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BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER C-3-94

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

and

An Application by Centra Gas British Columbia Inc.

BEFORE: M.K. Jaccard, Chairperson; and)
H.J. Page, Commissioner) March 4, 1994

O R D E R

WHEREAS:

- A. On November 24, 1993 Centra Gas British Columbia Inc. - Fort St. John District ("Centra-FSJ") applied for a Certificate of Public Convenience and Necessity ("CPCN"), pursuant to Sections 51 and 53 of the Utilities Commission Act ("the Act") to construct and operate a looping of its natural gas transmission pipeline from the inlet of the transmission system at Taylor, B.C. to Fort St. John; and
- B. The Commission was concerned about several aspects of this major system expansion at a time of modest load growth and large increases in rates for other reasons; and
- C. On January 17, 1994 the Commission advised Centra-FSJ that the Application for a CPCN would be referred to the public hearing which commenced on February 8, 1994 in Fort St. John, B.C.; and
- D. The Commission heard evidence at the hearing that relocating and upgrading the piping by which Westcoast Energy Inc. ("Westcoast") delivers gas to Centra-FSJ at Taylor would significantly reduce problems with liquids in the gas and with low supply pressures; and
- E. The Commission is not convinced Centra-FSJ has adequately assessed the demand growth projections and peak demand loads on which the looping proposal is based or its other options which may be cost-effective for providing the capacity to reliably deliver gas that customers in Fort St. John require; and
- F. The Commission has reviewed the Application and has determined that construction and operation of the looping project, as proposed, should not be approved.

NOW THEREFORE the Commission orders as follows:

- 1. Pursuant to Sections 51 and 53 of the Act, the Commission denies Centra-FSJ's Application for a CPCN to loop its main gas transmission pipeline and has removed all costs associated with the transmission looping from the 1994 test year numbers.
- 2. Centra-FSJ is directed, in the context of its Integrated Resource Planning process, to conduct a more complete assessment of options for addressing its concerns about system capacity over the range of Westcoast gas supply pressures.

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3. Centra-FSJ is directed to expeditiously arrange for the relocation and increasing in size of the Westcoast gas supply tap and interconnecting piping at Taylor, B.C.

DATED at the City of Vancouver, in the Province of British Columbia, this 11th day of March, 1994.

BY ORDER



Dr. Mark K. Jaccard
Chairperson