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bcuc
British Columbia
Utilities Commission

Suite 410, 900 Howe Street
Vancouver, BC Canada V6Z 2N3
bcuc.com

P: 604.660.4700
TF: 1.800.663.1385
F: 604.660.1102

ORDER NUMBER

G-xx-21

IN THE MATTER OF

the *Utilities Commission Act*, R.S.B.C. 1996, Chapter 473

and

Pacific Northern Gas Ltd.

Application for a Certificate of Public Convenience and Necessity
for the Western Transmission Gas System
Reactivation and Recommissioning Project

BEFORE:

???????, Commissioner

???????, Commissioner

on November ??, 2021

ORDER

WHEREAS:

- A. On March 5, 2021, Pacific Northern Gas Ltd. (PNG) submitted an application to the British Columbia Utilities Commission (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 (Application);
- B. In the 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. The Application also seeks approval under section 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. The Application also seeks approval under section 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. By Order G-XX-20 dated XX, the BCUC established a regulatory timetable for the review of the Application which consisted of intervener registration and two rounds of information requests (IR), as well as a timetable for the filing of PNG and intervener written final submissions and PNG's reply submission; and
- F. The BCUC has reviewed the evidence in this proceeding and finds that the approval sought in the Application is in the public interest and that a CPCN be issued to PNG for Western Transmission Gas System Reactivation and Recommissioning Project.
- G. The BCUC has reviewed the Application, evidence and arguments and considers that a determination on the proposed Service Agreements is warranted.

NOW THEREFORE pursuant to sections 45 and 46 and 59 to 61 of the *Utilities Commission Act* and for the reasons set out concurrently with this order, the British Columbia Utilities Commission orders as follows:

1. A CPCN is granted to PNG for the Western Transmission Gas System Reactivation and Recommissioning Project to construct the proposed project or any of the ten potential alternate project outcomes for a capital cost up to \$88.5 million (as spent).
2. The following service agreements for Firm Transportation Service are approved:
 - a. between PNG and Port Edward LNG Ltd. dated September 18, 2020 (Prince Rupert - Phase I);
 - b. between PNG and Port Edward LNG Ltd. dated September 18, 2020 (Prince Rupert - Phase II);
 - c. between PNG and Top Speed Energy Canada Holding Ltd. dated August 28, 2020 (Terrace); and
 - d. between PNG and Top Speed Energy Canada Holding Ltd. dated August 28, 2020 (Prince Rupert).
3. The following service agreements for Transportation on Interconnection Facilities are approved:
 - a. between PNG and Port Edward LNG Ltd. dated September 18, 2020 (Port Edward);
 - b. between PNG and Top Speed Energy Canada Holding Ltd. dated August 28, 2020 (Terrace); and
 - c. between PNG and Top Speed Energy Canada Holding Ltd. dated August 28, 2020 (Prince Rupert).
4. 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 xx day of November 2021.

BY ORDER

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Commissioner