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CANADA



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-76-98

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IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

Applications by Westcoast Gas Services Inc.
for Exemptions Covering the Transportation and Processing of Natural Gas

BEFORE: P. Ostergaard, Chair)
L.R. Barr, Deputy Chair) August 28, 1998

O R D E R

WHEREAS:

- A. On January 31, 1997, Westcoast Gas Services Inc. ("WGSi") applied to the Commission, under Section 88(3) of the Utilities Commission Act ("the Act"), for an exemption from Part 3 of the Act for the facilities in British Columbia which it uses to transport or process natural gas for others; and
- B. WGSi had entered into service contracts with several customers it proposed to serve through the use of pipelines, gas plants and related facilities owned by WGSi, and intended to enter into additional similar contracts in the future; and
- C. Facilities which have been exempted from Part 3 may continue to be regulated under the Act on a complaint basis; and
- D. The Commission considered the Application and was satisfied that an Order, under Section 88(3) of the Act, exempting the WGSi transportation or processing facilities from the requirements under Part 3, other than Sections 24 and 25, properly conserved the public interest; and
- E. On July 24, 1997, the approval of the Lieutenant Governor in Council was given to the said exemption by Order in Council No. 0832, 1997, which is attached as Appendix II; and
- F. Order in Council No. 0832, 1997, provides that the approval to exempt a facility applies to a transportation or processing facility not listed in Schedule A of the Order in Council, after WGSi advises the Commission, in writing, that it will begin to use the facility to transport or process natural gas for others; and
- G. On August 6, 1997, by Order No. G-90-97, the Commission approved for WGSi the exemption from Part 3, other than Sections 24 and 25, of the facilities listed in Appendix I to the Order which WGSi uses to transport or process natural gas for others; and
- H. On June 5, 1998, WGSi requested exemptions for the Jedney Gas Plant and Pipeline Expansion ("Jedney II") facilities and the Highway facilities; and
- I. The Commission has considered WGSi's request and is satisfied that an Order, under Section 88(3) of the Act, exempting the WGSi Jedney II and Highway facilities from the requirements under Part 3, other than Sections 24 and 25, properly conserves the public interest; and
- J. Section 99 of the Act provides that the Commission may reconsider, vary or rescind an Order made by it.

NOW THEREFORE the Commission orders as follows:

1. Pursuant to Section 88(3) of the Act, the Commission approves for WGSi an exemption from Part 3, other than Sections 24 and 25, for the Jedney II and Highway facilities which WGSi uses to transport or process natural gas for others, effective the date of this Order, and issues the attached revised Appendix I.
2. Facilities listed in the revised Appendix I to this Order will continue to be regulated under the Act on a complaint basis, with a complaint taking a form similar to that of an application by an interested party under the Common Carrier and Common Processor section of Part 4 of the Act, with respect to a facility that has been declared a common carrier or common processor facility.
3. WGSi is directed to advise the Commission, in writing, of any facility which is not listed in Appendix I and which WGSi intends to use to transport and process natural gas for others, so that the Commission, on finding that the exemption of such facility is in the public interest can, by Order, issue a revised Appendix I.
4. WGSi is responsible for the safe and proper operation of its facilities consistent with the requirement of the Pipeline Act and other regulatory requirements.
5. WGSi is directed to file an annual report regarding each exempted facility in the form set out in Appendix III, or as the Commission may otherwise require, and to distribute copies to the shippers using the facility.
6. WGSi is directed to pay fees to the Commission in the amounts that the Commission determines are required to defray costs associated with the regulation of WGSi facilities.

DATED at the City of Vancouver, in the Province of British Columbia, this 10th day September, 1998.

BY ORDER

Original signed by:

Peter Ostergaard
Chair

Attachments


WESTCOAST GAS SERVICES INC.

**Transportation and Processing Facilities in British Columbia
Exempted from Part 3 Regulation**

1. Jedney I area - all pipelines, plant and related facilities.
2. Buckinghorse area - all pipelines, plant and related facilities.
3. Jedney II area – all pipelines, plant and related facilities.
4. Highway area – all pipelines, plant and related facilities.

PROVINCE OF BRITISH COLUMBIA
ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

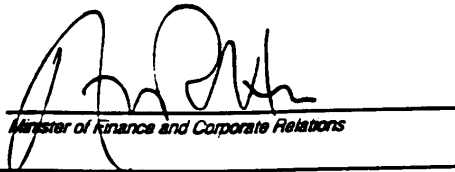
Order in Council No. 0832 , Approved and Ordered JUL 24 1997


Administrator

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the ~~Lieutenant Governor~~ ^{Administrator}, by and with the advice and consent of the Executive Council, orders that

- 1 In this order:
 - "commission" means the British Columbia Utilities Commission;
 - "company" means Westcoast Gas Services Inc;
 - "facility" means a facility that the company uses to transport or process natural gas for others.
- 2 Approval is given to the commission to
 - (a) subject to section 3, exempt the company from the application of Part 3 of the *Utilities Commission Act*, except sections 24 and 25, in respect of facilities, or
 - (b) rescind an exemption granted under paragraph (a) for a facility if the commission considers that the exemption is not in the public interest.
- 3 Section 2 (a) applies
 - (a) to a facility listed in Schedule A, and
 - (b) to a facility not listed in Schedule A beginning after the company advises the commission in writing that the company will begin to use the facility to transport or process natural gas for others.


Minister of Finance and Corporate Relations
Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section:- Utilities Commission Act, R.S.B.C. 1996, c. 473, section 88 (3)

Other (specify):- _____

SCHEDULE A
WESTCOAST GAS SERVICES INC.

**Natural Gas Transportation and Processing Facilities in
British Columbia Exempted from Part 3 Regulation**

- 1 Jedney I Area — all pipelines, plant and related facilities.
- 2 Buckinghorse Area — all pipelines, plant and related facilities.

ANNUAL REPORTING REQUIREMENTS

Complaint Regulation of Companies that Transport or Process Gas for Others

A Report is required for each Separate, Significant Pipeline System or Processing Facility

(Companies are to file Reports within 90 days after fiscal year-end)

1.0 Previous Year Actuals

- Facility name, location, function, and capacity.
- Any significant changes in capacity during the year.
- Throughput during the year.
- Names, address, contact name and telephone number for each shipper.