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Via E-File

June 15, 2020

B.C. Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

File No.: 6.1.14.1 (2020)

Attention: Marija Tresoglavic
Acting Commission Secretary

Dear Ms. Tresoglavic:

**Re: Pacific Northern Gas (N.E.) Ltd.
Application for Approval of the 2019 Franchise Agreement between
Pacific Northern Gas (N.E.) Ltd. and the City of Fort St. John
Submissions on Further Process**

On February 10, 2020, Pacific Northern Gas (N.E.) Ltd. (PNG(NE)) submitted a copy of the proposed franchise agreement negotiated between PNG(NE) and the City of Fort St. John (the City) (2019 Franchise Agreement) for consideration and approval by the British Columbia Utilities Commission (BCUC) pursuant to section 45(7) of the *Utilities Commission Act* (Application).

On February 28, 2020, by way of Order G-36-20, the BCUC established a public hearing process and preliminary timetable for the review of the Application. The timetable was amended several times and earlier today, in compliance with the present regulatory timetable, PNG(NE) submitted responses to BCUC IR No. 2 and to BCOAPO IR No. 1.

This letter is to address the final matter in the present regulatory timetable, that being PNG(NE)'s submission on further process for this proceeding.

At this time, PNG(NE) recommends that the BCUC move to approve the Application and the 2019 Franchise Agreement between PNG(NE) and the City. Of primary note, PNG(NE) submits that the 2019 Franchise Agreement has been negotiated in good faith and has been agreed to by the parties to the agreement.

PNG(NE) further notes that over the course of this proceeding it has responded to numerous questions during two rounds of information requests from the BCUC and a single round information request from BCOAPO, the sole Intervener. PNG submits that these questions exhaustively queried the provisions of the 2019 Franchise Agreement and that PNG(NE) has

provided fulsome responses to the questions.

In addition, PNG(NE) and the City have accepted recommendations proposed by the BCUC to change certain wording contained in the 2019 Franchise Agreement, specifically to Clause 4.3 as per the response to BCUC IR 11.4, and to Clause 4.7 as per the response to BCUC IR 11.5. For further clarity, as per the response to BCUC IR 14.1, PNG(NE) and the City have proposed changes to references to the City bylaws that are incorporated within Clause 4.7 and Clause 5.1 of the 2019 Franchise Agreement.

PNG(NE) submits that its Application, together with additional information provided in response to information requests, provide sufficient information to allow the BCUC to determine that the 2019 Franchise Agreement is in the public interest and should be approved, subject to the noted amendments.

Please direct any questions regarding this submission to my attention.

Yours truly,

Original on file signed by:

Verlon G. Otto