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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-10-11**

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

and

**An Application by Plateau Pipe Line Ltd.
for Approval of the Northeast BC Pipeline and Blueberry Pipeline Toll Decreases**

BEFORE: L.F. Kelsey, Commissioner
D.A. Cote, Commissioner
N.E. MacMurchy, Commissioner January 20, 2011
D. Morton, Commissioner

O R D E R

WHEREAS:

- A. On December 16, 2010, Plateau Pipe Line Ltd. (Plateau, the Company) applied to the British Columbia Utilities Commission (Commission) for approval of 2011 revised tariff and supplemental toll information for the Northeast BC Pipeline (NEBC Pipeline) and the Blueberry to Taylor Pipeline (Blueberry Pipeline) effective January 1, 2011 (the Application);
- B. The Application requests approval for the following tariff and supplemental toll information, effective January 1, 2011:
 - I. A 40 percent toll decrease at all locations on the NEBC Pipeline, except the McMahon Gas Plant and Taylor Terminal.
 - II. A reduction in the toll at Taylor Terminal from \$8.00/m³ to \$6.00/m³.
 - III. A 10 percent toll decrease for all locations on the Blueberry Pipeline;
- C. The Application states that higher volumes and lower expenditures than forecast are expected to produce an accumulated surplus of approximately \$6.7 million for the NEBC Pipeline and \$700,000 for the Blueberry Pipeline by the end of 2010. The toll decreases are to reduce the NEBC Pipeline surplus over 3 to 4 years and keep the Blueberry Pipeline surplus from growing;
- D. Plateau provided a copy of the Application to Shippers on the NEBC Pipeline and Blueberry Pipeline and no complaints have been received by the Commission to date;

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- E. By B.C. Regulation 274/2010 effective October 4, 2010, section 200 of the *Oil and Gas Activities Act* (OGAA) repealed the Pipeline Act and section 203 of the OGAA amended section 65 of the *Utilities Commission Act* (the Act). The amendment to section 65 of the Act added subsections (3.1) and (3.2) to that section. Section 65(3.1)(a) of the Act allows the Commission to establish conditions for the tolls that may be charged by a common carrier. Section 65(3.1)(b) of the Act allows the Commission to establish conditions on the extensions, improvements or abandonment of service. Section 65(3.2) of the Act allows the Commission to order that section 43 [Duty to provide information] applies with respect to a common carrier;
- F. By Order in Council (OIC) 593/2010 (the Energy Resources Regulation) effective October 4, 2010, the Lieutenant Governor in Council prescribed petroleum, as defined in section 1 of the Petroleum and Natural Gas Act, liquid hydrocarbons and petroleum products as types of energy resources for the purposes of section 65(2)(a)(ii) of the Act;
- G. The Commission has reviewed the Application and considers that approval of January 1, 2011 NEBC Pipeline and Blueberry Pipeline tolls is warranted.

NOW THEREFORE the Commission orders as follows:

1. The requested NEBC Pipeline and Blueberry Pipeline toll decreases are approved as permanent effective January 1, 2011 in accordance with section 65(3.1)(a) of the Act.
2. The approved tolls are permanent and subject to review by the Commission in the event of a complaint by one or more Shippers on the pipelines within 60 days of this Order. If a complaint is received by the Commission after 60 days of this Order, any adjustment in tolls will be on a prospective basis.
3. Plateau is to provide a copy of this Order to all Shippers on the NEBC Pipeline and Blueberry Pipeline.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day January 2011.

BY ORDER

Original signed by:

D.A. Cote
Commissioner