

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-134-12



SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC V6Z 2N3 CANADA
web site: <http://www.bcuc.com>

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

and

**An Application by Pacific Northern Gas (N.E.) Ltd.
for Approval of the Disposition of Property
and Approval for Capital Expenditures**

BEFORE: R.D. Revel, Commissioner
B.D. Magnan, Commissioner
September 25, 2012

O R D E R

WHEREAS:

- A. On September 13, 2012, Pacific Northern Gas (N.E.) Ltd. [PNG(N.E.)] applied to the British Columbia Utilities Commission (Commission) for approval under sections 44.2(1)(b) and 52 of the *Utilities Commission Act* (Act) to:
- (i) construct a new Dawson Creek Operations Centre on vacant property presently owned by PNG(N.E.) at 1805 – 98th Avenue, Dawson Creek for an estimated cost of \$1,017,000 (New Operations Centre), and
 - (ii) dispose of the facilities comprising the existing Dawson Creek office building and land at 1208 – 102nd Avenue, Dawson Creek (Existing Operations Centre) (Application);
- B. PNG(N.E.) states that the Existing Operations Centre's building design and location are no longer suitable for its operational needs;
- C. PNG(N.E.) states that it has received and conditionally accepted an offer from a third party to purchase the Existing Operations Centre for an amount that approximates the market value of the assets. The offer also permits PNG(N.E.) to lease back the office space while the New Operations Centre is under construction;
- D. The accounting and income tax gain on the proposed sale of the Existing Operations Centre is estimated to be \$64,000 on the building and \$92,000 on the land, which together create a total gain of \$156,000. PNG(N.E.) also proposes to attribute the entire gain to the ratepayers;

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- E. PNG(N.E.) seeks expedited approval of the Application to allow the construction of the New Operations Centre to commence in the fall of 2012;
- F. PNG(N.E.) also requests that appendices A, D, and E of the Application be kept confidential, pursuant to the Commission's Confidential Filings Practice Directive;
- G. In addition to this Application, the Commission is also in the process of reviewing the PNG(N.E.) 2012 Revenue Requirements Application, which among other requests includes costs to repair the Existing Operations Centre;
- H. The Commission determines that a written review process is needed for the regulatory review of the Application.

NOW THEREFORE pursuant to sections 44.2(1)(b) and 52 of the Act the Commission orders as follows:

- 1. The Application will be examined by a written review process, in accordance with the Regulatory Timetable that is attached as Appendix A to this Order.
- 2. Persons wishing to participate as Interveners or as Interested Parties should register with the Commission by Friday, September 28, 2012.
- 3. The Commission will hold the information in Appendices A, D, and E as confidential pursuant to the Commission's Confidential Filings Practice Directive.

DATED at the City of Vancouver, in the Province of British Columbia, this 25th day of September, 2012.

BY ORDER

Original signed by:

R.D. Revel
Commissioner

PACIFIC NORTHERN GAS (N.E.) LTD.

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REGULATORY TIMETABLE

Action	Date (2012)
Intervener/Interested Party Registration	Friday, September 28
Commission Information Request No. 1	Thursday, October 4
Intervener Information Request No. 1	Friday, October 5
PNG(N.E.) Response to Commission and Intervener Information Request No. 1	Friday, October 12
PNG(N.E.) Written Final Submission	Monday, October 15
Intervener Written Final Submissions	Wednesday, October 17
PNG(N.E.) Written Reply Submission	Friday, October 19