



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

and

IN THE MATTER OF Applications by West Kootenay Power Ltd. and Commission Orders No. G-120-91 and G-6-92

BEFORE:	M.K. Jaccard, Chair; and L.R. Barr,	) ) ) December 23, 1992
	Deputy Chair	)

#### ORDER

#### WHEREAS:

- A. On November 28, 1991, West Kootenay Power Ltd. ("WKP") filed with the Commission, pursuant to Section 67 of the Utilities Commission Act, an Application requesting a Commission Order granting an interim, refundable rate increase of 4.2 percent uniformly to all classes of service, effective with consumption on and after January 1, 1992, along with a further increase of 5.8 percent effective January 1, 1993; and
- B. The Commission, by Order No. G-120-91, approved a 4.2 percent interim increase in rates, subject to refund with interest effective January 1, 1992; and
- C. Effective January 1, 1992 Commission Order No. G-6-92 increased the interim rate increase approval to 8.7 percent to include the additional cost of purchased power under the Long-Term Power Supply Agreement and the 1999 Firm Power Supply Agreement with Cominco Ltd; and
- D. On May 29, 1992, WKP requested Commission approval of the Aesthetic Environment Projects section of its Application for amendments to Rate Schedule 73 Extensions. The Commission on June 11, 1992 advised that the Rate Schedule 73 Application would be considered at the expected Fall 1992 public hearing; and
- E. On November 30, 1992 WKP filed an Application to amend the previously applied-for increase of 5.8 percent to 4.8 percent effective January 1, 1993 and to increase its standard charges applicable to distribution line extensions and to flatten the residential and general service rate structures; and
- F. On December 11, 1992 British Columbia Hydro and Power Authority filed with the Commission for approval of a new schedule for long-term cost of power to WKP designated as Rate Schedule 3808 that provides power and capacity from an as yet to be effective date to September 30, 2005; and
- G. By Commission Order No. G-119-92, a public hearing into the review of proposed Rate Schedule 3808 was scheduled to commence on February 8, 1993 in Castlegar, B.C.; and
- H. The Commission has reviewed the 1991 and 1992 WKP Revenue Requirement Applications and Rate Schedule 73 Extensions Application along with supporting documentation and requires the matters to be set down for public hearing.

#### NOW THEREFORE the Commission orders as follows:

1. The 4.8 percent general increase over existing rates, requested to become effective January 1, 1993 is approved on an interim basis with such interim increase subject to

ORDER NUMBER G-123-92

refund with interest calculated at the average prime rate of the principal bank with which WKP conducts its business.

- 2. A public hearing into the WKP Applications is to commence at 9:00 a.m., Monday, March 8, 1993 at The Sandman Inn, 939 Burnaby Avenue West, Penticton, B.C.
- 3. WKP will arrange for publication in display-ad format, not later than Friday, January 8, 1993 of a Notice of Public Hearing, as per attached copy, in the business sections of the Vancouver Sun, The Province and such other appropriate local news publications so as to provide adequate Notice to the public in the service area of the Utility.
- 4. The Applications and supporting material are to be made available for inspection at the Head Office of West Kootenay Power Ltd., Waneta Plaza, 8100 Rock Island Highway, Box 130, Trail, B.C., V1R 4L4; and at its District Offices located at Castlegar, Crawford Bay, Creston, Grand Forks, Greenwood, Kaslo, Kelowna, Keremeos, Oliver, Osoyoos, Penticton, Salmo, South Slocan and Trail, B.C.

The Applications and supporting material are also available for inspection at the office of the British Columbia Utilities Commission, 6th Floor, 900 Howe Street, Vancouver, B.C.

- 5. WKP is to distribute copies of the Applications and any supplemental information to Intervenors as they become registered with the Commission. WKP is to distribute an Executive Summary of the Applications to Interested Parties. The Executive Summary is to include, as a minimum, references to the 1991 and 1992 Applications for Revenue Requirements, the proposed B.C. Hydro Rate Schedule 3808 Tariff and Public Hearing covering the cost of power, the Amendments to Rate Schedule 73 Extensions, and rate design proposals including proposed changes to residential and general service rates.
- 6. WKP is to file with the Commission, not later than January 8, 1993, any additional prepared testimony and supplemental material upon which it intends to rely.
- 7. Not later than January 15, 1993, Intervenors intending to be present and participate in the public hearing should give written Notice of intention to do so to the Commission Secretary and to the Applicant. Such Notice should state the nature of the interest in the proceeding.
- 8. Intervenors and Interested Parties intending to file a written submission or to make a request for additional information of the Applicant should provide one copy to the Commission Secretary, and one copy to the Applicant, to be received not later than Friday, February 26, 1993.
- 9. WKP is to respond to those Information Requests made prior to January 29, 1993 by February 12, 1993.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 30 day of December 1992.

**BY ORDER** 

Dr. Mark K. Jaccard

Chair

/lm

ORDER NUMBER

UMBER G-123-92



# WEST KOOTENAY POWER LTD. Applications to Increase Rates, Rate Design and Amendments to Electric Tariff

# NOTICE OF PUBLIC HEARING

Time:

9:00 a.m.

Date:

Location:

March 8, 1993

The Sandman Inn

939 Burnaby Avenue West Penticton, B.C.

(Telephone) 493-7151

#### THE APPLICATIONS

West Kootenay Power Ltd. ("WKP") is applying to confirm the existing 1992 interim increase of 8.7 percent and applied November 30, 1992 for a further interim increase of 4.8 percent effective January 1, 1993. The Company has submitted that these increases are necessary to recover its increase in power purchases costs, plant investment and operating and maintenance costs and to provide its shareholders with a return on equity of 12.4 percent and 12.25 percent respectively for each year.

The Commission will also hear submissions with regard to:

- 1. Rate Design changes to WKP's Electric Tariff in residential and general service rates.
- 2. Amendments to Rate Schedule 73 Extensions All Areas.

#### THE PUBLIC HEARING

The Applications will be heard commencing at 9:00 a.m. local time, Monday, March 8, 1993 in Penticton, B.C. at the time and location indicated above.

The Division named to review the Application will be comprised of the following Commission members:

Dr. Mark K. Jaccard, Chair Ms. Lorna R. Barr, Deputy Chair Mr. Kenneth L. Hall. Commissioner

#### PUBLIC INSPECTION OF THE APPLICATION

The Applications, supporting material and Commission Orders No. G-120-91 and G-6-92 and G-123-92 are available for inspection at the following locations:

#### West Kootenay Power Ltd.

Head Office:

Waneta Plaza, 8100 Rock Island Highway, Box 130, Trail, B.C. V1R 4L4.

**District Offices:** 

Castlegar, Crawford Bay, Creston, Grand Forks, Greenwood, Kaslo, Kelowna, Keremeos, Oliver, Osoyoos, Penticton, Salmo, South Slocan and Trail, B.C.

A comprehensive Executive Summary is available to Interested Parties, upon request from WKP, at no charge.

Copies of the Applications and supporting material are also available for inspection at the office of the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C.

# INTERVENTIONS

Any person wishing to be present at the public hearing and to give evidence or cross-examine witnesses should provide written notice, to be received not later than January 15, 1993, to the Commission Secretary and to the Applicant. The Notice should include a brief statement as to the nature of the interest in the proceedings and should indicate whether they intend to appear at the hearing.

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# BRITISH COLUMBIA UTILITIES COMMISSION

ORDER

NUMBER G-123-92

2

### SUBMISSIONS BY INTERESTED PARTIES - LETTERS OF COMMENT

Submissions from Intervenors and Letters of Comment from interested parties are required to be filed, one copy each with the Commission Secretary and WKP, by February 26, 1993.

## **CLARIFICATION**

Persons intending to participate in the public hearing, and are uncertain as to the manner in which to proceed, may contact Mr. R.J. Pellatt, Commission Secretary, or Mr. B. McKinlay, Manager, Rates and Finance: Electrical, by telephone at (660-4700) or (B.C. Toll Free: 1-800-663-1385), or in writing to the above address or faxed to 660-1102.

BY ORDER

Robert J. Pellatt **Commission Secretary** 

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