



**LETTER NO. L-28-08**

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**VIA E-MAIL**

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June 20, 2008

Mr. Paul Jeffery  
Blake, Cassels & Graydon LLP  
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Suite 3500, Bankers Hall East Tower  
Calgary, Alberta T2P 4J8

**PLATEAU PIPELINE LTD**  
**2007 TOLLS FOR THE WESTERN SYSTEM**      **EXHIBIT A-14**

Dear Mr. Jeffery:

**Re: Plateau Pipe Line Ltd. ("Plateau", "the Company")**  
**Application for the Approval of 2007 and 2008 Western System Tolls (the "Application")**

In accordance with the Amended Regulatory Agenda and Timetable established by Commission Order No. P-6-08, Plateau submitted Information Requests on Intervenor Evidence to Chevron on May 26, 2008 ("the Plateau IRs") and Chevron responded to the Plateau IRs on June 9, 2008. On June 16, 2008 Plateau submitted a letter to the Commission (the "Plateau Letter") stating that Chevron did not respond, sufficiently or at all, to 40 IRs and requests that the Commission direct Chevron to provide responses to the 23 specific IRs identified in the Plateau Letter (the "23 IRs"). Plateau states that the 23 IRs are relevant to the issues raised by the Application and that without this information, Plateau's ability to meaningfully address the points Chevron contests is impaired.

The Commission has reviewed Chevron's responses to the Plateau IRs and the 23 IRs and directs the following:

**1. Plateau-Chevron IRs 1.1(c), 1.2(c)(iii) and 1.2(c)(v)**

Regarding forecasts from shippers, page 66 of the 2001 Plateau Pipeline Decision (the "2001 Decision") states:

"The Commission is aware that shippers are unwilling to provide the requested commitments and these risks are reflected in the ROE that has been established for the pipeline. Shippers will be expected to comply with all reasonable requests for forecasts of expected shipments, such as the five year forecasts that have been provided in the past on the Western System."

Chevron is to provide responsive answers to Plateau-Chevron IRs 1.1(c), 1.2(c) (iii) and 1.2(c) (v). In addition, Plateau is directed to request five year forecasts of expected shipments from all shippers on the Western System.

**2. Plateau-Chevron IRs 1.2(d), (e), (g) and (i)**

Regarding the viability of Chevron's Burnaby Refinery, page 66 of the 2001 Decision states:

"Chevron stated that it has no plans at this time to shut down its Burnaby refinery, and that it will upgrade the refinery to meet Federal gasoline standards required in 2005 (Exhibit 7B, p 7)."

The detailed information requested in Plateau-Chevron IRs 1.2(d), (e), (g) and (i) may be commercially sensitive; therefore the Commission directs Chevron to provide a response similar in detail to the discussion of Chevron feedstock on page 66 of the 2001 Decision.

### **3. Plateau-Chevron 1.3(a), (b), (c), (d), (f) and (g)**

Regarding Imperial Oil's sources of supply, page 29 of the 2001 Decision states:

"Plateau did not offer any independent market forecast information to support its forecast, but indicated that its projections considered that Imperial Oil had signed a long-term agreement for Boundary Lake crude and that this may cause large amounts of oil to go east. The agreement is the commitment that Imperial Oil made to Federated, which permits the oil to be shipped on either the Northern system or the Western System (T4: 735 and 736; T7: 1134 and 1135)."

Regarding Chevron's feedstock, page 66 of the 2001 Decision states:

"Chevron also stated that its interests in the Athabasca Oil Sands project would not have an impact on its demand for B.C. crude. Even if the Burnaby refinery was able to process material from the Scotford Upgrader outside Edmonton, this feedstock would replace existing synthetic crude purchases rather than crude oil (Exhibit 7A, p. 1)."

The detailed information requested in Plateau-Chevron IRs 1.3(a), (b), (c), (d), (f) and (g) may be commercially sensitive; therefore the Commission directs Chevron to provide a response similar to the discussion of Imperial Oil's sources of supply and Chevron feedstock on pages 29 and 66 of the 2001 Decision and their impact on use of the Western System.

### **4. Plateau-Chevron 1.4(c) and (d)**

Regarding shipper commitments, page 65 of the 2001 Decision states:

"Husky, Chevron, Encal, Imperial Oil and CAPP all opposed the request for shipper commitments on the basis that such commitments were not required on the Western System prior to the break, including when Pembina did its assessment of risk factors prior to purchasing the pipeline. Competitive tariffs would ensure that volumes that are consistent with those Pembina used in its assessment of the Western System would continue to move on the pipeline without the need for shipper commitments."

Exhibit B-3, BCUC IR No. 1, BCUC IR 39.7 states:

"It is Plateau's understanding that Western System customers do not decide between using either system on the basis of the relative tolls alone, or sometimes on that basis at all. If that were the case, the lower toll on the Western System over the last number of years should have resulted in the line being much more fully utilized. Also, if that were the case, the increase in toll over the last half of 2007 should have caused a decline in throughput instead of marginal increase in throughput experienced."

Chevron is to provide responsive answers to Plateau-Chevron IRs 1.4(c) and (d), but detailed commercially sensitive information may be excluded.

**5. Plateau-Chevron 1.5(c) and (d)**

Chevron is to provide responsive answers to Plateau-Chevron IRs 1.5(c) and (d), but detailed commercially sensitive information may be excluded.

**6. Plateau-Chevron 1.6(c) and (d)**

Chevron is to provide responsive answers to Plateau-Chevron IRs 1.6(c) and (d).

**7. Plateau-Chevron 1.6(e) and (g)**

The detailed information requested in Plateau-Chevron IRs Plateau-Chevron 1.6(e) and (g) may be commercially sensitive; therefore Chevron is not required to respond to these IRs.

**8. Plateau-Chevron 1.12 (b) and (c)**

Chevron is to provide responsive answers to Plateau-Chevron IRs 1.12(b) and (c).

In accordance with the directions in this Letter, please provide a response to the Plateau-Chevron Information Request by Monday, June, 30, 2008. Please file the responses as per the filing instructions set out in the B.C. Utilities Commission Document Filing Protocols, effective May 16, 2005.

Yours truly,

*Original signed by:*

Erica M. Hamilton

SPS/cms

cc: Registered Intervenors