



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

and

An Application by Centra Gas Whistler Inc.  
for Approval of Safety Improvements  
related to the 1999 Propane System Expansion Plan

**BEFORE:**

P.O. Ostergaard, Chairman	)	
L.R. Barr, Deputy Chair	)	
P.G. Bradley, Commissioner	)	October 28, 1999
B.L. Clemenhagen, Commissioner	)	
K.L. Hall, Commissioner	)	

**CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

**WHEREAS:**

- A. On February 26, 1999, Centra Gas Whistler Inc. ("Centra Whistler") applied for approval of its 1999 Propane System Expansion Plan (the "Plan"), which included the addition of four leased 30,000 US water gallon propane tanks in 1999 at the Nesters Propane Gas Facility (the "Nesters site"). The Plan also proposed to expand the propane distribution system at an estimated cost of \$828,000; and
- B. Commission Order No. G-33-99 approved a Negotiated Settlement for Centra Whistler, which included approval of the Plan, but deferred the determination on whether to lease or purchase the propane tanks to a later date; and
- C. On June 28, 1999, Centra Whistler requested Commission approval to purchase and install five new propane storage tanks at the Nesters site in 1999 at an estimated cost of \$970,000, and Commission Order No. C-12-99 approved a Certificate of Public Convenience and Necessity ("CPCN") for the five additional tanks; and
- D. To facilitate the review of its application for a Minor Development Permit from the Resort Municipality of Whistler for the additional tankage at the Nesters site, Centra Whistler obtained an independent Safety Audit for the Nesters site, the South Plant at Function Junction and the Green Lakes rail offloading site; and
- E. The Safety Audit recommended several changes to the facilities, including improvements to the fire water protection system, new gas detection system, fence alterations, site drainage alterations and minor changes to piping; and
- F. The Resort Municipality of Whistler required that the recommendations from the Safety Audit be implemented at the three sites, as a condition to the approval of the Minor Development Permit for the Nesters site; and
- G. On September 27, 1999, Centra Whistler requested approval to implement the recommendations from the Safety Audit at an estimated cost of \$382,000 (the "Safety Improvements"). Of this amount, \$325,000 represents work that is incremental to the work covered by Order No. C-12-99; and

- I. The Commission has considered the Centra Whistler Safety Improvements application and has determined that approval as part of the Plan is in the public interest.

**NOW THEREFORE** the Commission orders as follows:

1. Commission Order No. C-12-99 is cancelled and is replaced by this Order, pursuant to Section 45 of the Utilities Commission Act (the "Act").
2. Pursuant to Section 45 of the Act, the Commission approves a CPCN for Centra Whistler for the construction and operation of the facilities covered by the Plan, including expansion of the distribution system, five additional propane storage tanks at the Nesters site and the Safety Improvements at the two storage sites and the rail offloading site, at a total estimated cost of \$2.123 million.
3. Centra Whistler is directed to file, by December 1, 1999, a report on the work completed and costs incurred under the Plan. The costs for the distribution system expansion, the additional tankage at the Nesters site and the Safety Improvements at each site should be identified and reviewed separately. The report should include a review, with reasons, of the decision to purchase new or used storage tanks.
4. The Commission approves the recording of the capital costs of the Safety Improvements and the other components of the Plan in a non-rate base, interest bearing deferral account. The Commission will review the report on work completed in 1999 with respect to capital costs, overhead allocation and any cost overruns in order to determine eligibility for rate base treatment.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 2<sup>nd</sup> day of November 1999.

BY ORDER

*Original signed by:*

Peter Ostergaard  
Chair