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## BRITISH COLUMBIA UTILITIES COMMISSION

Order

Number P-10-00

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

and

An Amendment to Commission Order No. P-9-00

BEFORE:
P. Ostergaard, Chair
L.R. Barr, Deputy Chair
B.L. Clemenhagen, Commissioner
N.F. Nicholls, Commissioner

December 14, 2000

#### ORDER

#### WHEREAS:

- A. Commission Order No. P-3-00 dated March 23, 2000 approved for Federated Pipe Lines (Western) Ltd., the previous owner of the Taylor to Kamloops pipeline, a one-year extension to December 31, 2000 to the 1995 to 1999 incentive tolling methodology approved by Order No. P-5-95; and
- B. Commission Order No. P-6-00, dated September 7, 2000 approved for Plateau Pipe Line Ltd. ("Plateau") the current tolls on the Taylor to Prince George and Taylor to Kamloops crude oil pipelines as interim, effective with deliveries from September 7, 2000. The Commission required Plateau 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 was to also address the tolls for the Taylor to Kamloops segment and the treatment of the 2000 incentive tolling mechanism; and
- C. Commission Order No. P-7-00, dated September 14, 2000, and the Reasons for Decision dated September 21, 2000 denied an application by Husky Oil Operations Limited for an emergency order for the resumption of service on the Taylor to Kamloops pipeline. This Order found that the Taylor to Kamloops pipeline is a common carrier for the purposes of Part 7 of the Pipeline Act; and
- D. Commission Order No. P-9-00, dated November 2, 2000, approved a Plateau application to extend the filing deadline for permanent tolls required by Order No. P-6-00 from October 31, 2000 to November 30, 2000. This Order required Commission staff to meet with Plateau, the British Columbia Oil and Gas Commission staff and shippers on the Taylor to Kamloops pipeline to try to resolve issues; and
- E. On November 28, 2000, Commission staff issued minutes of the meetings held on November 23 and 24, 2000 among shippers and interested parties of the Taylor to Kamloops pipeline; and
- F. On November 30, 2000, Plateau requested that the Commission amend Order No. P-9-00 to further postpone the filing date for a permanent toll application, and suggested a further one month delay. Plateau stated that it would meet with shippers over the first two weeks of December 2000 to try to arrive at consensus on tolls and suitable commitments. In the event that consensus and commitments could not be reached, Plateau intends to file an application for deactivation/suspension of the pipeline; and
- G. The Commission has reviewed Plateau's November 30, 2000 submission and finds that an extension to the toll filing deadline is reasonable and should be approved.

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#### **NOW THEREFORE** the Commission orders as follows:

- 1. The date for Plateau to file its application for permanent tolls on the Taylor to Prince George and Prince George to Kamloops pipeline is extended to December 29, 2000.
- 2. In the event that Plateau files an application for deactivation/suspension of the Taylor to Kamloops pipeline, Plateau is to demonstrate that such an application is appropriate based on safety concerns that are supported by the British Columbia Oil and Gas Commission.
- 3. Plateau is to file an application for permanent tolls on the Taylor to Kamloops pipeline by December 29, 2000. The toll application is to address:
  - incentive tolls from January 1, 2000 to September 6, 2000 and the sharing adjustments as approved by Order No. P-3-00.
  - a methodology for calculating permanent tolls effective September 7, 2000 and the requested tolls.
  - a description and cost of expenditures needed to provide safe and reliable operation that are required by the British Columbia Oil and Gas Commission, and the proposed schedule for completing this work.
  - a description of Plateau's future plans for the pipeline.
- 4. The permanent toll application will be examined in a oral public hearing and the attached Appendix A Regulatory Timetable has been established.
- 5. In the event that Plateau files an application for deactivation/suspension of the Taylor to Kamloops pipeline due to economic reasons, that issue is to be included in the December 29, 2000 permanent toll application.
- 6. Plateau is to provide a copy of this Order to all customers and shippers using the Taylor to Kamloops pipeline and all interested parties that were invited to the November 23 and 24, 2000 meeting in Calgary.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 15<sup>th</sup> day of December 2000.

**BY ORDER** 

Original signed by:

Peter Ostergaard Chair

Attachment

#### PLATEAU PIPE LINE LTD.

## REGULATORY AGENDA

<u>Action</u> <u>Date</u>

#### **Permanent Toll Application**

**December 29, 2000** 

Plateau files a permanent toll application with copies to all shippers and customers using the Taylor to Kamloops pipeline and all interested parties that were invited to the November 23 and 24, 2000 meeting in Calgary.

## Intervenor registration deadline

January 8, 2001

Intervenors intending to participate in the hearing are to register with the Commission in writing with a copy to Plateau. Shortly following the registration deadline, the Commission will issue a list of registered intervenors.

#### Information requests issued

January 12, 2001

Information requests to be issued by intervenors and Commission staff to Plateau with a copy to the registered intervenors and the Commission.

#### **Information responses**

January 26, 2001

Plateau to respond to information requests with a copy to the Commission and registered intervenors.

#### **Intervenor Evidence filed**

February 2, 2001

Intervenors to file written evidence with the Commission with copies to Plateau and registered intervenors.

Public Hearing commences at 9 am in BCUC offices in Vancouver

February 13, 2001