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

and

An Application by BC Gas Utility Ltd.
for a Certificate of Public Convenience and Necessity
for 1997 Pipeline Engineering Projects

BEFORE: M.K. Jaccard, Chairperson; and)
L.R. Barr, Deputy Chairperson) March 6, 1997

ORDER

WHEREAS:

- A. Commission Order No. G-99-95, dated November 28, 1995, approved the terms of a negotiated settlement for the BC Gas Utility Ltd. ("BC Gas") 1996-98 Revenue Requirements application and the settlement terms provided that certain capital projects would require Certificate of Public Convenience and Necessity ("CPCN") applications; and
- B. On February 26, 1997, pursuant to Order No. G-99-95, BC Gas applied to the Commission for a CPCN for three pipeline engineering projects ("the Application") namely:
- Savona Transmission Pipeline Loop - which is a 3.6 km, 406 mm, transmission pressure natural gas pipeline in the Savona, B.C. area which will loop the existing BC Gas high-pressure pipeline from Westcoast Energy Inc.'s Compressor Station No. 7 to BC Gas' Savona Compressor Station and is estimated to cost \$3,315,000;
 - 1997 Pipeline Integrity Management Program - which includes a capital works program on existing pipeline facilities within the BC Gas pipeline rights-of-way amounting to an estimated cost of \$1,125,000;
 - 1997 Seismic Risk Assessment and Mitigation Program - which involves an assessment and mitigation program of high seismic-risk facilities and is estimated to cost \$360,000; and
- C. The Commission has reviewed costs, timing and justification for the three capital projects contained in the Application and has determined that its approval is necessary and in the public interest.

NOW THEREFORE the Commission orders as follows:

1. Pursuant to Section 51 of the Utilities Commission Act, a CPCN is granted to BC Gas to proceed with the following projects contained in the Application:
 - Savona Transmission Pipeline Loop
 - 1997 Pipeline Integrity Management Program
 - 1997 Seismic Risk Assessment and Mitigation Program
2. BC Gas is to file an accounting of final project costs for each of the identified projects in the Application for Commission review before applying for inclusion in rates.

DATED at the City of Vancouver, in the Province of British Columbia, this 7th day of March, 1997.

BY ORDER

Original signed by:

Dr. Mark K. Jaccard
Chairperson