



IN THE MATTER OF
the Pipeline Act, R.S.B.C. 1996, c. 364

and

An Application by Plateau Pipe Line Ltd.
for Approval of Interim Tolls on the Taylor to Kamloops Pipeline

BEFORE: P. Ostergaard, Chair)
B.L. Clemenhagen, Commissioner)
K.L. Hall, Commissioner) September 7, 2000
N.F. Nicholls, Commissioner)

O R D E R

WHEREAS:

- A. By written application dated August 31, 2000, Plateau Pipe Line Ltd. ("Plateau") as operator of the Taylor to Kamloops crude oil pipeline, requested Commission approval to change the current toll of \$4.16/m³ for deliveries to Prince George from a permanent tariff to an interim tariff and by telephone on September 6, 2000 Plateau requested that the current toll of \$6.40/m³ for deliveries to Kamloops also change from a permanent tariff to an interim tariff, both effective September 1, 2000 ("the Application"); and
- B. On July 31, 2000, Pembina West Limited Partnership acquired all of the shares of the Taylor to Kamloops pipeline from Federated Pipe Lines (Western) Ltd.; and
- C. On August 1, 2000, the Taylor to Kamloops pipeline ruptured near Chetwynd, B.C. Repairs to the pipeline were performed, with clean up of the spill ongoing and, on August 23, 2000, the British Columbia Oil and Gas Commission authorized the Pembina Pipeline Corporation to operate the pipeline from Taylor to Kamloops subject to conditions; and
- D. The current tolls for the Taylor to Kamloops pipeline were approved by Commission Order No. P-3-00 as a one-year extension to December 31, 2000 of the 1995 to 1999 incentive tolling methodology; and
- E. Plateau is in negotiations with Husky Oil Operations Ltd. ("Husky") to determine new tolls to Husky's refinery in Prince George, based on reduced transportation volumes on the pipeline, the costs of operating the pipeline, and other costs; and

- F. The Commission considers that approval of the application and setting a timetable for the filing of new permanent tolls is necessary.

NOW THEREFORE the Commission orders as follows:

1. The current toll of \$4.16/m³ for deliveries from Taylor to Prince George and the current toll of \$6.40/m³ for deliveries from Taylor to Kamloops are to be interim, effective September 7, 2000.
2. Plateau is to enter into discussions with its customers and shippers on the Taylor to Prince George and Taylor to Kamloops segments of the pipeline to determine permanent tolls based on the costs to operate the pipeline segments and the forecasted volumes shipped.
3. Plateau is to file an application for permanent tolls by October 31, 2000 to be effective September 7, 2000, for deliveries from Taylor to Prince George. The application is to also address the tolls for the Taylor to Kamloops segment and the treatment of the 2000 incentive tolling mechanism as approved by Commission Order No. P-3-00.
4. Plateau is to provide a copy of this Order and conveyancing letter to all customers and shippers using the Taylor to Kamloops pipeline.

DATED at the City of Vancouver, in the Province of British Columbia, this 7th day of September 2000.

BY ORDER

Original signed by:

Peter Ostergaard
Chair