



**BRITISH COLUMBIA
UTILITIES COMMISSION**

ORDER
NUMBER G-70-89

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 an Application by
Central Heat Distribution Limited

BEFORE: J.G. McIntyre,)
 Chairman;)
 J.D.V. Newlands,) December 15, 1989
 Deputy Chairman; and)
 N. Martin,)
 Commissioner)

O R D E R

WHEREAS Central Heat Distribution Limited ("CHDL") applied November 24, 1989 to increase rates charged to customers for Steam service under its basic Tariff by approximately 4.0 percent to become effective January 1, 1990; and

WHEREAS the increase, after taking into account the Fuel Cost Adjustment Clause, will result in an average net increase in rates to customers in the range of 2.11 percent to 2.44 percent; and

WHEREAS CHDL notified its customers on November 22, 1989 of the pending increase in the basic Steam Tariff as a result of increased operating costs, taxes other than Income Tax and labour costs; and

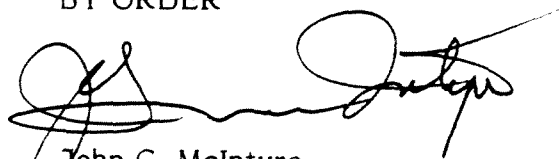
WHEREAS the Commission has reviewed the Application.

NOW THEREFORE the Commission hereby orders CHDL as follows:

1. The Schedule of Rates proposed by CHDL under Tab 2 of the Application, which reflects an increase in the basic Steam Tariff of approximately 4.0 percent, is approved effective January 1, 1990 pursuant to Section 67(4) of the Utilities Commission Act.
2. CHDL will mail a copy of the Commission's letter, attached as Appendix "A" to this Order, to all affected customers.

DATED at the City of Vancouver, in the Province of British Columbia, this 19th day of December, 1989.

BY ORDER


John G. McIntyre
Chairman

431/52/ac
Attch.



APPENDIX A

December 19, 1989

TO ALL CUSTOMERS OF
CENTRAL HEAT DISTRIBUTION LIMITED

Central Heat Distribution Limited ("CHDL") applied November 24, 1989 for an increase in steam rates of approximately 4.0% to become effective January 1, 1990. The increase, after taking into account the Fuel Cost Adjustment Clause, will result in an average net increase in rates to customers in the range of 2.11% to 2.44%. A copy of the Application is available for your inspection at the offices of CHDL or at the B.C. Utilities Commission located on the 6th Floor, 900 Howe Street, Vancouver, B.C.

The Commission has reviewed the Application and projects that CHDL's rate of return on common equity for 1990 will be 13.1% which is less than the return available to many other Commission regulated utilities.

As a result the Commission has Ordered the increase in rates to become effective and applicable to consumption on and after January 1, 1990. The authorization is made pursuant to Section 67(4) of the Act which reads as follows:

Rate Schedules to be filed

67 (4) A public utility may file with the commission a new schedule of rates that the utility considers to be made necessary by a rise in the price, over which the utility has no effective control, required to be paid by the public utility for its gas supplies, other energy supplied to it, or expenses and taxes, and the new schedule may be put into effect by the public utility on receiving the approval of the commission, but if within 60 days after the date the commission approves the new schedule the commission either on complaint of a person whose interests are affected or on its own motion directs an inquiry into the new schedule of rates having regard to the fixing of a rate that is not unjust or unreasonable, the commission may after the inquiry rescind or vary the increase and order a refund or customer credit by the utility of all or part of the money received by way of increase, or may confirm the increase or part of it.

If you have any questions concerning this matter please contact the undersigned, either in writing or by telephone (660-4700).

Yours truly,

Robert J. Pellatt
Commission Secretary