



IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

an Application by BC Gas Utility Ltd.
for a Certificate of Public Convenience and Necessity
for its Integrated Resource Management Project

BEFORE: P. Ostergaard, Chair)
B.L. Clemenhagen, Commissioner) August 19, 1999
K.L. Hall, Commissioner)
F.C. Leighton, Commissioner)

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

WHEREAS:

- A. Commission Order No. G-85-97 dated July 23, 1997, approved the terms of a Negotiated Settlement for the BC Gas Utility Ltd. ("BC Gas") 1998-2002 Revenue Requirements application. The settlement terms provided that certain capital projects would require Certificate of Public Convenience and Necessity ("CPCN") applications; and
- B. On July 28, 1999, pursuant to Section 45 of the Utilities Commission Act ("the Act"), BC Gas applied to the Commission for a CPCN for its Integrated Resource Management ("IRM") Project. The IRM Project will provide automated scheduling and dispatch capability, using wireless communications and mobile data equipment, for the management of resources (people, equipment and materials), and work in the Distribution Services unit of BC Gas; and
- C. The IRM Project is expected to cost approximately \$5.6 million, to be implemented in four phases over a two year period commencing immediately, and to be fully implemented by 2001; and
- D. The Commission has reviewed the costs, timing and justification for the IRM Project contained in the BC Gas application and has determined that its approval is necessary and in the public interest.

NOW THEREFORE the Commission orders as follows:

1. Pursuant to Section 45 of the Act, a CPCN is granted to BC Gas for its IRM Project in accordance with its July 28, 1999 application that provided estimated project costs, timing and justification. The Commission expects that the IRM Project will be completed within the forecast direct cost of approximately \$5.6 million.
2. BC Gas is to provide the Commission with a progress report at the completion of Phase 1 (approximately mid 2000) and a final project report in a format to be developed in consultation with Commission staff. The final report should address actual project costs, and the reductions in staffing levels, operating and maintenance costs, and capital addition costs that have been achieved as a result of the project. The Commission will review the final report with respect to capital costs, overhead allocation and any cost over-runs in order to determine eligibility for rate base treatment.

DATED at the City of Vancouver, in the Province of British Columbia, this 26th day of August 1999.

BY ORDER

Original signed by:

Peter Ostergaard
Chair