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VANCOUVER, B.C. V6Z 2N3
CANADA



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

and

An Application by Suncor Inc. - Resources Group
for Approval of 1996 Tariffs - Blueberry to Taylor Pipeline

BEFORE: M.K. Jaccard, Chairperson; and)
L.R. Barr, Deputy Chairperson) February 1, 1996

O R D E R

WHEREAS:

- A. On December 21, 1995 Suncor Inc. - Resources Group ("Suncor") filed with the Commission for approval of increased tariffs on its Blueberry to Taylor Crude Oil Pipeline effective January 1, 1996; and
- B. The Application for increased tariffs, ranging from approximately 13 percent to 35 percent, is mainly due to a projected decrease in throughput for 1996, an increase in the cost of service as well as an increase in capital investment for pipeline integrity; and
- C. The Commission received complaints about the tariff increases from three Shippers - Morrison Petroleums Ltd., Poco Petroleums Ltd. ("Poco") and Home Oil Company Ltd. ("Home Oil"); and
- D. The Commission, in letters to each Shipper, directed the parties to continue discussions with Suncor and required Poco and Home Oil to endeavor to resolve their complaints by February 16, 1996; and
- E. The Commission required that, if the Poco and Home Oil complaints could not be resolved by February 16, 1996, then Suncor and those Shippers were to explain all outstanding issues to the Commission by March 1, 1996; and
- F. On January 22, 1996 Suncor requested the tariffs on the Pipeline be approved on an interim basis effective January 1, 1996 even though the complaints by Shippers had not been resolved; and
- G. The Commission has considered the Suncor application and the complaints by Shippers and finds that a reduced interim increase is tariffs in required.

NOW THEREFORE pursuant to Part 7 of the Pipeline Act, the Commission orders as follows:

- 1. The Commission approves for Suncor an interim increase in tariffs on the Blueberry to Taylor Pipeline, effective January 1, 1996 as follows:

	<u>Requested Interim Increase</u>	<u>Approved Interim Increase</u>
Blueberry Area	34.82%	17.41%
Inga Area	29.64%	14.82%
Stoddart Area	13.16%	6.58%
Eagle Area	28.57%	14.29%
Taylor Terminal	22.22%	11.11%

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER P-2-96

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The approval of an interim increase in tariffs equivalent to one-half of the requested tariff increase does not indicate any decision on the validity of the Application or the Shippers' complaints at this time. The approval of the interim increase is expected to encourage the parties involved to continue discussions and resolve the complaints expeditiously.

2. The interim rates are subject to refund or recovery with interest at the average prime rate of Suncor's principal bank following final determination by the Commission.
3. The Commission will approve, subject to timely filing by Suncor, an amended Crude Petroleum Tariff page effective January 1, 1996.
4. Suncor is to provide each Shipper on the Pipeline with full and complete cost information in the determination of its 1996 revenue requirements and tariff structure.

DATED at the City of Vancouver, in the Province of British Columbia, this 6th day of February, 1996.

BY ORDER



Dr. Mark K. Jaccard
Chairperson