



**LETTER NO. L-29-08**

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Log No. 25481

**VIA E-MAIL**

Scott\_Stoness@kindermorgan.com

June 23, 2008

Mr. D. Scott Stoness  
Vice President - Regulatory  
Kinder Morgan Canada Inc.  
2700 – 300 5<sup>th</sup> Avenue SW  
Calgary, Alberta T2P 5J2

Dear Mr. Stoness:

Re: Trans Mountain (Jet Fuel) Inc. ("TMJ")  
Reconsideration of Commission Order No. P-3-08 and Reasons for Decision

In a letter dated May 27, 2008, TMJ requested that the Commission reconsider its decision to exclude the \$67,090.19 of regulatory rate case costs ("RCC") regarding the Application for Approval of Tolls and Accelerated Depreciation Reasons for Decision and Commission Orders No. P-3-08 and P-5-08. TMJ also requested that it be allowed to recover the RCC over the remaining amortization period from 2009 to 2012.

On March 14, 2008, TMJ submitted its 2008 Tariff Filing as required by Commission Order No. P-3-08 (the "Filing"). TMJ informed the Commission on April 2, 2008, that the billing of \$7,689.81 for Commission Costs related to the Application was not an anticipated cost in the Filing and not included in the forecast for hearing costs. By Commission Order No. P-5-08, the Panel allowed the recovery of \$147,689.81 of hearing costs. TMJ is of the opinion that the Commission has erred in its determination of costs claimed, and that there is just cause to reconsider the decision. TMJ further submits that it is appropriate in the circumstances to dispense with the two-step reconsideration process and proceed directly to a consideration of the merits of the reconsideration.

With respect to TMJ's request for reconsideration, the Commission normally follows the practice outlined in the Commission's Reconsideration Criteria which is outlined in the Commission's document, "Understanding Utility Regulation, A Participants' Guide to the BC Utilities Commission". Although a request for reconsideration usually proceeds through a two-phase process, in the situation at hand the Commission accepts the position of TMJ that the matter should proceed directly to a reconsideration.

Therefore, the Commission establishes a reconsideration of the RCC based on the merits of the matter as set out in the submission of TMJ. In considering the TMJ request the Commission is of the understanding that TMJ will not wish to file any further submissions on this matter, other than a reply to any submissions from the intervenors in the proceeding that lead to the Order, should any submissions be filed. The Commission requests that TMJ confirm this understanding by Friday, June 27, 2008.

The Commission will, by copy of this letter, provide an opportunity for the intervenors of record to comment on TMJ's request for reconsideration of the RCC. Comments, if any, from the intervenors must be submitted by Monday, July 7, 2008 with a copy to TMJ. If comments are submitted by the intervenors, TMJ is provided an opportunity to reply by Friday, July 11, 2008.

Yours truly,

*Original signed by*

Erica M. Hamilton

SM/cms

Enclosure

Cc: Registered Intervenors  
Matthew Gikhas, Fasken Martineau DuMoulin LLP