



LETTER NO. L-6-94

ROBERT J. PELLATT
COMMISSION SECRETARY

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June 16, 1994

Mr. Leon R. Cender
Vice President
Business and Regulatory Affairs
Pacific Coast Energy Corporation
Suite 1700, 1188 West Georgia Street
Vancouver, B.C.
V6E 4A2

Dear Mr. Cender:

**Re: Pacific Coast Energy Corporation
Integrated Resource Planning ("IRP")**

Thank you for your letter of April 8, 1994 requesting that PCEC be granted an exemption from the Commission's IRP requirements as outlined in the February 10, 1993 Guidelines. The Commission has reviewed your request and agrees that the unique nature of PCEC indicates that the typical IRP process, particularly as related to issues such as public participation, is not fully applicable. Nonetheless, as you point out, there are certain IRP elements which are of interest to the Commission, such as the estimate of PCEC's long run avoided cost, since PCEC does interconnect with other gas utility companies. In addition, to the extent that PCEC does make sales to end-use customers, the Commission requires that IRP concepts be incorporated in dealings with these customers, e.g. the provision of appropriate DSM options.

Therefore, the Commission grants PCEC's request for an exemption from filing an IRP at this time, subject to PCEC's making available whatever information may be necessary to assess properly the IRP's of those utility's with which the PCEC pipeline interconnects and the following of IRP concepts in dealings with end-use customers. In addition, the Commission requires that reports filed pursuant to Section 51(3) of the Utilities Commission Act for significant plant additions such as looping or the addition of compression reflect the application of appropriate IRP techniques.

Yours truly,

Robert J. Pellatt

DWE/ssc

PCEC/Cor/IRP Exemption

bcc/	— E. Sleath
✓ M. Jaccard	— M. Payne
— L. Barr	— K. Wellman
— M. Donn	— Extra
— D. Wilson	— Commissioner Fldr.
— S. Clark	✓ W. Grant
— F. Leighton	✓ D. Ernes
— K. Hall	✓ R. Brownell
— H. Page	✓ J. Hague
Letter Only *	✓ J. Fraser
✓ R. Pellatt	✓ P. Gronert
— C. Smith	✓ S. Wong
✓ A. Cormack	✓ P. Nakoneshny
✓ Com.Sec.Diary	— B. Williston
— Complaint File	— N. Smith
— Intervenor File	— B. McKinlay
— Comm. Counsel	— F. James
✓ Central Files	— R. Rene