

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-30-06

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

and

**An Application from Duke Energy Field Services Canada Partnership
for an Exemption Covering the Transportation and Processing of Natural Gas**

BEFORE: L.F. Kelsey, Commissioner
L.A. Boychuk, Commissioner March 23, 2006

O R D E R

WHEREAS:

- A. On July 31, 1997 by Order No. G-89-97 and on August 28, 1998 by Order No. G-77-98, with the approval of the Lieutenant Governor in Council ("LGIC"), pursuant to Order in Council No. 831, 1997 the Commission, pursuant to Section 88(3) of the Utilities Commission Act ("the Act"), approved for Novagas Clearinghouse Ltd. ("NCL") an exemption from Part 3 of the Act for the facilities in British Columbia ("the facilities") which NCL used to transport or process natural gas for others; and
- B. Facilities which have been exempted from Part 3, other than Sections 24 and 25, may continue to be regulated under the Act on a complaint basis; and
- C. On April 17, 2000, Canadian Midstream Services Ltd. ("CMSL") applied to the Commission for an exemption from Part 3 of the Act for the natural gas gathering and processing facilities in the Peggo, Midwinter and Tooga areas in British Columbia, which it purchased from TransCanada Midstream, the successor in interest to NCL, and which CMSL uses to transport and process natural gas for others; and
- D. The Commission, by Order No. G-96-00, approved an exemption for CMSL with the advance approval of the LGIC pursuant to Order in Council No. 1302, 2000. In accordance with Condition 3 of Order No. G-96-00, the transportation or processing facilities not listed in Appendix I to Order No. G-96-00 may be exempted by the Commission after CMSL advises the Commission in writing that CMSL will begin to use the facility to transport or process natural gas for others and the Commission finds that the extension of such facility is in the public interest; and
- E. On August 25, 2005, Duke Energy Gas Transmission advised the Commission that in 2001 CMSL amalgamated with Duke Energy Field Services Canada Ltd. ("DEFSCL") and that subsequently, Duke Energy Midstream Services Canada Ltd. ("DEMSCL") amalgamated with DEFSCL to continue as one company under the name Duke Energy Midstream Services Canada Corporation ("DEMSCC"), the name of which is to be used for the continuation and re-issuance of the exemption order requested in the August 25, 2005 letter; and

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-30-06

2

- F. On October 3, 2005, DEMSCC advised the Commission that an addition to the facilities listed in Appendix I to Order No. G-96-00 was required. DEMSCC owns a small dehydration, compression and pipeline facility in the Sunrise area with a capacity of 10 MMcf/day and submits that it would be in the public interest to grant an exemption for the Sunrise facilities; and
- G. The Commission, by Order No. G-101-05, continued and reissued the exemption approvals given under Order No. G-96-00 in the name of DEMSCC and revised Appendix I to Order No. G-96-00 to include the Sunrise dehydration, compression and pipeline facilities; and
- H. On October 13, 2005, DEMSCC advised the Commission that its transportation and processing facilities are held in a general partnership called Duke Energy Field Services Canada Partnership (“DEFSCP”), the partners of which are DEMSCC and a wholly-owned subsidiary of DEMSCC, and requested that DEFSCP also be exempted from Part 3 of the Act; and
- I. The Commission has considered the request and is satisfied that an Order, under Section 88(3) of the Act, exempting DEFSCP in respect of its transportation and processing facilities from the requirements under Part 3, other than Sections 24 and 25, properly conserves the public interest; and
- J. On March 9, 2006 the approval of the Lieutenant in Council was given to the said exemption by Order in Council No. 125, 2006 which is attached to this Order as Appendix III; and
- K. Order in Council No. 125, 2006 grants approval for an exemption substantially in the form of the draft Commission Order that was attached to the Order in Council, which provides that a transportation or processing facility not listed in Appendix I of the Commission Order may be exempted by the Commission after DEFSCP advised the Commission, in writing, that DEFSCP will begin to use the facility to transport or process natural gas for others; and
- L. 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 DEFSCP an exemption from Part 3 of the Act, other than Sections 24 and 25, of the facilities listed in Appendix I which DEFSCP uses to transport or process natural gas for others, effective the date of this Order.

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-30-06

3

2. The facilities identified in Appendix I 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 sections of Part 4 of the Act with respect to facilities operated by a person declared to be a common carrier or common processor.
3. DEFSCP is directed to advise the Commission, in writing, of any facility that is not listed in Appendix I and which DEFSCP 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 may, by Order, issue a revised Appendix I.
4. DEFSCP is responsible for the safe and proper operation of its facilities consistent with the requirements of the Pipeline Act and other regulatory requirements.
5. DEFSCP is directed to file an annual report regarding each exempted facility in the form set out in Appendix II or as the Commission may otherwise require, and to distribute copies to the shippers using the facility.
6. DEMSPC 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 DEFSCP facilities.

DATED at the City of Vancouver, in the Province of British Columbia, this 27th day of March 2006.

BY ORDER

Original signed by

L.F. Kelsey
Commissioner

Attachments

DUKE ENERGY FIELD SERVICES CANADA PARTNERSHIP

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

1. Peggo, Midwinter and Tooga areas - all pipelines, plant and related facilities.
2. Sunrise 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, capacity.
- Any significant changes in capacity during the year.
- Throughput during the year.
- Names, address, contact name and telephone number for each shipper.

PROVINCE OF BRITISH COLUMBIA
ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. **125**, Approved and Ordered **MAR 9 2006**



Lieutenant Governor
Administration

Executive Council Chambers, Victoria


On the recommendation of the undersigned, the ~~Lieutenant Governor~~^{Administration}, by and with the advice and consent of the Executive Council, orders that approval is given to the British Columbia Utilities Commission to exempt Duke Energy Field Services Canada Partnership from the provisions of the *Utilities Commission Act* for the purpose and subject to the terms set out in the attached draft order of the British Columbia Utilities Commission.

BCUC Log # 14032
RECEIVED

MAR 10 2006
Routing JBW
ref: 12151



Attorney General and Minister Responsible for
Multiculturalism



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, s. 88 (3)

Other (specify):- _____

December 2, 2005

page 1 of 1

re-sub 1036/2005/3

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-XX-05

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

DRAFT

and

An Application from Duke Energy Field Services Canada Partnership
for an Exemption Covering the Transportation and Processing of Natural Gas

BEFORE: Commissioner
Commissioner

November xx, 2005

O R D E R

WHEREAS:

- A. On July 31, 1997 by Order No. G-89-97 and on August 28, 1998 by Order No. G-77-98, with the approval of the Lieutenant Governor in Council, pursuant to Order in Council No. 831, 1997 the Commission, pursuant to Section 88(3) of the Utilities Commission Act ("the Act"), approved for Novagas Clearinghouse Ltd. ("NCL") an exemption from Part 3 of the Act for the facilities in British Columbia ("the facilities") which NCL used to transport or process natural gas for others; and
- B. Facilities which have been exempted from Part 3, other than Sections 24 and 25, may continue to be regulated under the Act on a complaint basis; and
- C. On April 17, 2000, Canadian Midstream Services Ltd. ("CMSL") applied to the Commission for an exemption from Part 3 of the Act for the natural gas gathering and processing facilities in the Peggo, Midwinter and Tooga areas in British Columbia which it purchased from TransCanada Midstream, the successor in interest to NCL, and which CMSL uses to transport and process natural gas for others; and
- D. The Commission, by Order No. G-96-00, approved an exemption for CMSL, with the advance approval of the LIGIC pursuant to Order in Council No. 1302, 2000. In accordance with Condition 3 of Order No. G-96-00, the transportation or processing facilities not listed in Appendix I to Order No. G-96-00 may be exempted by the Commission after CMSL advises the Commission in writing that CMSL will begin to use the facility to transport or process natural gas for others and the Commission finds that the extension of such facility is in the public interest; and
- E. On August 25, 2005, Duke Energy Gas Transmission advised the Commission that in 2001 CMSL amalgamated with Duke Energy Field Services Canada Ltd. ("DEFSCSL") and that subsequently, Duke Energy Midstream Services Canada Ltd. ("DEMSCL") amalgamated with DEFSCSL to continue as one company under the name Duke Energy Midstream Services Canada Corporation ("DEMSCC"), the name of

.../2

BRITISH COLUMBIA UTILITIES COMMISSION	
ORDER NUMBER	G-XX-05

2

which is to be used for the continuation and re-issuance of the exemption order requested in the August 25, 2005 letter; and

- F. On October 3, 2005, DEMSCC advised the Commission that an addition to the facilities listed in Appendix I to Order No. G-96-00 was required. DEMSCC owns a small dehydration, compression and pipeline facility in the Sunrise area with a capacity of 10 MMcf/day and submits that it would be in the public interest to grant an exemption for the Sunrise facilities; and
- G. The Commission, by Order No. G-101-05, continued and reissued the exemption approvals given under Order No. G-96-00 in the name of DEMSCC and revised Appendix I to Order No. G-96-00 to include the Sunrise dehydration, compression and pipeline facilities; and
- H. October 13, 2005 DEMSCC advised the Commission that its transportation and processing facilities are held in a general partnership called Duke Energy Field Services Canada Partnership ("DEFSCP"), the partners of which are DEMSCC and a wholly-owned subsidiary of DEMSCC, and requested that DEFSCP also be exempted from Part 3 of the Act; and
- I. The Commission has considered the request and is satisfied that an Order, under Section 88(3) of the Act, exempting DEFSCP in respect of its transportation and processing facilities from the requirements under Part 3, other than Sections 24 and 25, properly conserves the public interest; and
- J. On November ____, 2005 the approval of the Lieutenant in Council was given to the said exemption by Order in Council No. ____, 2005 which is attached as Appendix III; and
- K. Order in Council No. ____, 2005 grants approval for an exemption substantially in the form of the draft Commission Order that was attached to the Order in Council, which provides that a transportation or processing facility not listed in Appendix I of the Commission Order may be exempted by the Commission after DEFSCP advised the Commission, in writing, that DEFSCP will begin to use the facility to transport or process natural gas for others; and
- L. 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 DEFSCP the exemption from Part 3 of the Act, other than Sections 24 and 25, of the facilities listed in Appendix I which DEFSCP uses to transport or process natural gas for others, effective the date of this Order.

.../3

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-XX-05**

3

2. The facilities identified in Appendix I 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 sections of Part 4 of the Act with respect to facilities operated by a person declared to be a common carrier or common processor.
3. DEFSCP is directed to advise the Commission, in writing, of any facility that is not listed in Appendix I and which DEFSCP 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 may, by Order, issue a revised Appendix I.
4. DEFSCP is responsible for the safe and proper operation of its facilities consistent with the requirements of the Pipeline Act and other regulatory requirements.
5. DEFSCP is directed to file an annual report regarding each exempted facility in the form set out in Appendix II or as the Commission may otherwise require, and to distribute copies to the shippers using the facility.
6. DEMSPC 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 DEFSCP facilities.

DATED at the City of Vancouver, in the Province of British Columbia, this day of November 2005.

BY ORDER

Commissioner

Attachments

APPENDIX I
to Order No. G-xx-05
Page 1 of 1

DUKE ENERGY FIELD SERVICES CANADA PARTNERSHIP

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

1. Peggo, Midwinter and Tooga area - all pipelines, plant and related facilities.
2. Sunrise area – all pipelines, plant and related facilities

APPENDIX II
to Order No. G-xx-05
Page 1 of 1

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