DISTRICT OF FORT ST. JAMES

PNG FRANCHISE AGREEMENT

BYLAW NO. 978, 2017

A bylaw to authorize the District of Fort St. James to enter into a franchise agreement with Pacific Northern Gas Ltd.

The Council of the District of Fort St. James enacts as follows:

- 1. This Bylaw may be cited as "PNG Franchise Agreement Bylaw No. 978, 2017".
- 2. The Council of the District of Fort St. James hereby ratifies the Franchise Agreement between the District of Fort St. James and Pacific Northern Gas Ltd.
- 3. This bylaw includes Schedule "A" Pacific Northern Gas Franchise Agreement.

READ A FIRST, SECOND, AND THIRD TIME THIS 6th DAY OF SEPTEMBER 2017.

ADOPTED THIS 20th DAY OF SEPTEMBER 2017.

Judy Greenaway, Councillor

Kevin Crook, Chief Administrative Officer

PNG Franchise Agreement Bylaw No. 978, 2017 - Schedule "A"

THIS AGREEMENT made as of the 1st day of September, 2017.

BETWEEN:

THE DISTRICT OF FORT ST. JAMES, in the Province of British Columbia, a Municipality under the *Local Government Act* of the Province of British Columbia

(hereinafter referred to as the "Municipality")

OF THE FIRST PART

- and -

PACIFIC NORTHERN GAS LTD., a body corporate duly incorporated under the laws of the Province of British Columbia, and having an office in the City of Vancouver, in the Province of British Columbia

(hereinafter referred to as the "Company")

OF THE SECOND PART

WHEREAS:

- A. By an Order issued by the Commission on August 13, 1968, the Company was granted, inter alia, the right to construct and operate natural gas distribution systems for the supply of natural gas to consumers within the boundary limits of certain specified municipalities, subject to the Company obtaining franchise or other agreements from such municipalities or making application to the Commission for an appropriate order;
- B. Schedule A to the Order dated August 13, 1968 specified the terms and conditions applicable to franchise or other agreements to be entered in to between the Company and municipalities;

- C. The terms and conditions under which the Company was authorized by the Municipality to enter upon and use Public Lands within the boundary limits of the Municipality for the purposes of contracting, maintaining and operating such natural gas distribution system, were embodied in a memorandum of agreement between the Company and the Municipality dated March 19, 1969, that was substantively identical to that set out in Schedule A to the Order dated August 13, 1968;
- D. Desiring an update to the terms and conditions set forth in the agreement dated March 19, 1969, the Municipality has now agreed to grant to the Company a new franchise for the distribution and sale of natural gas within the Municipality on the terms and conditions set forth in this Agreement;
- E. Section 25 (1) of the *Municipalities Enabling and Validating Act* (No. 2) of British Columbia authorizes the Municipality, by bylaw adopted without the assent of the electors, to enter into an exclusive or limited franchise agreement with the Company for a term not exceeding twenty one (21) years to supply natural gas service to the residents of the municipality; and
- F. The Council of the Municipality has introduced a bylaw which would authorize the Mayor and the Corporate Officer of the Municipality to enter into this Agreement on behalf of the Municipality.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I

DEFINITIONS

- 1.1 In this Agreement, including the preamble hereto where the context requires, the plural means the singular and vice versa, the pronoun "it" means one of the parties and the following words have the meanings ascribed:
 - (a) "Commission" means the British Columbia Utilities Commission as it exists by virtue of the *Utilities Commission Act* of British Columbia;

- (b) "Council" means the Council of the Municipality;
- (c) "Engineer" means the Public Works Superintendent of the Municipality or the person designated by the Council of the Municipality to exercise the powers of the Public Works Superintendent;
- (d) "Force Majeure Events" means, without limitation, any act of God, strikes, lockouts, or other industrial disturbances, acts of the Queen's enemies, sabotage, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, floods, storms, fires, washouts, arrests, restraints of rulers and peoples, civil disturbances, explosions, breakages, or accidents to machinery or pipelines, hydrate obstructions of pipelines or appurtenances thereto, temporary failure or shortage of gas supply, freezing of wells or delivery facilities, well blowouts, cratering, inability to obtain materials or equipment;
- (e) "gas" means natural gas, manufactured gas, liquefied petroleum gas or a mixture of any of them but does not include liquefied petroleum gas that is distributed by means other than a pipeline;
- (f) "Public Lands" means the public streets, lanes, highways, squares, parks, public places, bridges, viaducts, subways or watercourses, owned by or under the jurisdiction and control of the Municipality, or any of them, within the boundary limits of the Municipality, as such limits presently exist or as the same in the future may be extended;
- (g) "works", "its works" and "the Company's works" means the gas mains and pipes and other equipment and appurtenances on, in, under and through Public Lands for transmitting, mixing, distributing, delivering, furnishing or taking delivery of gas; and the words shall be taken as applying to that part of the Company's transmission system lying within the Municipality.

ARTICLE II

CONDITIONS PRECEDENT

- 2.1 This Agreement and the obligations of the Company and of the Municipality hereunder shall be subject to the following:
 - (a) the adoption by the Council of the Municipality of the bylaw authorizing it to enter into and adopt this Agreement, in accordance with the requirements of Section 22 of the Community Charter of British Columbia; and
 - (b) such approvals or orders of the Commission to be obtained by the Company as may be required under Part 3 of the *Utilities Commission Act*.

ARTICLE III

RIGHTS GRANTED

- 3.1 The Municipality hereby grants to the Company, to the extent that the Municipality is empowered, the exclusive right, franchise and privilege:
 - (a) to enter in, upon and under all Public Lands to place, construct, lay, operate, use, maintain, renew, alter, repair, extend and/or remove the Company's works; and
 - (b) to supply and distribute gas to consumers within the boundary limits of the Municipality.
- 3.2 During the term of this Agreement, the Municipality will not itself supply or distribute gas to consumers within the boundary limits of the Municipality nor grant any right, licence, privilege, concession or franchise to any other person, firm, corporation or utility, to supply or distribute gas to consumers within the boundary limits of the Municipality, or to enter in, upon and under Public Lands to place, construct, lay, operate or use mains, plants, pipes, conduits and/or other equipment for the purpose of distributing gas within the boundary limits of the Municipality.

ARTICLE IV

TERM

- 4.1 The initial term of this Agreement shall be for a period of twenty one (21) years commencing on July 1, 2017 and expiring on June 30, 2038.
- 4.2 At least one (1) year prior to the expiration of the term of this Agreement, but not earlier than two (2) years, either party may give notice to the other that it desires to renew this Agreement for a further term of twenty one (21) years, or such lesser number of years as may be the maximum permitted by legislation at that time and the renewal shall be upon the terms and conditions set out in this Agreement or such other terms as the parties may agree provided that such renewal will be conditional upon obtaining all such approvals and permissions as are at that time required by legislation or regulation. The parties agree to use reasonable efforts to obtain any such approvals and permissions.
- 4.3 If neither party gives notice of renewal of this Agreement or should the parties fail to obtain the requisite approvals and permissions to any renewal of this Agreement, the parties agree to enter into an operating agreement permitting the Company to operate and gain access to its works for a further period of twenty one (21) years on the terms and conditions set out in Article V of this Agreement or on such other terms as the parties may agree or the Commission, on application, may require.
- This Agreement may be terminated by the Municipality upon the occurrence of any of the following events:
 - (a) the Company admits its inability to pay its debts generally as they become due or otherwise acknowledges its insolvency;
 - (b) the Company starts proceedings or takes any action to commence or executes an agreement to authorize its participation in any proceeding:
 - (i) seeking to adjudicate its bankruptcy or insolvency;

- (ii) seeking liquidation, reorganization, arrangement, protection, relief or composition of it or any of its property or debt or making a proposal with respect to it under any law relating to bankruptcy, insolvency, reorganization or compromise of debts or other similar laws; or
- (iii) seeking the appointment of a receiver, trustee, agent, custodian or other similar official for it or for any substantial part of its assets or if a creditor seeks the appointment of a receiver, trustee, agent, custodian or other similar official for any substantial part of its assets; and such proceeding is not dismissed, discharged, stayed or restrained within twenty (20) days of the Municipality becoming aware of it.
- 4.5 Either party may terminate if the other breaches any term, provision, obligation hereunder and such breach is a material breach and has not been cured within sixty (60) days of receipt of notice of such breach. A party will not be considered to be in default if such matter has been referred to commercial arbitration in accordance with this Agreement, the outcome of which is pending.

ARTICLE V

ENTRY UPON PUBLIC LANDS

- 5.1 Subject to the provisions of Sections 5.12 and 5.13, the Company shall carry out all works at its own expense, and shall take all reasonable precautions to minimize damage and obstructions, and shall restore any Public Lands and any improvements thereto that may be affected by its works substantially to their former condition in a manner satisfactory to the Engineer, and shall maintain any such Public Lands at its own expense to that standard for a period of one (1) year.
- 5.2 The Company, during the progress of construction, maintenance or the operation of its works within the boundary limits of the Municipality, will place and maintain such warning signs, barricades, lights or flares on, at or near the site of any such work so as to give reasonable warning to the public, all to the satisfaction of the Engineer.

- 5.3 The Company, as soon as practicable, shall file with the Engineer a tentative schedule of construction and a plan showing the general layout of any proposed works, including mains, valves and regulator stations.
- In every instance where the Company proposes to enter Public Lands, the Company will submit to the Engineer for approval, an application in writing stating the Company's purpose, the date and time when the Company proposes to commence construction of the proposed works, and the length of time estimated to complete the proposed works, together with plans and specifications showing the size, dimensions and location as to line, specified depth plus or minus one hundred and fifty (150), and the placement of the proposed works, including the relationship of the proposed works to the then Municipal services if "as-built" drawings showing the location of the latter are available to the Company at the office of the Engineer. The Engineer shall not withhold approval unreasonably.
- In the event that the Engineer disapproves or fails to approve an application by the Company submitted pursuant to Section 5.4 or any plans or specifications submitted in connection therewith, or otherwise directs the line, elevation or placement of any proposed works or any part thereof elsewhere or in some other manner than specified, the Company may apply to the Council for approval, or may appeal to the Council against any such direction, as the case may be. The Company may thereafter refer the decision of the Council to arbitration in accordance with Article X. The Company shall not proceed with any portion of the proposed works until the Engineer, Council or a board of arbitration has approved the proposed works. If the Company does not act upon such approval within six (6) months from the date thereof, the Company shall make a new application.
- The Company shall, wherever reasonably possible, locate its gas mains in lanes rather than in the streets and main thoroughfares.
- 5.7 The Company shall give at least seven (7) clear days' notice to the Engineer of its intention to enter upon Public Lands pursuant to an approval obtained under Section 5.4 or Section 5.5, except in case of emergency, in which event the Company may act, giving as much notice to the Engineer as may be practicable in the circumstances.

- The Company shall notify the Municipality in writing, on a monthly basis, of the completion of installation of a connection for the supply of gas, giving the names of the consumers, the date on which the connections were made, and the legal descriptions or civic addresses of the land to which the connection have been made.
- The Company shall, as often as the Engineer reasonably requires, deliver to the Engineer "as-built" drawings of the Company's works, certified correct by an authorized employee of the Company and showing the location of the same with such detail as to line, specified depth, plus or minus one hundred and fifty (150) mm, and size as may enable the Municipality to locate such works. Where the Municipality can provide the Company with "as-built" drawings of its own services, the Company shall supply "as-built" drawings of its works to the same scale. If no municipal "as-built" drawings are available, the Company shall supply "as-built" drawings of its works to the scale used by the Company for its purposes.
- 5.10 If the Engineer, in advance of the commencement of any work by the Company, requests the Company to supply photographs showing the condition of the surface of Public Lands prior to the placing or construction thereon or thereunder of any of its works, the Company shall cause to be taken, and shall supply to the Engineer such photographs. Each photograph shall be so labelled as to identify the location shown, and shall be dated, and shall carry the name and address of the photographer, who shall sign each print so supplied to the Municipality.
- 5.11 Upon the request of the Engineer, the Company shall change the location (which, in the case of pipe, means any change of either or both of line and elevation) of any part of its works upon, along, across, over or under Public Lands to some other reasonable location upon, along, across, over or under Public Lands. If the part of the works of which the location is changed as hereinbefore provided was (i) installed as to both line and elevation in accordance with the approval or instructions in writing of the Engineer of the Councillor of the Commission, or (ii) was installed as to line in accordance with the approval or instructions in writing of the Engineer of the Council or of the Commission and was laid at a depth of at least seven hundred and sixty two (762) mm under a roadway paved with at least fifty (50) mm of concrete or asphalt, or (iii) was installed as to line in accordance with the approval or instructions in writing of the Engineer of the Council or of the Commission and is being changed because its line is no longer satisfactory to the Municipality, the Municipality shall

bear and pay to the Company the entire cost of the change less an amount equal to two percent (2%) of the installed value on the Company's books of any of the said part of the said works which the Company takes out of service as a result of the change, multiplied by the number of years during which it has been in service. Provided, however, that notwithstanding that the said part of the works was installed, or installed and laid, in one of the manners specified, if at any time the Municipality requires the Company to alter the elevation of any part of the said works to facilitate the laying, construction or operation of either storm or sanitary sewer pipes by not more than one half of the outer diameter of the storm or sanitary sewer pipe concerned, plus one half of the outer diameter of the gas pipe concerned, the Municipality shall bear and pay to the Company fifty percent (50%) of the sum arrived at by taking from the cost of the change an amount equal to two percent (2%) of the installed value on the Company's books of any of the said part of the said works which the Company takes out of service as a result of the change multiplied by the number of years during which it has been in service.

- 5.12 If the said part of the said works was not installed, or installed and laid, in one of the manners specified above in this section, the cost of such change shall be borne by the Company provided that the Company may refer to arbitration pursuant to Article X the questions (i) whether the circumstances are equitably within the principles exemplified above in this Section and, if the answer is in the affirmative, (ii) the manner in which the Municipality and the Company shall share the cost of such change. In the arbitration the costs of question (i) shall be borne by the Company and the costs of question (ii) shall be dealt with in the usual manner in the award.
- 5.13 Notwithstanding anything hereinbefore contained, if either party shall request the other party to make some temporary change in such other party's works or services in order to facilitate installation, construction, repairs or maintenance by the requesting party, such other party shall, whenever reasonably possible, carry out the change or alteration requested and shall be entitled to charge the requesting party with the cost thereof.

- 5.14 The Company shall design and construct its works in accordance with standards established from time to time for gas pipeline systems by the Canadian Standards Association (Z662 Code), with all applicable requirements of the *Safety Standards Act* and the *Oil and Gas Activities Act* of British Columbia, as same are amended from time to time, all regulations enacted pursuant thereto, and with any and all other Federal and Provincial enactments and Municipal enactments not otherwise inconsistent herewith, regulating such works.
- 5.15 The Municipality will, wherever it is practical and convenient to so do, give reasonable notice to the Company of the time, location and nature or extent of any intended road resurfacing work, any new road construction or any excavation work along any public thoroughfare within the boundary limits of the Municipality. The Company will use its best efforts to schedule any anticipated maintenance, repair, construction or installation work in respect of existing or proposed works situated or to be situated at or near the location specified in such notice, so as to complete such work within the time or times specified in such notice.

ARTICLE VI

RESPONSIBILITY FOR DAMAGE

- 6.1 The Company shall take all reasonable precautions in the construction and operation of its works to avoid damage to Public Lands and the Municipality's property and services.
- The Municipality shall take all reasonable precautions to avoid damage to the Company's works including, without limiting the generality of the foregoing, compliance with all applicable requirements of the *Safety Standards Act* and the *Oil and Gas Activities Act* of British Columbia, as same are amended from time to time, all regulations enacted pursuant thereto, and with any and all other applicable Federal and Provincial enactments.
- 6.3 The Municipality shall not undertake any work of its own that may necessitate the exposure of the Company's works without giving the Company seven (7) clear days' notice of its intention to carry out such work, except in the case of emergency, in which event the Municipality may act, giving as much notice to the Company as may be practicable under the circumstances.

- 6.4 The Municipality shall not be liable for any damages suffered by the Company that are caused by the Municipality's reliance upon the accuracy of the Company's drawings supplied to the Municipality in accordance with Section 5.9, provided that the Municipality has complied in all respects with the provisions of Sections 6.2 and 6.3.
- 6.5 The Municipality shall be liable to and shall reimburse the Company for all costs and expenses in making good any damage to the Company's works within the boundary limits of the Municipality to the extent that such damage is caused by the negligence of the Municipality, its servants, agents or contractors. In no event, however, shall the Municipality be liable to the Company for any damages arising from an event of Force Majeure or from any other cause beyond the control of the Municipality or arising from the negligence of the Company.
- The Company agrees with the Municipality that it will protect, indemnify and save harmless the Municipality from and against all actions, proceedings, claims and demands of any corporation, firm, or person against the Municipality and win reimburse the Municipality for all loss, damage and expenses caused to it as a result of, the imprudence or neglect of the Company, its servants, agents or contractors, in the execution of the authorities, permissions and rights hereby to it granted, or in connection with the construction, maintenance or operation of the Company's works within the boundary limits of the Municipality except where the same is caused or contributed to by the negligence or default of the Municipality, its servants, agents or contractors. In no event shall the Company be responsible to the Municipality for any damages arising from Force Majeure Events or any other cause beyond the control of the Company.

ARTICLE VII

SUPPLY OF GAS

- 7.1 The Company shall in the event of a breakdown or interruption in its supply, transmission or distribution of gas, give preference to the requirements of users of firm gas in the following order:
 - (i) hospitals and similar institutions;

- (ii) domestic consumers;
- (iii) commercial consumers; and
- (iv) industrial consumers, including large industrial users.
- 7.2 Subject to Section 7.3, to the terms and conditions of the service agreements between the Company and its customers and to the Company's tariffs as filed with and approved by the Commission, but commencing only after construction and putting into service of the facilities so to do, the Company will supply such reasonable quantities of gas as may be required for purchase by its customers within the boundary limits of the Municipality.
- 7.3 The performance by the Company of its obligations under Section 7.2 shall be subject to any event or occurrence not within the control of the Company and which by the exercise of due diligence is unable to prevent or overcome, including without limitation Force Majeure Events, inability to obtain permits, orders, licences, certificates or other authorizations, or any court, board or governmental authority having jurisdiction.

ARTICLE VIII

ABANDONMENT

- 8.1 In the event the Company ceases to operate, on a permanent basis, any part of its works on the Public Lands, and has received all required regulatory approvals in respect thereto, the Company shall, at its sole cost:
 - (a) restore the surface of the Public Lands affected to the same conditions, as far as may be practicable so to do, as the same were in prior to the entry thereon and use thereof by the Company; and
 - (b) at the request of the Municipality, remove any works that the Engineer, in his or her sole discretion, may reasonably require the Company to remove.

This obligation shall survive the expiry or earlier termination of this Agreement.

ARTICLE IX

FRANCHISE FEE

- 9.1 As compensation for the use by the Company of the Public Lands and for the exclusive right, franchise, and privilege to supply gas to the inhabitants of the Municipality, in addition to the payment of any rates, taxes or assessments lawfully imposed by the Municipality, the Company shall pay to the Municipality on the first day of March of each year, a sum equal to three percent (3%) of the gross revenue (excluding taxes and levies) received by the Company in the immediately preceding calendar year for the provision and distribution of all gas consumed within the boundary limits of the Municipality, including gas to residential, commercial and industrial customers for use within the boundary limits of the Municipality.
- 9.2 There shall not be included in any payments made by the Company to the Municipality in accordance with this Section 9.1, any percentage of revenue received by the Company from the sale of gas within the boundary limits of the Municipality for the purpose of resale outside the boundary limits of the Municipality or to a municipal utility within the boundary limits of the Municipality. The Company's obligation to make the payment required under this Section 9.1 on the first day of March 2039 shall survive the expiration of this Agreement on June 30, 2038 in accordance with Section 4.1.
- 9.3 If the Company fails to make each payment required under Section 9.1, or any portion thereof, to the Municipality when due, interest thereon shall accrue at a rate of interest declared from time to time by the chartered bank in Canada used by the Company, as the rate of interest charged by such bank to its most creditworthy commercial borrowers for loans in Canadian dollars payable on demand and commonly referred to as its "prime rate", plus two percent (2%), from the date when such payment was due until the same is paid.
- 9.4 At the time the Company makes each payment to the Municipality in accordance with Section 9.1, the Company shall deliver to the Municipality a statement which sets forth the total volume of gas sold by the Company for consumption within the boundary limits of the Municipality in the immediately preceding calendar year and the total revenues received by the Company in respect of such sales, set out by customer class.

9.4 For purposes of tracking gas consumed within the boundary limits of the Municipality, the Municipality shall inform the Company, on a timely basis, of any changes made to the boundary limits of the Municipality.

ARTICLE X

ARBITRATION

- 10.1 If there is a dispute, difference or question between the parties touching the construction, meaning, effect or application of any of the provisions of this Agreement, or of the rights, obligations or liability of the parties hereunder, the parties shall make an honest effort to settle such dispute, difference or question before taking any action in the courts, or referring the matter to arbitration hereunder.
- 10.2 (a) The party that desires the resolution of any such dispute, difference or question shall give notice in writing to the other setting forth the complaint, and the grounds thereof. If the party to whom notice is given does not enter into discussions within fourteen days, the other may submit such dispute, difference or question to the Commission, if appropriate, or to arbitration pursuant to the *Arbitration Act* of British Columbia. Alternatively, the party may institute such other proceedings as it may be advised.
 - (b) In the event that the parties commence discussions prior to the expiration of the period of fourteen (14) days, the dispute, the difference or question shall not be referred to arbitration, nor shall the parties take any other proceedings until after the expiration of fourteen (14) days from the date of the commencement of such discussions.
 - (c) A board of arbitration appointed pursuant to this Article X, shall have jurisdiction and authority to interpret and apply the provisions of this Agreement to the extent necessary for the determination and resolution of any such dispute, difference or question; but such board of arbitration shall not have the jurisdiction or authority to alter or amend any of the provisions of this Agreement.

(d) The majority decision of such board of arbitration shall be final and binding on the Company and the Municipality. Where there is no majority decision, the decision of the Chairman shall be the decision of such board of arbitration.

ARTICLE XI

GENERAL

- 11.1 The conditions in this Agreement shall be governed by and subject to the laws of Canada and the Province of British Columbia, and to the proper authorities and powers of the Commission; and nothing herein contained shall exclude or shall be deemed to exclude the application of such laws, or the jurisdiction of the Commission.
- 11.2 Nothing herein contained shall be construed as relieving the Company from the obligation to observe the terms and provisions of any and all by-laws of the Municipality adopted by the Council thereof, in the bona fide exercise of its legislative authority, but not inconsistent with anything herein contained; and nothing herein contained shall be construed as relieving the Company from the payment of any rates, taxes, or assessments that may be lawfully imposed.
- 11.3 Any notice, request, demand or other communication required or permitted to be given to either party to this Agreement shall be in writing and shall be delivered by hand, facsimile transmission, e-mail or prepaid registered mail (return receipt requested) to the party to which it is to be given as follows:

(a) if to the Municipality, at:

The District of Fort St. James

477 Stuart Drive West, P.O. Box 640

Fort St. James, B.C.

V0J 1P0

Attention: Chief Administrative officer

(b) if to the Company, at:

Pacific Northern Gas Ltd.

Suite 2550, 1066 West Hastings Street

Vancouver, B.C.

V6E 3X2

Attention: Vice President Regulatory Affairs & Gas Supply

Tel No:

(604) 691-5680

Fax No:

(604) 697-6210

E-mail:

regulatory@png.ca

- 11.4 Either party may from time to time change its address by written notice to the other party given in accordance with the provisions of this Section. Any notice given by registered mail to either party at the address as specified herein shall be deemed to have been received by such party on the fifth (5th) business day after which it was so mailed. Any notice sent by fax or similar method of recorded communication shall be deemed to have been received on the next business day following the date of its transmission.
- 11.5 Each party shall give the other party notice of any application to the Commission in respect of any matter dealt with under the terms hereof or affecting the consumers of gas in the Municipality or affecting the Company's business as a public utility within the boundary limits of the Municipality.

- 11.6 This Agreement shall be binding upon and enure to the benefit of the parties hereto, their successors and assigns, and may not be assigned by the Company without the prior written consent of the Municipality, such consent not to be unreasonably withheld.
- 11.7 This Agreement shall supersede all other agreements between the parties, including without limitation, any licenses to occupy granted by the Municipality prior hereto, relating to the sale or distribution of natural gas within the Municipality effective the day and year first written above.

IN WITNESS WHEREOF this Agreement has been duly executed by the parties hereto as of the day and year first above written.

THE DISTRICT OF FORT ST. JAMES
PACIFIC NORTHERN GAS LTD.
,