

November 15, 2023

Enforcement File: 2021-0115

Pacific Northern Gas Ltd.  
750-888 Dunsmuir Street  
Vancouver, BC V6C 3K4

Attention: Chad Fournier, Director Asset Management and Project Delivery

**Re: General Order 2021-0115-03**

Dear Mr. Fournier:


On June 28, 2023, the BC Energy Regulator, issued General Order 2021-0115-03 to Pacific Northern Gas Ltd. (PNG).

General Order 2021-0115-03 has been replaced with General Order 2021-0115-04.

Please be advised that pursuant to section 49(8) of the *Energy Resource Activities Act*, General Order 2021-0115-03 is hereby terminated.

If you have any questions or concerns, please do not hesitate to contact the Regulator.

Sincerely,



R.A. Workman  
Manager, Enforcement  
BC Energy Regulator

**GENERAL ORDER 2021-0115-03**  
**Amendment 1**  
*Section 49 Oil and Gas Activities Act*

**Issued to:**

Pacific Northern Gas Ltd.  
750-888 Dunsmuir Street  
Vancouver, BC V6C 3K4

**Attention:** Chad Fournier, Director Asset Management and Project Delivery

**Order:**

Pursuant to section 49(7) of the *Oil and Gas Activities Act* (the Act), I, Dax Bourke, amend General Order 2021-0115-03 issued June 28, 2023, (the Order) to Pacific Northern Gas Ltd. ( PNG) as follows:

1. In item 1, with respect to PNG Pipeline Segment R3 to MP 142 NPS 10, the restricted operating pressure is varied from 0 to 3585 KPa(520psi) only for the period from July 12, 2023, to August 20, 2023, and only for the purpose of conducting inline inspection (ILI) work.

**Conditions:**

- A. The four (4) category IV Stress Corrosion Cracking (SCC) features identified on section R3 to MP 142 NPS 10 must be assessed and, if required, repaired prior to increasing the pressure above 0 on R3 to MP 142 NPS 10.
- B. This order shall remain in effect until amended or terminated in whole or in part by the BC Energy Regulator.

**Reasons:**

I make this order for the following reasons:

- i. PNG is the permit holder for the Pipeline.
- ii. Results from ILIs and integrity assessments of the Pipeline indicate that it cannot be safely operated at its permitted maximum operating pressure without completion of additional integrity work.
- iii. PNG conducted an ILI on R3 to MP 142 NPS 10 in March 2022 but analysis revealed inadequate detection and capabilities for linear indications. Another ILI is requested and is expected to significantly enhance the EMAT ILI performance compared to the 2022 inspection.
- iv. The enhanced ILI will help prioritize the safety and operational reliability of the PNG NPS 10 pipeline.

- v. PNG has identified four (4) specific locations on this section that require integrity digs to address unresolved possible SCC features which have been identified as Category IV. PNG is presently in the process of completing these four (4) integrity digs ahead of the planned ILI run.
- vi. PNG has stated it plans to commence the ILI on July 17, 2023, with an estimated duration of 3 weeks from the start date to completion.
- vii. PNG data and analysis indicate R3 to MP 142 NPS may be safely operated at a pressure not exceeding 3585KPa in order to accommodate the ILI.
- viii. I am of the opinion this amendment is necessary and reasonable to protect the public and the environment.

### **Review or Appeal**

PNG may request a review of this order under section 70 of the Act or appeal this order under section 72 of the Act. Both a review and an appeal of the order cannot be commenced simultaneously.

A request for review may be sent to: [determinationreviews@bc-er.ca](mailto:determinationreviews@bc-er.ca).

Alternatively, a notice of appeal may be sent to the Oil and Gas Appeal Tribunal to [ogatinfo@gov.bc.ca](mailto:ogatinfo@gov.bc.ca) or mailed to:

Oil and Gas Appeal Tribunal  
PO Box 4925 Stn Prov Govt  
Victoria, BC V8W 9V1

Information regarding the process for appeals may be found at [www.ogat.gov.bc.ca](http://www.ogat.gov.bc.ca).



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Dax Bourke  
Director, Compliance & Enforcement  
BC Energy Regulator

DATED AT Fort St. John, in the Province of British Columbia, this 11th day of July, 2023.

**GENERAL ORDER 2021-0115-03**  
Section 49 *Oil and Gas Activities Act*

**Issued to:**

Pacific Northern Gas Ltd.  
750-888 Dunsmuir Street  
Vancouver, BC V6c 3K4

**Attention:** Chad Fournier, Director Asset Management and Project Delivery

**Order:**

Pursuant to section 49(1)(e) of the *Oil and Gas Activities Act* (the Act), I, Patrick Smook, order that Pacific Northern Gas Ltd. (PNG) must:

- On or before July 1, 2023, maintain the operating pressures of PNG’s North West Gas Transmission System (the Pipeline) comprised of the following project numbers (1422, 3267, 3268, 4855, 5737, 6112, 6396, 8441, 26021, 26023, 26024, 26025, 26026, 26027) at or below the pressures specified in the following table:

PNG Pipeline Segment	Current Operational Status	Restricted Operating Pressure kPa (psi)
R1 to MP 24 NPS 12	Active	4,061 (589)
R1 to MP 19 NPS 10	Inactive	0 (0)
R1 to R2 NPS 10	Active	4,771 (692)
R2 to MP 91 NPS 12	Active	4,061 (589)
R2 to MP 91 NPS 10	Inactive	0 (0)
R2 to R3 NPS 10	Active	4,061 (589)
R3 to MP 142 NPS 12	Active	4,061 (589)
R3 to MP 142 NPS 10	Inactive	0 (0)
R3 to R4 NPS 10	Active	4,061 (589)
R4 to MP 209 NPS 16	Active	4,061 (589)
MP 209 to MP 240 NPS 10	Active	4,061 (589)
MP 231 to MP 248 NPS 12	Active	4,061 (589)
MP 248 to MP 251 NPS 10	Active	4,061 (589)
MP 251 to MP 256 NPS 12	Active	4,061 (589)
MP 256 to Terrace Pressure Limiting Station NPS 10	Active	4,061 (589)
Terrace Pressure Limiting Station to R5 NPS 12	Active	4,061 (589)
R5 to Methanex NPS 10	Active	4,061 (589)
Terrace Pressure Limiting Station to MP 273 NPS 10	Active	4,061 (589)
Terrace to Salvus NPS 8	Active	2,923 (424)
Salvus to Galloway NPS 8	Active	2,923 (424)

**Conditions:**

A. This order shall remain in effect until amended or terminated in whole or in part by the BC Energy Regulator.

**Reasons:**

I make this order for the following reasons:

- i. PNG is the permit holder for the Pipeline.
- ii. Results from inline inspections and integrity dig assessments of the Pipeline indicate that it cannot be safely operated at its permitted maximum operating pressures without the completion of additional integrity work.
- iii. Engineering assessments completed by PNG identify that the Pipeline can be safely operated at the pressures set out in Item 1, above.
- iv. The pipeline operating pressure should be limited to increase the factor of safety until the identified defects can be assessed and repaired.
- v. I am of the opinion that this order is necessary to mitigate a risk to public safety and the environment.

**Review and Appeal**

PNG may request a review of this order under section 70 of the Act by submitting a request for review to: [ogc.determinationreviews@bc-er.ca](mailto:ogc.determinationreviews@bc-er.ca).

Alternatively, PNG may appeal this order to the Oil and Gas Appeal Tribunal under section 72 of the Act. The process for appeals may be found at [www.ogat.gov.bc.ca](http://www.ogat.gov.bc.ca) and a notice of appeal may be sent to the Oil and Gas Appeal Tribunal at:

Oil and Gas Appeal Tribunal  
PO Box 4925 Stn Prov Govt  
Victoria, BC V8W 9V1



Patrick Smook  
Executive Director, Responsible Development  
BC Energy Regulator

DATED AT Fort St. John, in the Province of British Columbia, this 28th day of June 2023.