



**ORDER NUMBER
G-154-21**

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

Vancouver Airport Fuel Facilities Corporation
Complaint Regarding Jet Fuel Line Abandonment of Service

BEFORE:

D. M. Morton, Panel Chair

on May 20, 2021

ORDER

WHEREAS:

- A. By letter dated April 30, 2021, PKM Canada (Jet Fuel) Inc. (PKMJF) informed the British Columbia Utilities Commission (BCUC) that the company's approximately 41 kilometer long pipeline used to transport aviation turbine fuel (jet fuel) from the Westridge Marine Terminal in Burnaby to the Vancouver International Airport (the Jet Fuel Line, or JFL) had been shutdown effective immediately;
- B. By letter dated May 3, 2021, BCUC staff requested that PKMJF provide weekly updates on the status of the JFL with respect to the safety of the system and PKMJF's restoration efforts;
- C. By letter dated May 14, 2021, PKMJF informed the BCUC of its intention to permanently discontinue service on the JFL;
- D. Under Part 4 of the *Utilities Commission Act*, the BCUC may establish conditions with respect to a common carrier in relation to abandonment of service;
- E. By letter dated May 14, 2021, the Vancouver Airport Fuel Facilities Corporation (VAFFC) filed a complaint with the BCUC regarding the current abandonment of service of the JFL and PKMJF's intention to permanently abandon service (Complaint). In the Complaint, VAFFC requests that the BCUC "immediately establish a return to service reporting framework" and take the following steps:
 - Direct PKMJF to file a *short pro forma* return to service plan for the JFL by May 19, 2021, copying shippers, that clearly sets out the safety problems PKMJF has identified, the steps PKMJF has taken, remaining steps, and what a return to service timeline would be;
 - Request BC Oil and Gas Commission (BCOGC) engineering participation, as independent pipeline integrity expertise will be required to assess and confirm the safety and timing elements of PKMJF's plans and responses; and

- Direct a recurring Monday/Wednesday/Friday reporting conference call on a virtual WebEx or Zoom or Teams platform between BCUC staff, BCOGC staff, shipper and YVR representatives, and PKMJF. The purpose would be for PKMJF to report on its activities and expected timelines, update its return to service plan on a rolling basis, and respond to questions;
- F. By letter dated May 17, 2021, the BCUC invited submissions from PKMJF and Parkland Refining (B.C.) Ltd. (Parkland) on the Complaint. The BCUC also requested that, starting May 19, 2021, PKMJF host recurring Monday/Wednesday/Friday conference calls open to shippers, BCUC staff, and other interested parties;
- G. Parkland and PKMJF filed reply submissions regarding the Complaint on May 19, 2021; and
- H. The BCUC has reviewed the Complaint and Parkland and PKMJF's reply submissions and makes the following determinations.

NOW THEREFORE the BCUC orders as follows:

1. PKMJF may not abandon service of the JFL without BCUC approval.
2. PKMJF is directed to return the JFL to service, with all necessary safety measures and regulatory approvals in place, as soon as possible, but by no later than 30 days from the issuance of this order unless PKMJF can provide evidence satisfactory to the BCUC that it is unable to do so.
3. PKMJF is directed to file a return to service plan (Plan) for the JFL with the BCUC by no later than Thursday, May 27, 2021. The Plan shall, at a minimum, include the following:
 - a. Provide a complete and detailed list of all issues preventing the safe operation of the JFL at this time including the steps PKMJF has taken to explore the nature and extent of these issues;
 - b. Identify options for restoring (i) full and (ii) partial service on the JFL;
 - c. Provide preliminary estimates of the cost and time required to implement each alternative identified in (a);
 - d. Provide a detailed and complete list of all required permits and regulatory approvals necessary to safely return the JFL to service, including PKMJF's efforts to secure such permits and regulatory approvals as well as a timeline and workplan to obtain such approvals;
 - e. Describe any implementation steps PKMJF has taken to date in returning the JFL to full or partial service; and
 - f. Provide a detailed timeline and work plan to overcome any barriers to returning the JFL into service.
4. PKMJF is directed to continue hosting recurring Monday/Wednesday/Friday conference calls with the BCUC, BCOGC, shippers of JFL and YVR representatives regarding the JFL return to service until such time as the BCUC directs otherwise.
5. PKMJF is directed to file weekly updates with the BCUC regarding the JFL return to service. The weekly updates shall include, at a minimum, a summary of the restoration or repair-related activities PKMJF has undertaken in that week, and a report on the status and progress of all known and outstanding issues as PKMJF works to restore service on the JFL.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of May 2021.

BY ORDER

Original signed by :

D. M. Morton
Commissioner