

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** P-4-09

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcuc.com>

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102



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 Western System Toll Increases

BEFORE: D.A. Cote, Commissioner
P.E. Vivian, Commissioner

November 12, 2009

O R D E R

WHEREAS:

- A. On August 6, 2009 Plateau Pipe Line Ltd. ("Plateau," the "Company") applied to the Commission for approval of a single page tariff revision that increased tolls for crude oil deliveries from Taylor to Prince George and Taylor to Kamloops on the Western System in accordance with toll setting approved Commission Order P-8-08; and
- B. On August 19, 2009 Plateau filed a revised toll calculation that requested the same Taylor to Prince George tolls as filed on August 6, 2009 but separated the requested Taylor to Kamloops toll into two components. The requested tolls are:

Taylor to Prince George:

\$9.36/m³ from March 1, 2009 to February 28, 2010
\$9.73/m³ from March 1, 2010 to February 28, 2011
\$10.12/m³ from March 1, 2011 to February 29, 2012

Taylor to Kamloops:

\$21.00/m³ from September 1, 2009 to recover current cost of service and
\$5.00/m³ from September 1, 2009 to recover a Stabilization Account Deficiency Balance of \$1.325 million; (the "Application"); and

- C. Plateau stated that the proposed Taylor to Kamloops toll increases were in accordance with the Full Path Long-Term Service Toll Settlement ("Full Path") that was filed as Exhibit B-17 in Plateau's 2007 toll application ("Exhibit B-17") and approved by Commission Order P-8-08; and
- D. On August 24, 2009 Chevron Canada Limited ("Chevron") filed a complaint with respect to the September 1, 2009 toll revisions on the Western System. Chevron requested that the Commission establish a regulatory process to permit such tolls (and the information on which they are based) to be provided by the applicant and tested by shippers and the Commission; and

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- E. By Order P-3-09 the Commission set the current Taylor to Kamloops tolls as interim effective September 1, 2009. That Order also required Plateau to provide, by October 23, 2009, supporting calculations for the proposed Taylor to Kamloops tolls and an explanation of how the proposed tolls were in accordance of Full Path and Order P-8-08. Order P-3-09 also gave Shippers on Taylor to Kamloops until October 30, 2009 to file their comments; and
- F. On October 22, 2009 Plateau provided the Commission and Shippers with the information required by Order P-3-09. Plateau also committed to provide a 2010 forecast by December 1, 2009, to limit its toll revisions to twice a year, not to make a toll revision if the cumulative under or over collection is less than \$1 million, to provide 60 days notice of future toll changes and address end of life issues by March 31, 2010; and
- G. On October 23, 2009 Chevron acknowledged the information and clarification provided by Plateau and withdrew its complaint; and
- H. The Commission has reviewed the Application, the additional information provided, Chevron's withdrawal of its complaint and considers that approval of September 1, 2009 Taylor to Kamloops permanent tolls is warranted.

NOW THEREFORE the Commission orders as follows:

1. The requested Taylor to Kamloops toll of \$26/m³ is approved as permanent effective September 1, 2009 in accordance with section 44 of the Pipeline Act.
2. The Commission requires Plateau to provide a 2010 forecast by December 1, 2009, to limit its toll revisions to twice a year, not to make a toll revision if the cumulative under or over collection is less than \$1 million, to provide 60 days notice of future toll changes and address end of life issues by March 31, 2010.
3. Plateau is to provide a copy of this Order to all Shippers on the Western System.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day November 2009.

BY ORDER

Original signed by:

D.A. Cote
Commissioner

