



**ORDER NUMBER
G-307-20**

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

Pacific Northern Gas (N.E.) Ltd.
Application for Approval of the 2019 Franchise Agreement between
Pacific Northern Gas (N.E.) Ltd. and the City of Fort St. John

BEFORE:

R. I. Mason, Panel Chair
W. M. Everett, QC, Commissioner
B. A. Magnan, Commissioner

on December 1, 2020

ORDER

WHEREAS:

- A. On December 10, 2019, Pacific Northern Gas (N.E.) Ltd. (PNG (N.E.)) applied to the British Columbia Utilities Commission (BCUC) for approval of a new franchise agreement (2019 Franchise Agreement) between the City of Fort St. John and PNG (N.E.), pursuant to section 45(7) of the *Utilities Commission Act* (UCA) (Application);
- B. PNG (N.E.) (through its predecessor company Centra Gas Fort St. John Inc.) and the City of Fort St. John entered into a franchise agreement (1997 Franchise Agreement) dated December 8, 1997, approved by BCUC Order C-4-98, dated May 26, 1998. The 1997 Franchise Agreement expired on December 7, 2018;
- C. PNG (N.E.) submits that on December 3, 2018, PNG (N.E.) and the City of Fort St. John entered into interim operating arrangements to provide for the continued service to customers in the franchise area while the negotiation and approval of new franchise terms were conducted;
- D. By Order G-36-20, dated February 28, 2020, the BCUC established a public hearing process and regulatory timetable for review of the Application, which consisted of BCUC information requests (IRs), PNG (N.E.) responses to IRs and intervener registration;
- E. By Letter dated March 26, 2020, the BCUC amended the regulatory timetable in response to PNG (N.E.)'s request by Letter, dated March 25, 2020, to extend the deadline to file responses to IRs;
- F. On April 2, 2020, British Columbia Old Age Pensioners' Organization *et al.* (BCOAPO) registered as an intervener;

- G. Following PNG (N.E.)'s response to BCUC IRs on April 2, 2020, by Orders G-84-20, G-118-20, and G-141-20, the BCUC amended the regulatory timetable for the review of the application, which included BCUC and intervener IRs, PNG (N.E.) responses to IRs and submissions on further process;
- H. By Order G-208-20, dated July 31, 2020, the Panel invited the parties to submit final arguments, including a request to address specific issues in final argument;
- I. The Panel has considered the Application, evidence, and submissions and makes the following determinations.

NOW THEREFORE pursuant to sections 23, 45 and 46 of the UCA, and for the reasons outlined in the attached decision, the BCUC orders as follows:

- 1. The Panel does not approve the Proposed 2019 Franchise Agreement.
- 2. The Panel adjourns the proceeding for 90 days to provide PNG, should it so choose, the opportunity to renegotiate the Proposed 2019 Franchise Agreement with the City and submit a revised version to this Panel.

DATED at the City of Vancouver, in the Province of British Columbia, this 1st day of December 2020.

BY ORDER

Original signed by:

R. I. Mason
Commissioner