

February 10, 2021

Enforcement File: 2021-0001

Pacific Northern Gas Ltd.
750 - 888 Dunsmuir Street
Vancouver, British Columbia
Canada V6C 3K4

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

Re: General Order 2021-0001-01

Dear Mr. Fournier:

On January 7th, 2021, the BC Oil and Gas Commission (Commission) issued General Order 2021-001-01 to Pacific Northern Gas Ltd. (PNG)

PNG has satisfied all the requirements of the Order.

Please be advised that pursuant to section 49(8) of the *Oil and Gas Activities Act*, General Order 2021-001-01 is hereby terminated.

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

Sincerely,



Andy Johnson
Vice President, Operations
BC Oil and Gas Commission

GENERAL ORDER #2021-0001-01
Section 49 Oil and Gas Activities Act

Issued to:

Pacific Northern Gas Ltd.
750 – 888 Dunsmuir Street
Vancouver, British Columbia
Canada V6C 3K4

Attention: Dean Rawson, Vice President and Chad Fournier, Director Asset Management and Project Delivery

Order:

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

1. On or before January 11, 2021 either:
 - a. Lower the pressure of the NPS 10 pipeline Project 1422 (the pipeline) to 80% of the licensed maximum operating pressure (MOP) of the pipeline and provide Commission staff with verification of the reduced pressure; or
 - b. Lower the pressure to less than MOP and provide Commission staff with rationale for determining that safe operating pressure, including the factor of safety.
2. On or before January 11, 2021 provide a written declaration, signed by both an Engineer licensed to practice in British Columbia and a senior official of PNG stating that the pipeline is safe to operate.

Conditions:

- A. This order shall remain in effect until amended or 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. In March 2020 the Commission requested information from PNG as part of its Integrity Programs initiative to understand the condition, maintenance activities, and oversight of the pipeline.
- iii. PNG submitted the requested information in August 2020.
- iv. As requested by the Commission, PNG presented its Stress Corrosion Cracking (SCC) management plan to the Commission's Integrity Programs staff.
- v. On a December 7, 2020 video conference/teleconference between PNG and Commission staff, PNG communicated that the pipeline was not operating and had controls in place.
- vi. On December 9, 2020 the Commission issued a letter to PNG for information requests and activities based on the pipeline not being operational.
- vii. New information was provided by PNG on January 6, 2021 that indicated the pipeline is active and 17 of the 28 Category III SCC indications are located on active pressure pipeline sections.
- viii. I am of the opinion that this order is necessary to mitigate a risk to public safety.

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



Andy Johnson
Vice President, Operations
BC Oil and Gas Commission

DATED AT Fort St. John, in the Province of British Columbia, this 7th day of January, 2021.