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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** P-8-07

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

and

**An Application by Plateau Pipe Line Ltd.
for Approval of the 2007 and 2008 Western System Tolls**

BEFORE: L.F. Kelsey, Panel Chair and Commissioner December 21, 2007
P.E. Vivian, Commissioner

O R D E R

WHEREAS:

- A. On October 5, 2007 Plateau Pipe Line Ltd. ("Plateau", the "Company") informed the Commission that the Company, Husky Oil Operations Limited ("Husky") and Chevron Canada Limited ("Chevron") (collectively the "Parties") were unable to reach a negotiated settlement regarding the Western System Tolls to be effective July 1, 2007. In accordance with Commission Order No. P-6-07, Plateau filed the 2007 Western System Tolls Application (the "Application") on November 30, 2007; and
- B. Commission Order No. P-4-07 established the proposed Western System Tolls as interim and refundable, effective July 1, 2007:
- A \$5.51/m³ toll increase from \$5.69/m³ to \$11.20/m³ for crude oil deliveries from Taylor to Prince George,
 - A \$8.48/m³ toll increase from \$8.75/m³ to 17.23/m³ for crude oil deliveries from Taylor to Kamloops; and
- C. The Application requests the approval of tolls on its Western System effective for the period of July 1, 2007 to December 31, 2007:
- A toll of \$9.35/m³ for crude oil deliveries from Taylor to Prince George,
 - A toll of 14.38/m³ for crude oil deliveries from Taylor to Kamloops; and
- D. The Application also requests the approval of tolls on its Western System effective for the period of January 1, 2008 to December 31, 2008:
- A toll of \$11.67/m³ for crude oil deliveries from Taylor to Prince George,
 - A toll of \$17.95/m³ for crude oil deliveries from Taylor to Kamloops; and

- E. On December 10, 2007, the Commission issued Letter No. L-99-07 requesting submissions from the Parties regarding:
- the inclusion of material from the May 30, 2007 to September 30, 2007 negotiations between the Parties (the “Negotiations”) as exhibits in the proceeding ,
 - the process options for review of the Application,
 - the registration of Intervenor and Interested Parties in addition to Husky and Chevron,
 - the proposed draft regulatory timetable and dates,
 - the of location for the proceeding and any other matters that would assist the Commission to efficiently review the Application; and
- F. In a submission dated December 18, 2007, Plateau stated that material from the Negotiations should not be included in the proceeding. The Company stated that it was willing to proceed with a written process, but noted that an oral hearing may be necessary if an Intervenor filed evidence. Plateau also submitted that participants in the Settlement Agreement approved by Commission Order No. P-2-02 should be provided with notice of the deadline to intervene and that the proceeding should be advertised in the Vancouver and Calgary newspapers. Plateau proposed a regulatory timetable that provided for an additional week to respond to Commission Information Request No. 2 and considers Vancouver to be the appropriate location for the proceeding; and
- G. On December 18, 2007, Chevron submitted that the proceeding should exclude material from the Negotiations and that a written hearing process was acceptable. Regarding the Commission’s draft regulatory timetable, Chevron considers that there may be merit in a second round of Intervenor Information Requests and concurred with the January 11, 2007 deadline for the registration of Intervenor and Interested Parties. Chevron made no submissions regarding the location of the proceeding; and
- H. In a submission dated December 20, 2007, Husky agreed with Plateau and Chevron that material from the Negotiations should be excluded from the proceeding, but proposes that the Commission reserve consideration of Plateau’s \$800,000 claim for regulatory and hearing costs until all other issues arising from the Application have been determined. Regarding the review of the Application, Husky agreed that a written hearing process could be used and supported Chevron’s request for a second round of Intervenor Information Requests. Husky also confirmed that it proposes to file Intervenor Evidence and recognized that other parties may have Information Requests regarding the Intervenor Evidence. Husky considers that adequate notice to the Intervenor and Interested Parties could be given by providing a copy of the Commission Letter No. L-99-07 to Shippers, in addition to further directions that the Commission issues in the future. Husky’s submission also agreed that Vancouver was the appropriate location for the proceeding and included a proposed regulatory timetable; and
- I. The Commission has reviewed the Application and submissions and considers that establishment of a regulatory timetable for the review of the Application is warranted.

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NOW THEREFORE the Commission orders that the Application for the approval of 2007 and 2008 Western System Tolls will be reviewed by a public hearing process and a Regulatory Timetable is established as set out in Appendix A to this Order. The Commission also directs that:

1. The proceeding will exclude material from the Negotiations as exhibits, a list of exhibits received to this date are included in Appendix B to this Order.
2. The Application, together with any supporting materials, will be made available for inspection at the offices of Plateau, 2000 – 700 9th Avenue SW, Calgary, Alberta T2P 2M7, on the Commission's web site at <http://www.bcuc.com>, and at the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C., V6Z 2N3.
3. Intervenor or Interested Parties should register with the Commission, in writing or electronic submission, by Friday, January 11, 2008.
4. Intervenor intending to apply for participant assistance must submit a budget estimate by Friday, February 8, 2008, consistent with the Commission's Participant Assistance/Cost Award Guidelines and Order No. G-72-07. Copies are available upon request or can be downloaded from the Commission's web site at <http://www.bcuc.com>.
5. Plateau is to provide a copy of this Order to all participants in the Settlement Agreement approved by Commission Order No. P-2-02, by 4:00 p.m. on January 4, 2008.

DATED at the City of Vancouver, in the Province of British Columbia, this 21st day December 2007.

BY ORDER

Original signed by:

L.F. Kelsey
Panel Chair and Commissioner

Attachments

An Application by Plateau Pipe Line Ltd. ("Plateau")
for the Approval of 2007 and 2008 Western System Tolls

REGULATORY AGENDA AND TIMETABLE

ACTION	DATES (2007/08)
Commission Information Request No. 1	Wednesday, December 19
Plateau Response to Commission Information Request No. 1	Monday, January 7
Registration of Intervenor and Interested Parties	Friday, January 11
Commission Information Request No. 2 and Intervenor Information Request No. 1	Wednesday, January 16
Plateau Response to Commission Information Request No. 2 and Intervenor Information Request No. 1	Wednesday, January 30
Intervenor Information Request No. 2	Wednesday, February 6
Plateau Response to Intervenor Information Request No. 2	Wednesday, February 13
Intervenor Evidence	Wednesday, February 20
Plateau Information Request on Intervenor Evidence Commission Information Request on Intervenor Evidence	Wednesday, February 27
Intervenor Response to Plateau Information Request Intervenor Response to Commission Information Request	Wednesday, March 5
Submissions from Applicant and Intervenor on the Requirement for an Oral Hearing and Proposed dates for Written Argument	Monday, March 10

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

and

Plateau Pipe Line Ltd.
Application for the Approval of 2007 and 2008 Western System Tolls

EXHIBIT LIST

Exhibit No.	Description
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COMMISSION DOCUMENTS

- | | |
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| A-1 | Commission Order P-4-07 issued June 28, 2007 for review of the Plateau Pipe Line Ltd. Application for approval of the 2007 Tolls for the Western System and establishing the proposed customer tolls as interim and refundable, effective July 1, 2007 |
| A-2 | Commission Order P-6-07 issued October 16, 2007 for a filing extension of the Plateau Pipe Line Ltd. Application for Approval of the 2007 Western System Tolls |
| A-3 | Letter dated December 10, 2007 issuing the draft Regulatory Timetable for the review of the Plateau Pipe Line Ltd. Application |
| A-4 | Letter dated December 19, 2007 issuing Commission Information Request No. 1 to Plateau |
| A-5 | Letter dated December 21, 2007 issuing Order No. P-8-07 establishing a public hearing process and Regulatory Timetable |

APPLICANT DOCUMENTS

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| B-1 | Letter dated November 30, 2007, from Paul Jeffrey, of Blake, Cassels & Graydon LLP, legal counsel, filing the Plateau Pipe Line Ltd. Application for Approval of Final Tolls for the Western System |
| B-2 | Letter dated December 18, 2007, from Paul Jeffrey, of Blake, Cassels & Graydon LLP, legal counsel, filing response and comments (Exhibit A-3; L-99-07) |

INTERVENOR DOCUMENTS

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| C1-1 | Chevron Canada Limited – Letter dated December 18, 2007 from Keith Bergner of Lawson Lundell, legal counsel, filing response and comments to Commission's L-99-07 |
| C2-1 | Husky Oil Operations Ltd. (Husky) – Letter dated December 20, 2007 from Richard A. Neufeld, Fraser Milner Casgrain filing response and comments to Commission's L-99-07 |

INTERESTED PARTY DOCUMENTS

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| D-1 | CANADIAN ASSOCIATION OF PETROLEUM PRODUCERS (CAPP) – Letter dated December 12, 2007, from Barry Lynch, Manager, filing request for Interested Party status |
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