



SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3
CANADA

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER P-4-94

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

AN ORDER IN THE MATTER OF the Pipeline Act
R.S.B.C. 1979, c. 328, as amended

and

An Application by Trans Mountain Enterprises of British Columbia Limited
for 1994 Tolls on its Jet Fuel Pipeline

BEFORE: M.K. Jaccard, Chairperson; and)
L.R. Barr, Deputy Chairperson) September 30, 1994

O R D E R

WHEREAS:

- A. The British Columbia Utilities Commission ("the Commission") Decision dated March 25, 1994 into the 1993 Trans Mountain Enterprises of British Columbia Limited ("TME") toll application approved 1993 tolls and directed TME to file an application for 1994 tolls that would be consistent with the directions of the Decision and would be effective commencing January 1, 1994; and
- B. On June 17, 1994 TME applied to the Commission under Section 44 of the Pipeline Act, R.S.B.C., c. 328 ("the Act") for approval of a 1.6 percent toll increase for the gathering of jet fuel and its delivery to the Vancouver International Airport using its Jet Fuel Pipeline, effective January 1, 1994; and
- C. On June 30, 1994 Canadian Airlines International Ltd. and the Vancouver Airport Fuel Facilities Corporation (collectively referred to as "the Airlines") filed a complaint with the Commission that a January 1, 1994 effective date would represent retroactive ratemaking; and
- D. On July 25, 1994 the Commission advised the Airlines that the delayed filing of a 1994 toll application was due to the process required to resolve the complaint regarding the 1993 tolls and that it believed retroactive ratemaking had not occurred with the 1994 tolls; and
- E. On August 22, 1994 the Airlines advised that interim 1994 tolls had not been approved and proposed that the effective date of the 1994 tolls should be the application date of June 17, 1994; and
- F. On August 24, 1994 the Airlines advised the Commission that the actual throughput on the jet fuel pipeline was higher than forecast for June, July and August and those figures should be included in a revised toll calculation; and
- G. On September 6, 1994 TME informed the Commission that the Airlines letter of August 24, 1994 was not clearly identified as a complaint, was not submitted within the 30 day review period provided in the Commission's March 25, 1994 Decision and would not trigger a toll adjustment under the toll adjustment mechanism; and
- H. On September 20, 1994 TME met with the Shipper's Committee and reached the following agreement for resolving the 1994 toll application:
 - 1. The approved 1993 tolls will remain in effect until June 30, 1994.
 - 2. The applied for 1994 tolls will take effect July 1, 1994.


3. TME will, as soon as possible, prepare and file a monitoring report ("the August Monitoring Report") using actual throughput and expense information to the end of August and a revised forecast for the balance of the year.
 4. If the August Monitoring Report indicates that the projected equity returns will exceed the 2 percent trigger, TME will file revised tolls. The revised tolls, if required, will take effect September 1, 1994.
 5. If the August Monitoring Report does not indicate that the toll trigger has been exceeded, no further action will be required; and
- I. The Commission has considered TME's Application, information filed regarding the Complaint and other supporting information, and finds that a decision on the Toll Application is in accordance with the requirements of the Act.

NOW THEREFORE the Commission orders as follows:

1. TME's Application dated June 17, 1994 to increase the 1994 tolls on its Jet Fuel Pipeline is approved effective July 1, 1994.
2. TME is directed to file a monitoring report for 1994 that has been updated for actual results to the end of August and a revised forecast for the balance of the year.
3. If the August Monitoring Report indicates that the projected equity returns will exceed the 2 percent trigger, TME is directed to file revised tolls with an effective date of September 1, 1994.
4. If the August Monitoring Report does not indicate that the toll trigger has been exceeded, no further action will be required.
5. If complaints are received after the 30 day review period provided in the Commission's March 25, 1994 Decision, the complaint must explain why the issue could not be resolved through the Shippers' Committee and will not be addressed by the toll adjustment mechanism.
6. If a complaint is received after the 30 day review period, any resulting adjustment is expected to take effect on a prospective basis.
7. The Commission will accept, subject to timely filing by TME, amended Jet Fuel Pipeline tolls effective July 1, 1994. TME will duly inform its Shippers on the Pipeline.

DATED at the City of Vancouver, in the Province of British Columbia, this 5th day of October, 1994.

BY ORDER


Dr. Mark K. Jaccard
Chairperson