



ORDER NUMBER
G-116-21

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

and

Pacific Northern Gas Ltd.
Certificate of Public Convenience and Necessity for the Western Transmission Gas System
Reactivation and Recommissioning Project Application and
Deferral Account Increase Application

BEFORE:

C. Brewer, Panel Chair
M. Kresivo QC, Commissioner
T. A. Loski, Commissioner

on April 19, 2021

ORDER

WHEREAS:

- A. On March 5, 2021, Pacific Northern Gas Ltd. (PNG) submitted two applications to the British Columbia Utilities Commission (BCUC):
 - a. An application to the BCUC pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA), seeking approval of a Certificate of Public Convenience and Necessity (CPCN) for the Western Transmission Gas System Reactivation and Recommissioning Project (CPCN Application); and
 - b. An application regarding Allocation of Reactivated Capacity and Approval of Large Volume Industrial Transportation Rate Request for Increase to Reactivation Project Development Costs Deferral Account (Deferral Account Application) (collectively, the Applications);
- B. In the CPCN Application, PNG has proposed capital works necessary to provide service to two new industrial customers at three project sites. PNG has identified ten potential alternate project outcomes with a capital cost up to \$88.5 million (as spent) that could materialize as a result of one or more of the customer projects being cancelled, all of which result in a positive Net Present Value;
- C. PNG seeks approval under sections 59 to 61 of the UCA for the following service agreements for Firm Transportation Service:
 - a. between PNG and Port Edward LNG Ltd. dated September 18, 2020 for contracted capacity of 20.0 MMSCFD to the Prince Rupert area commencing December 1, 2022 (Phase I);
 - b. between PNG and Top Speed Energy Canada Holding Ltd. dated August 28, 2020 for contracted capacity of 20.0 MMSCFD to the Terrace area commencing September 30, 2023;
 - c. between PNG and Port Edward LNG Ltd. dated September 18, 2020 for contracted capacity of 15.0 MMSCFD to the Prince Rupert area commencing July 1, 2024 (Phase II); and

- d. between PNG and Top Speed Energy Canada Holding Ltd. dated August 28, 2020 for contracted capacity of 10.0 MMSCFD to the Prince Rupert area commencing July 1, 2024;
- D. PNG also seeks approval under sections 59 to 61 of the UCA to the following, service agreements for Transportation on Interconnection Facilities:
 - a. between PNG and Port Edward LNG Ltd. dated September 18, 2020 for service to planned facilities in the Port Edward area;
 - b. between PNG and Top Speed Energy Canada Holding Ltd. dated August 28, 2020 for service to planned facilities in the Terrace area; and
 - c. between PNG and Top Speed Energy Canada Holding Ltd. dated August 28, 2020 for service to planned facilities in the Prince Rupert area;
- E. In the Deferral Account Application, PNG seeks approval pursuant to sections 59 to 61 of the UCA, for an increase in the expenditures allowed to be captured in the Reactivation Project Development Costs Deferral Account from the approved amount of \$1.0 million to \$2.5 million; and
- F. The BCUC considers establishing a regulatory timetable for the concurrent review of the Applications is warranted.

NOW THEREFORE the BCUC orders as follows:

1. A written public hearing process is established for the concurrent review of the Applications, in accordance with the regulatory timetable set out in Appendix A to this order.
2. By no later than Thursday, April 29, 2021, PNG is directed to publish the Applications, this order and the regulatory timetable on its website and social media accounts, and to provide a copy of the Applications and this order to:
 - All interveners in the PNG-West 2020-2021 Revenue Requirements Application proceeding and the PNG Application Regarding Process for Allocation of Reactivated Capacity and Approval of Large Volume Industrial Transportation Rate;
 - Municipal and regional governments outlined on page 156 of the CPCN Application; and
 - Indigenous communities outlined on pages 165 and 166 of the CPCN Application.
3. In accordance with BCUC's [Rules of Practice and Procedure](#), parties who wish to actively participate in this proceeding must submit the [Request to Intervene Form](#), available on the BCUC's website at <https://www.bcuc.com/get-involved/get-involved-proceeding.html>, by the date established in the regulatory timetable.

DATED at the City of Vancouver, in the Province of British Columbia, this 19th day of April 2021.

BY ORDER

Original signed by:

C. Brewer
Commissioner

Attachment

Pacific Northern Gas Ltd.
Certificate of Public Convenience and Necessity for the Western Transmission Gas System
Reactivation and Recommissioning Project Application and
Deferral Account Increase Application

REGULATORY TIMETABLE

Action	Date (2021)
PNG provides notice of Applications	Thursday, April 29
Intervener registration deadline	Thursday, May 13
BCUC Information Request (IR) No. 1 on CPCN Application and IR No. 1 on Deferral Account Application to PNG	Thursday, May 13
Intervener IR No. 1 on CPCN Application and IR No. 1 on Deferral Account Application to PNG	Thursday, May 20
PNG responses to BCUC and Intervener IRs No. 1 on CPCN Application and IRs No. 1 on Deferral Account Application	Thursday, June 10
Further Process on the Applications	To be determined