



ORDER NUMBER

E-2-17

IN THE MATTER OF

the *Utilities Commission Act*, R.S.B.C. 1996, Chapter 473

and

Pacific Northern Gas Ltd.

Section 71 Filing of 2016/2017 Natural Gas Energy Supply Contracts

BEFORE:

D. J. Enns, Commissioner

R. I. Mason, Commissioner

on January 12, 2017

ORDER

WHEREAS:

- A. On November 3, 2016, pursuant to section 71 of the *Utilities Commission Act* and the British Columbia Utilities Commission's (Commission) Rules for Natural Gas Energy Supply Contracts that are set out in Appendix A to Commission Order G-130-06, Pacific Northern Gas Ltd. (PNG) filed executed natural gas supply contracts for the period November 1, 2016 to October 31, 2017 (Application). In the Application, PNG noted that gas supply for the April 2017 to October 2017 period will be fully secured in the first quarter of 2017 and that those contracts will be filed with the Commission at that time;
- B. On January 6, 2017, PNG filed an Assignment Agreement between Bonavista Energy Corporation and ConcoPhillips Canada Energy Partnership (Assignment Agreement);
- C. By Letter L-21-16 dated August 11, 2016, the Commission accepted the PNG's Annual Gas Contracting Plan dated June 8, 2016 (2016 ACP), which covered the period of November 2016 to October 2017. The 2016 ACP describes PNG's plan to meet the natural gas requirements for all of PNG's service areas, including PNG-West (west of Summit Lake) and Pacific Northern Gas (N.E.) Ltd. [PNG(N.E.)], for the 2016/2017 Gas Year. PNG (N.E.) includes Fort St. John, Dawson Creek and Tumbler Ridge;
- D. PNG requests that the details of the filing be kept confidential for the reasons of commercial sensitivity and submits that disclosure of this information may adversely affect PNG's ability to secure the most competitively priced gas supply arrangements in the future; and
- E. The Commission reviewed the natural gas supply contracts, shown in Appendix A of this order, and the Assignment Agreement and is satisfied they are appropriate considering market conditions at the time they were negotiated, consistent with PNG's 2016 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 for filing the natural gas contracts shown in Appendix A to this order and the Assignment Agreement between Bonavista Energy Corporation and ConocoPhillips Canada Energy Partnership. The Commission will hold the details of the Application and related filings confidential as requested by Pacific Northern Gas Ltd. as they contain commercially sensitive information.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of January 2017.

BY ORDER

Original signed by:

R. I. Mason
Commissioner

Attachment

Pacific Northern Gas Ltd.
Filling for 2016/2017 Natural Gas Supply Contracts

Item	Term	Gas Supplier	Delivery Point	Volume (GJ/day)	Transaction Date
1	Nov16-Oct17	Canadian Natural Resources Limited	Station 2	1,500	September 14, 2016
2	Nov16-Mar17	Canadian Natural Resources Limited	Station 2	5,500	October 5, 2016
3	Nov16-Mar17	Aitken Creek Gas Storage ULC	Station 2	5,000	October 24, 2016
4	Dec16-Feb17	Tenaska Marketing Canada	Station 2	14,000	October 21, 2016
5	Nov16-Mar17	Progress Energy Canada Ltd.	Station 2	12,000	October 24, 2016
6	Dec16-Feb17	Progress Energy Canada Ltd.	Station 2	8,000	October 24, 2016
7	Dec16-Feb17	Encana Corporation	Station 2	6,109	October 17, 2016
8	Nov16-Oct17	Canadian Natural Resources Limited	Stoddart Outlet	2,500	August 25, 2016
9	Nov16-Oct17	Canadian Natural Resources Limited	Pine River Field	2,700	August 30, 2016
10	Nov16-Oct17	Encana Corporation	Ft. Nelson	100	October 14, 2016
11	Nov16-Oct17	Canadian Natural Resources Limited	Younger Plant	25,000	August 25, 2016
12	Jul12-onward	Bonavista Energy Corporation	Wonowon Gate Station	100	July 1, 2012