

# factsheet



## *Oil & Gas Pipelines: A Guide for Companies*

*BC Assessment*

BC Assessment places properties into nine classes, based on the property's type or use. Within BC Assessment's classification, some pipelines fall into **Class 2 – Utilities**, but most pipelines fall into **Class 5 – Light Industry**.

### Assessment of Pipelines

Unlike the majority of properties in British Columbia which are assessed using market value methodologies, pipeline land and improvements are valued using regulated rates. These schedules apply fixed values to linear land and improvements. Related information on regulated rates is outlined in the Fact Sheet titled [Appealing Regulated Rates](#).

### Valuation of Pipeline Right-of-Way Land

Pipeline right-of-way land is assessed under Section 21 (1) (d) of the *Assessment Act*. BC Reg. 218/86 (Railway, Pipeline, Electric Power & Telecommunications Corporation Rights of Way Valuation Regulation) is used to determine the value of rights-of-way for both gathering and transmission pipelines.

### Valuation of Pipeline Improvements

Pipeline improvements are assessed in accordance with Section 21 (1) (c) of the *Assessment Act*.

BC Regulation 203/86 (Railway & Pipeline Corporations Valuation Regulation) is used to determine the value of the pipeline improvement. Rates for both gathering and transmission pipelines are expressed in terms of a dollar value per kilometre based on the outside diameter of the pipe.

### Pipeline Out of Service

Where operations of a pipeline have been suspended for a period of one year or more, 10 per cent of the scheduled rate of the pipe shall be used. Pipeline closure allowance requests must be accompanied by production documentation for the appropriate roll year. When no support documentation is provided, no remedial action is taken by the Assessor.

### Pipeline Abandonment

This status requires an abandonment report as recorded by the contractor conducting the abandonment to be presented to the Assessment Authority. When no support documentation is provided, no remedial action is taken by the Assessor.

Where operations of a pipeline have been suspended for a period of one year or more, 10 per cent of the scheduled rate for the pipe size shall be used.

### More Information

For assessment information pertaining to the petroleum industry production, processing and pipeline facilities, please contact:

**BC Assessment**  
**Peace River Area Office**  
1112-103 Avenue  
Dawson Creek, BC V1G 2G7

Telephone: 250 782-8515  
Toll-Free: 1-800-990-1160  
Fax: 250 782-9647  
[peacriver@bcassessment.ca](mailto:peacriver@bcassessment.ca)

[www.bcasessment.ca](http://www.bcasessment.ca)

For technical information concerning pipelines, compressors and pump stations, including:

- Oil and Gas Commission (OGC) Form – PL 101 – Interim Pipeline Specifications
- OGC Form – PL 102 – Declaration Pipeline Specifications (as constructed)
- OGC Form – PL 103 – Interim Compressor/Pump Station Specifications
- OGC Form – PL 104 – Declaration Compressor/Pump Station Specifications (as constructed)
- OGC – Pipeline Application Guide (Procedures Manual)

Please contact:

**Oil & Gas Commission**

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