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## BRITISH COLUMBIA UTILITIES COMMISSION

IN THE MATTER OF the Utilities Commission Act, S.B.C. 1980, c. 60, as amended

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and

IN THE MATTER OF an Application by Pacific Northern Gas Ltd.

BEFORE:

M. Taylor, Chairman; J.D.V. Newlands, Deputy Chairman; D.B. Kilpatrick, Commissioner; and N. Martin, Commissioner

June 6, 1985

## CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

WHEREAS Pacific Northern Gas Ltd. ("PNG") included in Volume 1, Tab 3, Schedule 2(c) of the December 24, 1984 Application for Increased Rates a schedule of 1985 Gas Plant Additions in which reference was made to the purchase of a propane-air plant to be located in Prince Rupert, B.C.; and

WHEREAS during the course of a public hearing of PNG's Application in May, 1985 the matter of the urgency of the requirement for the purchase of the propane-air plant received attention; and

WHEREAS during the hearing evidence indicated that the existing propane-air plant was no longer operational; required major modifications before it could be operated; and its capacity was inadequate and should be replaced by a unit of appropriate design and capacity; and

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WHEREAS the Commission has carefully reviewed the Exhibits and evidence adduced at the hearing, and has determined that the construction and operation of the proposed propane-air plant with a capacity of 4.8 Million cubic feet per day is necessary for the public convenience and properly conserves the public interest.

NOW THEREFORE the Commission hereby orders Pacific Northern Gas Ltd. as follows:

- 1. A Certificate of Public Convenience and Necessity is granted to PNG for the construction, operation and maintenance of the proposed propane-air plant to be located in the City of Prince Rupert, B.C.
- 2. PNG is to proceed expeditiously with all necessary arrangements pertaining to the acquisition and placement into active service of the proposed propane-air plant.
- 3. PNG is required to file monthly progress reports until the commencement of operation of the proposed propane-air plant.
- 4. If the actual capital cost of placing the proposed plant into service exceeds the budgetted price of \$531,000 by more than 15%, PNG is to provide a final report to the Commission who will then determine the accounting treatment of the additional cost.

DATED at the City of Vancouver, in the Province of British Columbia, this  $10^{\frac{77}{12}}$  day of June, 1985.

BY ORDER

Chairman