ORDER
NUMBER C-2-90

PROVINCE OF BRITISH COLUMBIA

BRITISH COLUMBIA UTILITIES COMMISSION

IN THE MATTER OF the Utilities Commission Act, S.B.C. 1980, c. 60, as amended

and

IN THE MATTER OF an Application by Pacific Northern Gas Ltd.

BEFORE:	J.G. McIntyre, Chairman; N. Martin, Commissioner; W.M. Swanson, Q.C., Commissioner; and H.J Page, Commissioner	March 22, 1990

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

WHEREAS on February 28, 1990 Pacific Northern Gas Ltd. ("PNG") applied, pursuant to Section 51 of the Utilities Commission Act ("the Act"), for a Certificate of Public Convenience and Necessity for the construction and operation of 6.0 miles of 16 inch pipeline immediately downstream of Compressor Station R-4 at Milepost 202, 2.0 miles of 10 inch replacement pipeline in the vicinity of Middle Lake at Milepost 230 and 6.0 miles of 12 inch loop between Mileposts 232 and 238 for an aggregate estimated total cost of $7.48 million; and

WHEREAS PNG requested in the Application, pursuant to Section 56 of the Act, Commission approval to remove 8 miles of 10 inch pipeline from Plant in Service and to record the loss of $323,686 as Extraordinary Plant Losses, as provided for in Account 171 of the Uniform System of Accounts; and

WHEREAS the project is required to provide for system integrity due to corrosion and dents, beyond code limits, in the walls of the pipeline; and

WHEREAS the Commission has reviewed the Application and supporting documentation and is satisfied that the construction and operation of the pipeline upgrading project is necessary for the public convenience and properly conserve the public interest.

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NOW THEREFORE the Commission orders PNG as follows:

1. A Certificate of Public Convenience and Necessity is granted to PNG, pursuant to Section 53(2) of the Act, for the construction and operation of the proposed replacement and looping of the transmission line at an estimated total cost of approximately $7.48 million.

2. PNG is to proceed expeditiously with all necessary arrangements pertaining to the acquisition and placement into active service of the proposed facilities.

3. PNG is required to file monthly Construction Progress Reports detailing the bidding, awarding of contracts and capital cost expectations as the project progresses. The first report is to be filed immediately upon completion of bid evaluation and prior to the awarding of contracts.

4. The Commission approves the proposed accounting treatment covering removal of 8 miles of 10 inch pipeline from Plant in Service and the recording of a loss on retirement in the amount of $323,686 as Extraordinary Plant Losses, as provided for in Account 171 of the Uniform System of Accounts, pursuant to Section 56 of the Act.

DATED at the City of Vancouver, in the Province of British Columbia, this 23rd day of March, 1990.

BY ORDER

John G. McIntyre
Chairman

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