketers

2. The Gas Marketer Licence is subject to the following conditions:

- 2.1 Nexen will carry out the undertakings as set out in the Application for a Gas Licence to Market Natural Gas dated August 26, 2009 and the Rules for Gas Marketers.
- 2.2 Nexen will comply with the Code of Conduct for Gas Marketers and Rate Schedule 36 of Terasen Gas Inc.
- 2.3 Nexen will maintain a Letter of Credit or acceptable substitute in full force and effect for the duration of the Licence.
- 2.4 Nexen will maintain a Working Capital position of at least \$50,000 and a Current Ratio of current assets to current liabilities of at least 1.10.
- 2.5 The Commission may, at any time and without prior notice to Nexen, amend or impose new terms and conditions on, suspend, or cancel the Gas Marketer Licence for reasons the Commission, in its sole discretion, deems and considers sufficient.
- 2.6 The Gas Marketer Licence and all copies of it shall remain the property of the Commission and Nexen will return these documents forthwith upon written request from the Commission.
- 2.7 Nexen must file with the Commission unaudited quarterly financial statements no later than 45 days after the end of the relevant quarter, pursuant to item 5 of the Licence Requirements.
- 2.8 Nexen will provide additional security in the form of a parent company guarantee with terms acceptable to the Commission. This financial guarantee will be filed with the Commission no later than December 31, 2009.
- 2.9 Nexen shall ensure that its employees, salespersons or other representatives of its products and services comply with the standards required of a Gas Marketer as set out in the Code of Conduct for Gas Marketers. Nexen shall be responsible for the non-compliance of its employees, salespersons or other representatives of its products and services with the Code of Conduct for Gas Marketers.