



ORDER NUMBER
P-1-22

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

and

PKM Canada (Jet Fuel) Inc.
2019 Tariff Filing Application

BEFORE:

B. A. Magnan, Panel Chair
C. M. Brewer, Commissioner
T. A. Loski, Commissioner

on February 17, 2022

ORDER

WHEREAS:

- A. On November 29, 2018, Kinder Morgan Canada (Jet Fuel) Inc. (KMJF) filed with the British Columbia Utilities Commission (BCUC) an application for approval of Tariff No. 40, extending the existing terms of service and tolls payable for the transportation of turbine fuel to Vancouver International Airport and the Burnaby Terminal (Application), effective January 1, 2019;
- B. The Application was filed pursuant to section 65 of the *Utilities Commission Act*, which requires tolls charged by common carriers to be filed with the BCUC;
- C. By Order P-1-18 dated December 14, 2018, the BCUC established a public written submission process and set an interim toll for the Jet Fuel Line (JFL) effective January 1, 2019 (Interim Toll). The Interim Toll was upheld and continued by Orders P-6-19, P-13-19, P-8-20, and P-8-21;
- D. By April 24, 2019, the Vancouver Airport Fuel Facilities Corporation (VAFFC) and Parkland Refining (B.C.) Ltd. (Parkland) registered as interveners in the proceeding;
- E. On January 6, 2020, Pembina Pipeline Corporation informed the BCUC that it had acquired KMJF, including the JFL, and changed the name to PKM Canada (Jet Fuel) Inc. (PKMJF);
- F. By letter dated April 30, 2021, PKMJF notified the BCUC that the JFL had been shutdown effective immediately;
- G. By letter dated October 28, 2021, the BCUC adjourned the proceeding further to a request from PKMJF that PKMJF, VAFFC, and Parkland be permitted to focus their efforts on reaching a negotiated agreement;

- H. By letter dated February 11, 2022, PKMJF filed a negotiated settlement agreement (Agreement) respecting the tolls, tariff, and terms of service for the JFL for (i) the period from January 1, 2019, up to but not including the day the JFL is returned to service (Interim Toll Period) and (ii) a period of up to 120 months commencing on the day the JFL is returned to service (Service Term). PKMJF requests that the BCUC:
- a) approve the Agreement as governing the tolls and terms of service on the JFL for the Service Term; and
 - b) deem the Interim Toll to be the final toll for the JFL for the Interim Toll Period and allow PKMJF to retain all toll revenue collected from all shippers on the JFL in the Interim Toll Period;
- I. VAFFC, Parkland, and Shell Canada Products, the known shippers on the JFL, have indicated their support for the Agreement; and
- J. The BCUC has reviewed PKMJF's February 11, 2022 filing and finds that the following directives are warranted.

NOW THEREFORE pursuant to section 65 of the *Utilities Commission Act* the BCUC orders as follows:

1. The Interim Toll is approved as permanent for the Interim Toll Period.
2. The tolls resulting from the toll methodologies set out in Attachment A of the Agreement are approved for the Service Term.
3. PKMJF must file with the BCUC: (i) the finalized costs of returning the JFL to service; and (ii) the annual tolls for the JFL for the upcoming calendar year, at the same time as this information is provided to shippers on the JFL.
4. Annually by January 31, or as requested by the BCUC, PKMJF must file with the BCUC the tolls charged to shippers in each month of the previous calendar year.
5. All documents granted confidential status by the BCUC within this proceeding will remain confidential.

DATED at the City of Vancouver, in the Province of British Columbia, this 17th day of February 2022.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner