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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-122-15**

TELEPHONE: (604) 660-4700
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IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

Pacific Northern Gas Ltd.
an Application for a Certificate of Public Convenience and Necessity to Construct and Operate
an Interconnecting Pipeline between Kitimat and Douglas Channel

BEFORE: D. A. Cote, Panel Chair / Commissioner
B. A. Magnan, Commissioner July 22, 2015
K. A. Keilty, Commissioner

O R D E R

WHEREAS:

- A. On July 16, 2015, Pacific Northern Gas Ltd. (PNG) submitted an application to the British Columbia Utilities Commission (Commission), pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA), for a Certificate of Public Convenience and Necessity (CPCN) to construct and operate an approximate 8.8 kilometre Interconnecting Pipeline between Kitimat and Douglas Channel (Application);
- B. In its Application, PNG seeks the following:
1. Approval, pursuant to sections 45 and 46 of the UCA for a CPCN for the construction and operation of an interconnecting pipeline between Kitimat, British Columbia, and the Douglas Channel area, consisting of either:
 - i. A ten (10) inch diameter pipeline and related compression and metering facilities to serve a single customer, or
 - ii. A thirty (30) inch diameter transportation pipeline and related compression and metering facilities to serve multiple customers.
 2. Approval to make a final construction decision between the ten (10) inch and thirty (30) inch diameter pipeline alternatives based on the final investment decision made by DC LNG and the financial commitments of other project proponents, subsequent to which PNG would file a compliance report with the Commission on the decision made;
 3. Approval, pursuant to section 58 of the UCA, for the Interconnecting Transportation Reservation Agreement (ICTRA) between PNG and EDF Trading Limited (EDFT) dated January 23, 2015, including the form of Transportation Service Agreement attached thereto; and

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4. Approval, pursuant to section 58 of the UCA, for the Interconnecting Transportation Reservation Agreement between PNG and Triton LNG Limited Partnership (Triton LNG LP) (to be filed with the Commission) including the form of Transportation Service Agreement attached thereto;
- C. PNG also seeks an expedited review process and has proposed a regulatory timetable making use of the Streamlined Review Process;
- D. PNG expects to file supplemental information including capital cost estimates and revenue requirement impact information, on a confidential basis, an executed copy of the Transportation Reservation Agreement with Triton LNG LP and letters of support by July 31, 2015; and
- E. The Commission has determined that a public hearing is necessary to review the Application.

NOW THEREFORE the Commission orders as follows:

1. A process for review of the Application in accordance with the preliminary Regulatory Timetable attached as Appendix A to this order is established.
2. Pacific Northern Gas Ltd. must publish, within 7 days of the date of this order, a Public Notice of the Hearing Process, in the form attached as Appendix B to this order, in display-ad format, in the local Kitimat news publication that will provide reasonable notice to those that may be affected by the Application.
3. The Application and supporting materials must be made available to the public for inspection at Pacific Northern Gas Ltd. business office at 950 – 1185 West Georgia Street, Vancouver, BC.
4. Interveners and interested parties are required to register with the Commission and clearly describe their interest in the proposed pipeline extension by Friday, August 7, 2015. Interveners are also requested to provide comment by Tuesday, August 11, 2015, on whether a written review process or a combination of written (information requests) and Streamlined Review Process (SRP) is preferred with reasons and if (SRP) is preferred, what is the most convenient location for the SRP (Vancouver or Kitimat).

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of July 2015.

BY ORDER

Original signed by:

D. A. Cote
Panel Chair/Commissioner

Attachments

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REGULATORY TIMETABLE

ACTION	DATE (2015)
PNG Publishes Notice of its Application	Week of July 27
PNG Submits Supplemental Information	Friday, July 31
Intervener/Interested Party Registration	Friday, August 7
Participant Assistance/Cost Award Budget Deadline	Friday, August 7
Intervener Comments on Written vs Streamlined Review Process	Tuesday, August 11
Commission and Registered Intervener Information Requests (IRs) No. 1	Monday, August 17
PNG Responses to Commission and Registered Intervener IRs No. 1	Friday, August 28
<u>Potential Further Process Options</u>	
Either Streamlined Review Process with Oral Arguments	Friday, September 11
Or, PNG Written Argument	Wednesday, September 2
Intervener Written Argument	Wednesday, September 9
PNG Written Reply Argument	Friday September 11

PUBLIC NOTICE

BRITISH COLUMBIA UTILITIES COMMISSION



Pacific Northern Gas Ltd.
An Application for a Certificate of Public Convenience and Necessity to Construct and Operate
An Interconnecting Pipeline between Kitimat and Douglas Channel

Pacific Northern Gas Ltd. (PNG) is applying for approval from the British Columbia Utilities Commission for a Certificate of Public Convenience and Necessity (CPCN) pursuant to sections 45 and 46 of the *Utilities Commission Act* to construct and operate an approximate 8.8 kilometre extension of its existing ten (10) inch natural gas pipeline in Kitimat, BC to the Douglas Channel area (Application). The natural gas pipeline extension is to provide transportation of natural gas to serve new customer(s) under individual Transportation Agreements between PNG and Douglas Channel LNG project and potentially PNG and Triton LNG Limited Partnership. In addition to the British Columbia Utilities Commission's public review of the Application for need and public interest including that the costs of the extension will be recovered from the new customers and that PNG existing customers will not be responsible for the pipeline extension capital and operating costs, the pipeline will also require Oil and Gas Commission review and permitting for the design and ongoing operation of the line. The Commission invites any directly or substantially affected parties that wish to participate in the public hearing of this Application to register with the Commission.

HOW TO GET INVOLVED

Persons wishing to actively participate in the proceeding must register as an intervener through the Commission's website at www.bcuc.com or in writing by Friday, August 7, 2015. Registrants must identify the issues they intend to pursue and indicate the extent of their anticipated involvement in the review process. Interveners will each receive a copy of all non-confidential correspondence and filed documentation, and must provide an email address if available.

Persons not expecting to actively participate, but who have an interest in the proceeding, should register as an interested party through the Commission's website or in writing, by Friday, August 7, 2015, identifying their interest in the proceeding. Interested parties receive electronic notice of submissions and a copy of the decision when it is released.

Letters of comment may also be submitted. All submissions and/or correspondence received relating to the application are provided to the panel and all participants in the proceeding. Submissions are placed on the public record and posted to the Commission's website. By participating and/or providing comment on the application, you agree that all submissions will be placed on the public record and posted on the Commission's website.

VIEW THE APPLICATION

The Application and all supporting documentation are available on the Commission's website on the "Current Applications" page. If you would like to review the material in hard copy, it is available to be viewed at the locations below:

British Columbia Utilities Commission Sixth Floor, 900 Howe Street Vancouver, BC V6Z 2N3 Commission.Secretary@bcuc.com Phone: 604-660-4700 Toll Free: 1-800-663-1385	Pacific Northern Gas Ltd. 950 – 1185 West Georgia Street Vancouver, BC V6E 4E6
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FOR MORE INFORMATION OR TO REGISTER

For more information or to register please contact Ms. Erica Hamilton, Commission Secretary using the contact information above.