



**ORDER NUMBER
G-237-21**

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:

T. A. Loski, Panel Chair
M. Kresivo QC, Commissioner
E. B. Lockhart, Commissioner

on August 10, 2021

ORDER

WHEREAS:

- A. On March 5, 2021, Pacific Northern Gas Ltd. (PNG) submitted the following two applications to the British Columbia Utilities Commission (BCUC):
- a) An application for approval of an increase to the Reactivation Project Development Costs Deferral Account (Deferral Account Application); and
 - b) An application 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);
- B. By Order G-35-20 dated February 28, 2020, the BCUC approved the establishment of a rate base Reactivation Project Development Costs Deferral Account (Deferral Account) to record up to \$1 million in development, permitting and consultation expenses related to the Western Transmission Gas System Reactivation and Recommissioning Project;
- C. 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 Deferral Account, from the approved amount of \$1.0 million to \$2.5 million. These are expenditures to advance front end engineering and design and other necessary early stage development works related to the CPCN Application, prior to the BCUC's decision on the CPCN Application;
- D. By Order G-116-21 dated April 19, 2021 and Order G-189-21 dated June 21, 2021, the BCUC established regulatory timetables to include two rounds of BCUC and intervener information requests (IRs) and written final arguments on the Deferral Account Application. The review of the CPCN Application is currently ongoing;

- E. On June 10, 2021, in its responses to IRs, PNG requests BCUC approval of the Deferral Account Application by August 30, 2021;
- F. On July 9, 2021, PNG filed its final argument regarding the Deferral Account Application. On July 16, 2021, BC Sustainable Energy Association (BCSEA) filed its final argument regarding the Deferral Account Application, stating BCSEA does not oppose approval of the Deferral Account Application; and
- G. The BCUC has reviewed the Deferral Account Application, and all evidence and arguments filed and finds that approval is warranted.

NOW THEREFORE pursuant to sections 59 to 61 of the UCA, the BCUC orders as follows:

- 1. PNG is approved to record up to \$2.5 million in expenditures in the Reactivation Project Development Costs Deferral Account to advance front-end engineering and design and other necessary early-stage development works related to the CPCN Application prior to the BCUC's decision on the CPCN Application.

DATED at the City of Vancouver, in the Province of British Columbia, this 10th day of August 2021.

BY ORDER

Original signed by:

T. A. Loski
Commissioner