



ORDER
NUMBER G-23-88

PROVINCE OF BRITISH COLUMBIA
BRITISH COLUMBIA UTILITIES COMMISSION

IN THE MATTER OF the Utilities Commission
Act, S.B.C. 1980, c. 60, as amended

and

IN THE MATTER OF Action on Complaints and
Central Coast Power Corporation

BEFORE: J.G. McIntyre,)
Chairman;)
J.D.V. Newlands,) March 8, 1988
Deputy Chairman; and)
N. Martin,)
Commissioner)

ORDER

WHEREAS by Order No. G-40-86 Central Coast Power Corporation ("CCPC") was exempted from all the provisions of the Utilities Commission Act ("the Act") save and except for Part 2 of the Act and Sections 30, 44, 47 and 133 thereof; and

WHEREAS pursuant to Sections 93, 98 and 124 of the Act and Commission Order No. G-78-87, the Commission directed Mr. James M. Bogyo, Director, Major Energy Project Review and Telecommunications to pursue the matter of complaints relating to customer service in the Ocean Falls area with the intent of providing a comprehensive report to the Commission not later than Friday, January 29, 1988; and

WHEREAS Mr. Bogyo submitted his Report to the Commission on January 29, 1988; and

WHEREAS the Commission has reviewed the Report and is satisfied that it is in the public interest.

NOW THEREFORE the Commission orders Central Coast Power Corporation as follows:

1. Pursuant to Exemption Order No. G-40-86, and the facts presented in the Report, recommendations arising out of Items A, B, C, F and G are not matters of regulation by the Commission. The Synopsis of Issues and Recommendations concerning an inquiry report is attached as Appendix A.
2. Pursuant to Section 30 of the Act, and Issue D found on page 4 of the Report, the Commission orders CCPC to remove abandoned transformers and store them in a secure area.
3. Pursuant to Section 30 of the Act, and Issue E found on page 5 of the Report, the Commission Orders CCPC to bill electricity sold to the Municipality after November 13, 1987.

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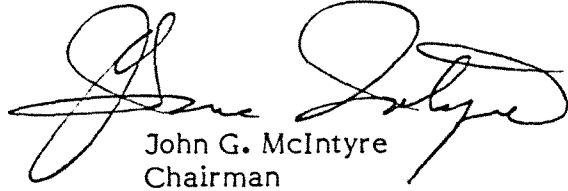
BRITISH COLUMBIA
UTILITIES COMMISSION

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DATED at the City of Vancouver, in the Province of British
Columbia, this 15th day of March, 1988.

BY ORDER



John G. McIntyre
Chairman

Attachment

APPENDIX A

SYNOPSIS
OF
ISSUES AND
RECOMMENDATIONS

Contained in an inquiry report on
Central Coast Power Corporation ("CCPC")
whose power system serves customers within the
Ocean Falls Improvement District ("OFID"),
Ocean Falls, British Columbia.

The Report was directed by
Commission Order No. G-78-87

ISSUES AND RECOMMENDATIONS

Act Section 30

Where the commission, after a hearing held on its own motion or on complaint, finds that the service of a public utility is unreasonable, unsafe, inadequate or unreasonably discriminatory, the commission shall determine what is reasonable, safe, adequate and fair service and order the utility to provide it.

ISSUE A (Relates to Section 30)

Metering of Ocean Falls Improvement District ("OFID") Facilities (Pump House, Fire Hall, vacant houses in Martin Valley.

The issue is which party should be financially responsible for the installation of the meter bases, and with respect to unoccupied homes in Martin Valley, responsibility for the energy bills.

Background

OFID facilities are presently not metered but are connected to CCPC's distribution system. CCPC has requested that meter bases be installed on these facilities to allow CCPC to bill the District for the energy consumed.

We agree with CCPC that all services should be metered whether each account is charged for energy consumed or not.

If the District requires power to the unoccupied homes in Martin Valley and is willing to pay the resultant energy bills, CCPC should maintain service to these houses with no reconnection charge. If the District is unwilling to assume the financial responsibility for the energy bills, then these homes should be disconnected and the meters removed. Once this has been done, any new reconnections would be subject to a reconnection charge by CCPC.

If CCPC desires to remove the existing distribution system located behind the houses, CCPC shall be responsible to reconnect all houses previously connected, to the new system.

Recommendation

The Inquiry Team does not feel that the customer be responsible financially for the installation of the meter bases as CCPC will derive all benefits from the installation.

ISSUE B (Relates to Section 30)

CCPC's intention to meter second floor of Court House and portions of the main floor of this building:

Background

At the Hearing relating to CCPC's acquisition of the existing electrical system, Mr. A. Knott informed the OFID that the Court House would be given unmetered energy. Subsequent to this, the Post Office, Clinic, and School relocated to the Court House, the ground floor of which also houses the offices of OFID.

CCPC has requested meter bases be installed to permit revenue billing of the School, Post Office on the ground floor and residences located on the second floor of the Court House.

Discussions with the District and an on-site investigation indicate that the Post Office and School each occupy a single room on the main floor of the Court House. From the on-site investigation, it does not appear practical or cost effective to revise the wiring in a building to accommodate the installation of a meter for one room.

The District agrees that meters should be installed on the second floor residences in the Court House.

Recommendation

The Inquiry Team recommends that meter bases be installed for the Court House and the residences to permit revenue billing of the entire facility. But CCPC refrain from charging OFID for energy consumed in the space it, the Post Office and School occupy on the ground floor.

ISSUE C (Relates to Section 30)

Accuracy of existing meters:

Background

The examination of some customer bills indicates apparent errors due to meter operation problems.

Due to the age of the existing electrical distribution equipment, the accuracy of the revenue energy meters, in use on the CCPC system, should be questioned. Normal industry practice is to have the meters tested nominally every eight years.

Recommendation

The Inquiry Team recommends that a program of testing and calibration be commenced to ensure the accuracy of the meters. CCPC should adjust previous energy bills if the calibration proves that the previous readings were in error.

ISSUE D (Relates to Section 30)Abandoned transformers:

The Inquiry Team noted that three transformers from the aerial distribution system have been left near the former high school property, the playground of which is used by children of the Community.

Background

It was further noted that the cover was removed from one transformer and the contents emptied in a grassed area adjacent to the school property.

Due to the age of these transformers, the Inquiry Team questions the type of oil that was utilized as the insulating medium and possible environmental impact of same. The Inquiry Team was quite disturbed to observe this situation as children from the community could easily come in contact with the transformers, and considers this to be a matter of some urgency.

Recommendation

CCPC shall show written proof to the Commission that the contents of the transformers is of a type that is not detrimental to the environment or the health of the community.

CCPC shall remove the transformers and store in a secure area.

ISSUE E (Relates to Section 30)

Back Billing of Municipal Accounts:

Background

This issue is related to CCPC's request to install meter bases which would allow a billing history to be assembled to backbill the District to January 1, 1987.

The District was first advised to start budgeting for electrical energy billings of the municipal facilities on January 7, 1987. The notification did not include any information which would have assisted the District in the preparation of an operating budget. Secondly, the notification was issued too late to be included in the 1987 Operating Budget for the District.

The issue of backbilling for a previously unmetered account for a period of a year appears to be an unreasonable request by CCPC. The Inquiry Team also has difficulty with the statement that the energy readings in 1988 will be used to calculate the 1987 bills. The method may be the only one available to CCPC but the margin for error is too great.

Recommendation

Backbilling of these unmetered accounts should only be applicable from the date that meters are installed or to the period commencing November 13, 1987 as this was when the official request to install meters was made.

ISSUE F (Relates to Section 30)

Billing and customer information:

Recommendation

CCPC shall prepare an information fact sheet to be included with the next utility bill sent to each customer. The fact sheet shall include the following information.

- (a) Trouble Number - Local contact person having authority to deal with complaints.
- (b) Complete explanation of the Terms and Conditions regarding electrical service to the customer.
- (c) Complete explanation of the utility billing procedure identifying minimum bill, cost of energy consumed, etc.
- (d) Explanation of CCPC's policy regarding late payments, non-payment and connection.

CCPC shall submit a copy of the information fact sheet to the Commission for review prior to issuance to its customers. Fact sheet shall be included with the next utility bills sent to CCPC's customers.

Section 47 - No discontinuance without permission

A public utility that has been granted a certificate of public convenience and necessity of a franchise, or that has been deemed to have been granted a certificate of public convenience and necessity and has begun any operation for which the certificate or franchise is necessary or in respect of which the certificate is deemed to have been granted shall not cease the operation or a part of it without first obtaining the permission of the commission.

ISSUE G (Relates to Section 47 and 30 and as well to the condition in Order No. G-78-87 that relates to the stated intention by CCPC that it would attempt to attract enterprises to Ocean Falls)

A potential industrial customer, Queen Charlotte Islands Group, an aquaculture industry, requires power service to buildings in the old pulp mill complex in order to construct floating homes for their operations. This company's understanding from discussions concerning lease/purchase of space at the mill site with provincial government officials was that service existed. Indications are that an impasse exists between them and CCPC providing rates and provision of service.

Existing commercial operations have also encountered problems with CCPC.

Recommendation

Order No. G-78-87 includes this statement:

"In addition to the foregoing, CCPC indicated its intention to attempt to attract industrial enterprises to the Ocean Falls by means of making electric power available to such industrial enterprises at an attractive price."

Therefore, CCPC should be required to provide evidence to the Commission of their progress with respect to their stated intention.

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JMB:jh