



**ORDER NUMBER
C-5-21**

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 November 30, 2021

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

WHEREAS:

- A. On March 5, 2021, Pacific Northern Gas Ltd. (PNG) submitted two applications (collectively, the Applications) to the British Columbia Utilities Commission (BCUC):
1. 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 (Project) (CPCN Application); and
 2. 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);
- B. In the CPCN Application, PNG also seeks approval under sections 59-61 of the UCA for the following:
1. Four firm Transportation Service Agreements (TSAs) for service to be provided under PNG's Large Volume Industrial Transportation Rate tariff; and
 2. Three service agreements for Transportation on Interconnection Facilities (Interconnection Agreements);
- C. 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, including project outcomes as a result of one or more of the customer projects being cancelled;
- D. By Order G-116-21 dated April 19, 2021, the BCUC established a public hearing and a regulatory timetable for the review of the Applications;

- E. The following parties registered as interveners in the proceeding:
1. BC Sustainable Energy Association; and
 2. Lax Kw'alaams Band and Metlakatla First Nation;
- F. The regulatory process for the review of the CPCN Application consisted of three rounds of written information requests (IRs), written final arguments by PNG and interveners, one round of Panel IRs, and further submissions by PNG and interveners;
- G. By Order G-236-21, dated August 10, 2021, the BCUC approved the TSAs and the Interconnection Agreements. By Order G-237-21 dated August 10, 2021, the BCUC approved the Deferral Account Application; and
- H. The BCUC has considered the Applications, evidence and submissions from all parties and finds that public convenience and necessity require that the Project proceed and the following determinations to be warranted.

NOW THEREFORE pursuant to sections 45 to 46 of the UCA and the Decision issued concurrently with this order, the BCUC orders as follows:

1. A CPCN is granted to PNG for the Project, to construct the proposed Project or any of the ten potential alternate project outcomes outlined in the CPCN Application.
2. PNG is directed to comply with all the directives outlined in the Decision issued concurrently with this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 30th day of November 2021.

BY ORDER

Original signed by:

T. A. Loski
Commissioner