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CANADA



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER P-5-96

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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 Approval of 1996 Tolls on its Jet Fuel Pipeline

BEFORE: M.K. Jaccard, Chairperson; and)
L.R Barr, Deputy Chairperson) June 26, 1996

O R D E R

WHEREAS:

- A. On December 15, 1995 Trans Mountain Enterprises of British Columbia Limited ("TME") applied to the Commission for approval of a 5% increase in its tolls on the Jet Fuel Pipeline effective February 1, 1996 ("the Application") pursuant to Section 44 of the Pipeline Act ("the Act"); and
- B. On January 22, 1996 the Vancouver Airport Fuel Facilities Corporation and Canadian Airlines Limited ("the Airlines") complained about TME's Application, raised specific concerns about the proposed toll increase and an increase in depreciation expense resulting from a depreciation study; and
- C. The Commission, by Order No. P-1-96, set the current tolls on the TME Jet Fuel Pipeline to be interim effective February 1, 1996 and set a timetable for the resolution of the Airlines' complaint; and
- D. On March 29, 1996 a meeting was held between TME, the Airlines, Shell Canada Limited (a shipper on the TME Pipeline) and Commission staff which resulted in the resolution of 7 of the 9 complaint issues. Other shippers on the TME Pipeline were invited to attend the meeting but declined. The proposed change in depreciation rates was not implemented for 1996 to allow for review by the shippers of the study's findings; and
- E. On June 10, 1996 TME informed the Commission that the two outstanding issues were resolved at a recent shipper's meeting; and

- F. On June 13, 1996 TME filed a revised application ("the Revised Application") for approval of a 7.9 percent decrease in its tolls on the Jet Fuel Pipeline effective February 1, 1996 which incorporated the settlement of the complaint issues; and
- G. On June 19, 1996 the Airlines confirmed that the Revised Application resolves the outstanding issues for the 1996 tolls; and
- H. The Commission has reviewed the Revised Application, the Airlines' letter of support and finds that a toll reduction of 7.9 percent is in accordance with the requirements of the Act.

NOW THEREFORE the Commission orders as follows:

1. The Commission approves a 7.9 percent permanent toll reduction for TME's Jet Fuel Pipeline effective February 1, 1996.
2. TME is to refund to all shippers the difference between the interim and permanent tolls, with interest calculated at TME's average short-term interest rate, for the period in question.

DATED at the City of Vancouver, in the Province of British Columbia, this 28th day of June, 1996.

BY ORDER



Dr. Mark K. Jaccard
Chairperson