

July 13, 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 2021-0115-02

Dear Mr. Fournier:

On December 2, 2022, the BC Oil and Gas Commission, now the BC Energy Regulator, issued General Order 2021-0115-02 to Pacific Northern Gas Ltd. (PNG).

General Order 2021-0115-02 has been replaced with General Order 2021-0115-03.

Please be advised that pursuant to section 49(8) of the *Oil and Gas Activities Act*, General Order 2021-0115-02 is hereby terminated.

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

Sincerely,



Dax Bourke
Executive Director, Compliance & Enforcement
BC Energy Regulator

GENERAL ORDER 2021-0115-02
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, Dax Bourke, order that Pacific Northern Gas Ltd. (PNG) must:

1. On or before December 2, 2022, maintain the operating pressures of pipeline Project 1422 (the pipeline) at or below the pressures specified in the following table:

Pipeline Segment	Revised BCOGC Restriction based on PNG-Imposed Maximum Safe Operating Pressure (kPa)
R1-R2 NPS 10	4089
R1-MP24 NPS 12	6895
R2-R3 NPS 10	4578
R2-MP92 NPS 12	6895
R3-R4 NPS 10	4433
R3-MP142 NPS 12	6895
MP 202-209 NPS 16	6895
MP 209-240 NPS 10	4309
MP 231-248 NPS 12	4826
MP 240-244 NPS 8	4826
MP 248-251 NPS 10	4826
MP 251-256 NPS 12	4826
MP 256-268 NPS 10	3861
MP 268-R5 NPS 12	4826
Methanex Lateral NPS 10	6895
MP 268-273 NPS 10	4482
MP 273-311 NPS 8	2923
MP 311-364 NPS 8	2923

General Order 2021-0115-02

2. Notwithstanding the requirement set out in item 1 above, for the period of December 2, 2022, to December 9, 2022, PNG may operate pipeline segment R1 to R2 NPS 10 at or below 4295.43 kPa (623psi) for the purpose of starting the R3 Compressor.
3. For any period of time between December 2, 2022 and December 9, 2022 that pipeline segment R1 to R2 NPS 10 is operated at above 4089kPA, PNG must conduct increased monitoring through its SCADA system.
4. Immediately upon becoming aware of any significant integrity threat or further pressure reduction required for safe operations of pipeline project 1422, PNG shall notify the Commission.
5. Submit the reports as required in item 3 electronically to C&E@bcogc.ca.

Conditions:

- A. This order shall remain in effect until terminated in whole or in part by the Commission.

Reasons:

I make this order for the following reasons:

- i. PNG is the permit holder for the pipeline.
- ii. PNG has completed inline inspections of the pipeline but has not addressed the results of those inspections in a timely manner.
- iii. General Order 2021-0115-01 required PNG to conduct integrity digs of the pipeline in 2021. Those assessments showed the pipeline to be at risk of failure in several locations.
- iv. In order to mitigate the risk of failure, 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@bcogc.ca.

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 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



Dax Bourke
Executive Director, Compliance & Enforcement
BC Oil and Gas Commission

DATED AT Fort St. John, in the Province of British Columbia, this 2nd day of December 2022.