

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-57-95

TELEPHONE: (604) 660-4700 BC TOLL FREE: 1-800-663-1385 FACSIMILE: (604) 660-1102

SIXTH FLOOR, 900 HOWE STREET, BOX 250 VANCOUVER, B.C. V6Z 2N3 CANADA

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

and

An Application by Treminco Resources Ltd. to Reverse the Commission's Decision Made by Letter No. L-35-94 and Public Inquiry at Sandon, B.C.

**BEFORE:** 

M.K. Jaccard, Chairperson; and

L.R. Barr, Deputy Chairperson; and

July 7, 1995

K.L. Hall, Commissioner

#### ORDER

#### WHEREAS:

- A. On March 24, 1995 Treminco Resources Ltd. ("Treminco") applied to the Commission for a reversal of the Commission's Decision made by Letter No. L-35-94 that deemed the Treminco electrical power plant, and distribution facilities ("the electrical plant") located at Sandon, B.C., a public utility under the Utilities Commission Act ("the Act"); and
- B. A number of users of the electrical system advised the Commission that electricity service should be maintained in the Community and that the public interest required that the electrical plant continue to operate; and
- C. On May 18, 1995 the Commission set the matter down for a Public Inquiry and appointed Commissioner H.J. Page to conduct the Inquiry. The Inquiry was held in the Sandon Museum on May 31, 1995 and summary arguments were received in written form on or before June 9, 1995; and
- D. The Inquiry Officer prepared and submitted his Inquiry Report ("the Report") to the Commission on July 7, 1995 and is attached as Appendix B to this Order.

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

- 1. The Commission accepts the July 7, 1995 Inquiry Officer's Report and reaffirms the public utility status of the Treminco electrical plant located at Sandon, B.C., in accordance with Letter No. L-35-94.
- 2. The Commission accepts the Inquiry Officer's Recommendation made on page 15 of the Report, and issues its Reasons for Decision attached as Appendix A to this Order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this Aday of July, 1995.

BY ORDER

Dr. Mark K. Jaccard

Chairperson

mil

Attach.

Orders/TremincoOrdr&Rpt

#### REASONS FOR DECISION

Treminco Resources Limited - Sandon Power System Inquiry Report
Application for Reversal of Public Utility Designation

The Commission has reviewed the Inquiry Officer's Report on the above application, and accepts the Report inclusive of all the Recommendations contained therein. The Commission affirms the public utility status of Treminco.

The Commission's determination is based on the fact that the Sandon power system is currently operating in a manner, and under conditions which are consistent with the definition of a public utility according to the provisions of the Utilities Commission Act ("the Act"). Under the circumstances, the Commission has no alternative but to be guided by the requirements of the Act.

The Commission recognizes that Treminco's decision to maintain the power system in Sandon after suspension of its mining operations, was a community assistance gesture, and that Treminco did not plan to become a public utility. The report recognizes the difficult circumstances faced by Treminco and specifies a series of actions by Treminco and the customers which will lead to stable operations as an integrated or distribution utility. Should the customers not commit to supporting the utility's financial requirements, the Commission has established a process leading to an orderly windup of utility operations.

The Commission directs its staff to assist Treminco in completing its regulatory filings so that the current difficulties at Sandon can be resolved as soon as possible.



#### IN THE MATTER OF

# Treminco Resources Limited Sandon Power System

Application for Reconsideration of Public Utility Designation

### **INQUIRY REPORT**

July 7, 1995

H.J. Page, P.Eng. Commissioner and Inquiry Officer

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#### 1.0 BACKGROUND

#### 1.1 The Application

On August 30, 1994 the Commission was apprised of the existence of a small historic power plant and electric distribution system in Sandon, B.C. The power system is owned by Treminco Resources Limited ("Treminco") of Vancouver, and managed and operated by Mr. Hal Wright, a long time resident of Sandon. This information came to the attention of the Commission in the form of a complaint made to the Commission by Mr. Robert S. Fleming, a lawyer representing Ms. Lynn Simonson and Ms. Ada Robichaud, two electricity users of the Sandon power system. The complaint related to a letter Mr. Wright sent to Ms'. Simonson and Robichaud, advising that electricity supply would be terminated to their residences if a debt owed to him was not fully paid by a certain date. Mr. Fleming requested that the Commission issue an interim Order to Mr. Wright restraining him from disconnecting the electricity service to his two clients until the Commission had investigated the matter and made a determination on the status and regulatory requirements to be applied to the Sandon power system. Although no formal Order was issued, Mr. Wright made a verbal commitment to the Commission staff that the power would not be terminated to the two customers until the dispute was reviewed by the Commission and a determination made.

Upon investigation of the matter, the Commission identified the Treminco power system as a public utility as defined under section 1 of the Utilities Commission Act ("the Act"), and concluded that it was therefore subject to regulation by the Commission. The Commission then advised Mr. Wright of this determination by letter dated November 14, 1994, and further indicated that exemption from some of the provisions of the Act was possible provided certain criteria were met, and the following information submitted to the Commission for approval. The letter outlined the criteria as follows:

- The conditions of service are to be formalized between the utility and its customers. This is to include all charges to customers as well as the obligations of both the supplier and the customer, including a definition of how violations of these conditions will be handled.
- The Commission must be provided with assurances that the distribution system is operated in a safe manner.
- The supplier of the electrical service must obtain the commitment of each customer that his/her home is wired in accordance with the Provincial Electrical Code standards.
- The arrangements between Mr. Wright and Treminco for the operation and management of the power system must also be formalized.

On May 18, 1995, the Commission issued Order No. G-43-95 (Appendix C), appointing an Inquiry Officer and setting a date for a Public Inquiry into Treminco's March 24, 1995 application. The Order, issued pursuant to sections 86 and 93 of the Act, required the Inquiry Officer to inquire and report on all aspects of the Treminco application, including the distribution facilities of the Sandon electrical plant.

#### 1.2 Historical Perspective of the Sandon Power System

Information provided to the Commission revealed that the existing 200 kW power plant was built in 1916 to provide electric power for the Sandon mine and concentrator mill, as well as compressed air for the underground machinery in the mine. Although some eight different generating systems provided electric power in Sandon over the years since the 1890's, the existing hydroelectric system was the last to be installed, and the only one still operating. In the intervening period several diesel engines augmented the electric power capability of the system as power requirements increased. The power house still contains relics of some of these units.

In 1985, the hydro plant was no longer required for mining and milling operations because a British Columbia Hydro and Power Authority ("B.C. Hydro") connection was obtained to replace local generation. However, the power plant remained in service to supply power to the homes of the mining company employees and the few commercial businesses that existed.

Treminco acquired the Sandon mining operations and milling complex as well as the power system on November 1, 1989. On January 16, 1990 Treminco wrote to the power users in Sandon, advising that a \$50.00 per month "user fee" would be assessed against each user to defray the cost of basic maintenance to the power plant. Additionally, the letter advised that a further assessment would be made if maintenance costs incurred were over and above the "user fees" collected, and that Treminco would not necessarily repair a major breakdown.

In June 1991, Treminco advised the Sandon power users that the company was contemplating closure of the Sandon mining and milling operations, and that initially the shut down operations would be placed on a "care and maintenance basis" which would require some electric power. At that time Treminco was considering the possibility of using the hydro plant for the "care and maintenance" power requirements rather than the B.C. Hydro supply. Consequently, Treminco served notice to the users that they should investigate alternative sources of electric power for their needs in the event that the company needed the total output of the power plant or there was a plant shutdown.

Mr. Wright and the other community residents, having due regard for the precarious nature of the electricity supply to their residences, proposed an arrangement to Treminco whereby they could keep the

#### 2.0 THE POWER SYSTEM

#### 2.1 The Hydroelectric Power Plant

The historic power plant, built in 1916, contains a vertically-mounted-single-nozzle water turbine. This slow speed 360 rpm turbine drives a 200 kW generator.

Water to the turbine is supplied by a pipeline penstock which is of steel construction for the last 100 meters into the powerhouse. The remaining section of the penstock, which is approximately 3 kilometers in length is of wood-stave pipe construction measuring approximately 50 centimeters in diameter.

Water is collected from two intakes - one on Carpenter Creek and the other on Cody Creek. Both intakes consist of short sections of flume and contain settling tanks with screens. The water drops a total of 170 meters from the intakes to the powerhouse. Water discharged from the powerhouse is returned to Carpenter Creek a few meters from the powerhouse.

The Inquiry participants were invited to tour the power plant facilities with the Inquiry Officer on May 30, 1995. Several accepted the invitation.

The tour revealed that the intake works require frequent and time consuming cleaning, sometimes more than once per day, at a location remote and difficult to access. The penstock traversed very rugged terrain and was in a state of serious disrepair. The wooden segment had extensive deteriorated sections throughout its length and "make-shift" patchwork was evident everywhere. Several leaks were also noticeable where the deteriorated pipe walls had succumbed to the pressure of the water in the pipe. It became obvious that major and costly upgrading of the penstock will be required if the plant is to remain operational over the long term.

At the Inquiry Mr. Wright explained that the penstock was nearing the end of its useful life and would need to be totally rebuilt if the power plant were to provide any significant future service. He quoted a figure of some \$300,000 for this work.

#### 3.0 THE INQUIRY

The Inquiry was held in the Sandon Museum on Slocan Star Street on May 31, 1995, from 9:00 a.m. to approximately 6:00 p.m. Some 20 people participated in the Inquiry and all persons present were provided with the opportunity to make presentations or ask questions. Summary arguments were invited in written form, to be received by the Inquiry Officer by June 9, 1995.

In opening remarks, the Inquiry Officer advised that the proceedings would be somewhat informal, and that participants would not be sworn in. Also, transcripts would not be made since the proceedings were being videotaped.

The Inquiry Officer further stated that, at the conclusion of the process, the Commission must decide on the public utility status pursuant to the Decision made on November 14, 1994. However, if the public utility status is affirmed, issues including the following options would need to be addressed:

- Regular public utility status. If viable, then the level of rates to be charged the users would have to be adequate to support the necessary operation and maintenance activities.
- Exemption from regulation from most of the provisions of the Act, if Terms and Conditions acceptable to the Commission can be developed. The operating company would have to show sufficient financial strength and capability to provide adequate service under non-discriminatory conditions.
- Formation of an Electric Cooperative. Satisfactory rules would have to be formalized prior to any consideration of exemption from regulation. Some of the stakeholders have already looked at this option and have expressed their views to the Commission.
- An orderly wind-up of the power plant, if it has been determined that the status quo cannot be maintained, and continued operation is not feasible. Options then available for the residents would be private individual generation, or a B.C. Hydro supply.

The Inquiry Officer also advised that his report on the proceedings would be in the form of recommendations to the Commission, who would ultimately decide whether to accept, reject or modify the recommendations. During these Commission deliberations, the Inquiry Officer would not be present.

At the start of the public process, Mr. Fleming requested and was granted an opportunity to make some preliminary remarks. He contended that he was not afforded full disclosure of all the information that the

because of the private property status of the rights-of-way. In addition to this cost, the residents would also face other costs from B.C. Hydro if the new distribution plant were designed with the capability of operating in parallel with the local generator.

Mr. Callewaert further proposed that the cheapest solution would be for B.C. Hydro to provide high voltage power at the edge of the town (as done previously), and some entity assume responsibility for the transformation and distribution of this power in the community. He added that should Sandon be designated an historical site then the Sandon Historical Society could possibly undertake such a responsibility.

Mr. Don Tarasoff of the Ministry of Small Business, Tourism and Culture informed the Inquiry that his Ministry is interested in preserving the historic character of Sandon and that a request for designation as a historic site would soon be brought before the provincial cabinet. In light of this, the Ministry would not like to see a dismantling or removal of the historic power plant, and is not terribly concerned whether or not the plant remains operational, so long as it remains intact at its present location.

Through questioning of his two clients, Ms. Ada Robichaud and Ms. Lynn Simonson, Mr. Fleming apprised the Inquiry of the expectations of his clients of reasonable electric service in Sandon when they purchased their properties. Mr. Fleming attempted to emphasize the need for confirmation of the public utility designation, so that his clients may be protected under the requirements of the Act. He also mentioned that such a designation would allay most of his expressed concerns about disclosure of information.

Having considered of all of the above arguments, it is my conclusion that the Sandon power system is a public utility for the purposes of the Act. While there may be unusual or extenuating circumstances with respect to the management and operation of the Sandon electrical plant, no new evidence was presented at the Inquiry to indicate that the public utility designation was inappropriate and that the Commission erred in its determination in this regard.

Since it has been clearly established that compensation was received by Treminco's agent for the electricity service provided, my recommendation as the Inquiry Officer is that the Commission's Decision of November 14, 1994, deeming Treminco a public utility, be affirmed.

The public utility designation is attributed to Treminco, the owner of the power system, and not Mr. Wright or Wrightway Charter Company. Although this determination is not the one advocated by Treminco, the Inquiry Officer nevertheless recognizes that Treminco's efforts in providing the Sandon community with electricity was done with the best interest of the community in mind, and the Company may have inadvertently become a public utility.

owner might also be in order, consistent with the "...fair and reasonable return on the appraised value of the plant or system ..." as contemplated in section 66 of the Act.

The Commission should insist that some reasonable level of service reliability be maintained, recognizing the nature of the generation plant. In this regard it will therefore be necessary that the present method of operating the power system be reviewed and a plan established to deal with the recurrent tasks, particularly the breakdown repairs that impact the quality of service. There is an urgent need to refurbish the severely deteriorated penstocks and to repair or replace some of the distribution poles and transformers.

In view of the small customer base and the age and present state of the system, the utility will probably have to devise some innovative plan to raise extra money or recruit volunteer workers with the requisite expertise to keep the system together. Time spent by volunteers should be recognized by a formalized valuation of work done, to avoid the inequities that develop when some members of the community contribute labour and others do not.

Finally, in consideration of the precarious state of reliability of the plant, some form of B.C. Hydro backup should be considered to deal with a total power plant shut-down. The utility should explore with B.C. Hydro, the cost and value of such a backup service.

An option available to Treminco is an application to the Commission for approval to separate its assets in Sandon, so that the power system could be removed from the other assets. In this way the Company would be able to divest itself of the utility assets with the approval of the Commission. This might hold some interest for the community if the residents can organize themselves in such a way (through incorporation of a company for example) or engage the Sandon Historical Society to purchase the assets of the utility and seek exemption from the provisions of the Act. These considerations also apply to the Distribution Public Utility option discussed below.

#### Regulation as a Distribution Public Utility with Supply from the B.C. Hydro Power Grid

In this option, the Sandon power plant would be isolated from the distribution system. B.C. Hydro would supply power at high voltage (12,500 volts) and the Sandon public utility would transform this voltage and distribute to the users. To undertake this arrangement, B.C. Hydro requires a commitment from Treminco, the Sandon Historical Society or some other group or individual to be responsible for the monthly bills for the power consumed. This option would relieve B.C. Hydro of the responsibility of collecting bills from the individual customers, as well as the care and maintenance of the distribution system. The advantage of a separate distribution utility would be the avoidance of substantial electricity

#### 6.0 RECOMMENDATION

Recognizing that the current situation is not sustainable, it is recommended that the Commission confirm the utility status of the Sandon electricity generation and distribution plant, and order Treminco to bring forward proposals for utility operation, rates and terms and conditions of service by September 1, 1995. Customer comment on the proposals should be made by September 25, 1995. In the event that inadequate customer support exists for either the full utility or distribution utility options, the Commission should encourage customers to make arrangements for a B.C. Hydro supply or the installation of independent generators before the winter.

DATED at the City of Vancouver, in the Province of British Columbia this

day of July, 1995.

Commissioner and Franky Officer



BOX 48. 510 - 625 HOWE ST., VANCOUVER, B.C. V6C 2T6 (604) 687-4450 FAX (604) 687-5100

March 24, 1995

Mr. Robert J. Pellatt
Commission Secretary
Sixth Floor
900 Howe Street
P.O. Box 250
Vancouver, B.C.
V6Z 2N3

Dear Mr. Pellatt:

MAR 2 7 1995

Fig. 1. PONS

Fig. RESOURCE ROOM

FO. 10 BE FILED.

Further to your letter dated November 14, 1994 and pursuant to discussions with our President, Board of Directors and legal advisors, please accept this letter as formal notification that Treminco Resources Ltd. ("Treminco") requests that the Public Utilities Commission reverse its decision to deem Treminco as a public utility

Pursuant to the Utilities Commission Act, the Interpretation of a "public utility" "means a person, trustee ...... power to or for the public or a corporation for **compensation**.....".

Treminco has never received any form of compensation for the use of its wholly owned hydro facility in Sandon, B.C. Nor, it should be pointed out, was there any desire or aims at receiving compensation for hydro.

I have enclosed a letter dated January 16, 1990 to the users of the power provided by the Sandon Hydro Power Plant in which Treminco clearly states a "social commitment to maintain the plant" until a full evaluation of the plant was complete. It should be noted that as of the date of this letter there were only four known users of this hydro system.

We believe that the money to reorganize Treminco so as to allow the investors, the creditors and, most importantly, the employees of Treminco - past and present - to either recoup a portion of their investment, or a portion of their debt or more importantly recoup, maintain their jobs, is within our grasp.

The future of the Sandon Power Plant is as much in the hands of the Commission as it is in the hands of Treminco. For if the sale of the Plant does not complete, due to reasons beyond the control of Treminco, financial constraints will inevitably lead to the Plant's closure.

Mr. Pellatt, I have presented a case for the reversal of the decision by the Commission dated November 14, 1994. That decision, I believe, was made in haste, and without a thorough review of it's implications. As a result of this decision, not only are the current users of the system in jeopardy, but as it turns out, the investors in Treminco, our creditors and our employees are also put at risk. It is incumbent upon the commission to reverse the decision to unilaterally and without consultation deem Treminco a utility.

The users of the hydro system, our investors, our creditors and our employees await your decision.

Yours very truly,

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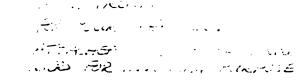
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c.c. Juliet D.W. Smith, Fraser & Beatty Directors

#### REPENZIUMAN 2 2 1990



### TREMINCO Resources Lid. SANDON DIVISION — SILVANA MINE BOX 189, NEW DENVER, B.C. VOG 150



Box 189, NEW DENVER, B.C. VOG 1SO TEL: (604) 358-7922 FAX: (604) 358-7141

January 16, 1990

#### TO WHOM IT MAY CONCERN

Re: Sandon Hydro Power Plant.

- 1. Up until June, 1988, Dickenson Mines Limited short-term policy was to keep the Sandon Hydro Plant going by means of minimum expenditure by the form of labour and supplies. The governor was overhauled at Dickenson's expense as a 'final act' under that policy. Dickenson's long-term intention after June, 1988, however was to divest itself of this asset. No fees, charges or assessments to Sandon Hydro users were made, to my knowledge, inrecent years. No provisions in the Silvana Division budget were made for upkeep and repairs.
- 2. Treminco Resources Ltd. is the new owner of the plant (as of November 01,1989). Treminco's policy is basically that no expenditures will be made to maintain the plant. However, Treminco intends to make its own full evaluation of Sandon Hydro in the Spring of 1990 and to then formulate policy accordingly. Treminco recognises a social commitment to maintain the plant in the meantime and will do so on the following basis:
- (a). Assessment of 'user fees' in the amount of \$50.00 per month, effective November 01, 1989, out of which will be paid basic main-tenance costs,
- (b). An additional assessment in May, 1990 to cover costs incurred over and above the 'user fees' revenue from November 01, 1989 to April 30, 1990,
- (c). That all users agree and understand that the above 'user fees' are not charges for electricity consumption,
- (d). That all users understand that should a major breakdown occur in any of the Sandon Hydro installations, including intakes or piipelines, Treminco will not necessarily repair.

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TREMINCO Resources Lid. SANDON DIVISION — SILVANA MINE BOX 189 NEW DENVER B.C. VOG 150

Box 189, NEW DENVER, B.C. VOG 1SO TEL: (604) 358-7922 FAX: (604) 358-7141

## -- DRAFT-

JUNE 1991

"TO SANDON HYDRO PLANT USERS"

Dear Sandon Hydro Users,

You are probably aware that Treminco Resources is anticipating the closure of its Sandon Operations due to depleted reserves and low prices for silver, lead and zinc. On April 15/91 all Treminco employees were notified that July 31/91 was a "likely" closure date. Some of you have heard that date directly or indirectly from me.

In the meantime there has been a small improvement in the ore reserves picture at the operation and on May 30/91 an update to the employees set the date as probably later than July 31, but with no new estimate as to when it would be. There is a possibility that operations will be gradually scaled down over several months before full shutdown occurs.

Treminco's intention is (as mentioned on both April 15 and May 30) to place the shut down operations on a "care and maintenance basis". This will of course require some electric power. Treminco intends to study the potential for Sandon Hydro to supply this power rather than current supplier BC Hydro. If Sandon Hydro is the supplier then it is very likely that Treminco will not have power available for the present users. Treminco may also pursue custom milling opportunities for its Mill and Sandon Hydro may figure in those also.

In any event, Treminco cannot undertake any commitments to supply the present users beyond July 31/91 and urges them to seek alternate supplies of electric power for use after that date. If Treminco is operating after July 31 it will make reasonable efforts to continue to supply the users until such time as it has other needs for the power - if alternate power supplies have not been put in place by the users - and if the plant itself is being operated (if a permanent shutdown of operations occurs the Sandon Hydro plant could also cease operating).

Yours truly,

C. L. Phillips, Mine Manager SLP/slp copy: Mine Manager's File

#### TREMINCO RESOURCES LTD.

Public Inquiry into the Public Utility Status of the Sandon Power System

#### Terms of Reference for Public Inquiry

The Inquiry Officer is appointed pursuant to section 93.(2) of the Utilities Commission Act ("the Act") and is to submit a report to the Commission with a recommendation on whether or not the Sandon power system should be declared a public utility as defined in the Act. If the answer is yes, the recommendation should include proposals for resolving some of the pending issues such as sale, shut down and reliability of the existing plant.

In conducting the Inquiry, the views of the owners of the pant and the recipients of electricity are to be solicited. Among other investigations, the Inquiry Officer shall:

- a) Review and evaluate the manner in which the power system is managed and operated, with special attention to past and current formal agreements, as well as reliability of the existing plant.
- b) Examine the basis for the \$50.00 monthly sum collected from each electricity user, and determine whether this qualifies as "compensation" for the provision of a service, as defined in the Act.
- c) Evaluate alternative service structures within or beyond the jurisdiction of the Act which may best satisfy the requirements of the residents and the plant owner.



BRITISH COLUMBIA **UTILITIES COMMISSION** 

**ORDER** 

G = 43 = 95**NUMBER** 

TELEPHONE: (604) 660-4700 BC TOLL FREE: 1-800-663-1385 FACSIMILE: (604) 660-1102

SIXTH FLOOR, 900 HOWE STREET, BOX 250 VANCOUVER, B.C. V6Z 2N3 CANADA

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

#### and

An Application by Treminco Resources Ltd. to Reverse the Commission's Decision Made by Letter No. L-35-94

BEFORE:

M.K. Jaccard, Chairperson;

May 18, 1995

L.R. Barr, Deputy Chairperson; and )
K.L. Hall, Commissioner

#### ORDER

#### WHEREAS:

- A. On March 24, 1995 Treminco Resources Ltd. ("Treminco") applied to the Commission for a reversal of the Commission's Decision in Letter No. L-35-94 that declared the Treminco electrical power plant, and distribution facilities ("the electrical plant") located at Sandon, B.C., be deemed a public utility under the Utilities Commission Act ("the Act"); and
- B. On April 24, 1995, Treminco advised the Commission that it would be terminating electricity service to the residents of Sandon, effective May 31, 1995, in order to facilitate the sale of the facility; and
- C. On May 5, 1995 Treminco advised the Commission that an offer to purchase the assets of the corporation, including the electrical plant, was accepted, and that the prospective owner was in the process of arranging financing; and
- D. On May 5, 1995 Mr. Robert Samuel Fleming, Barrister, representing two electrical customers served by the electrical plant, applied to the Commission to issue an Order prohibiting Treminco from terminating service until Treminco receives permission to do so from the Commission pursuant to Sections 44, 45 and 47 of the Act: and
- E. The Commission is in receipt of a number of requests from the residents of Sandon to use its office to keep the electrical plant operating as it is the only reliable source of electricity in the community; and

APPENDIX A to Order No. G-43-95 Page 1 of 2



SIXTH FLOOR, 900 HOWE STREET, BOX 250 VANCOUVER, B.C. V6Z 2N3 CANADA

TELEPHONE: (604) 660-4700 BC TOLL FREE: 1-800-663-1385 FACSIMILE: (604) 660-1102

#### NOTICE OF PUBLIC INQUIRY

Into the Application by Treminco Resources Ltd., Respecting the Public Utility Classification of the Sandon Electrical Power Plant and Distribution Facilities

#### THE APPLICATION

On March 24, 1995 Treminco Resources Ltd. ("Treminco") applied to the Commission for a reversal of the Commission's Decision in Letter No. L-35-94 that declared the Treminco electrical power plant, and distribution facilities ("the electrical plant") located at Sandon, B.C., be deemed a public utility under the Utilities Commission Act ("the Act").

The purpose of the Public Inquiry is to ensure that all issues relating to the Application by Treminco are reviewed in a public forum before the Commission, pursuant to Sections 86 and 93 of the Act. Commissioner Harold J. Page has been appointed Inquiry Officer to review this matter and to report and make recommendations to the Commission.

#### **PUBLIC INQUIRY**

The Commission invites all interested parties to attend and participate in the Public Inquiry. The date, time and location are as follows:

Location:

Sandon Museum

Slocan Star Street

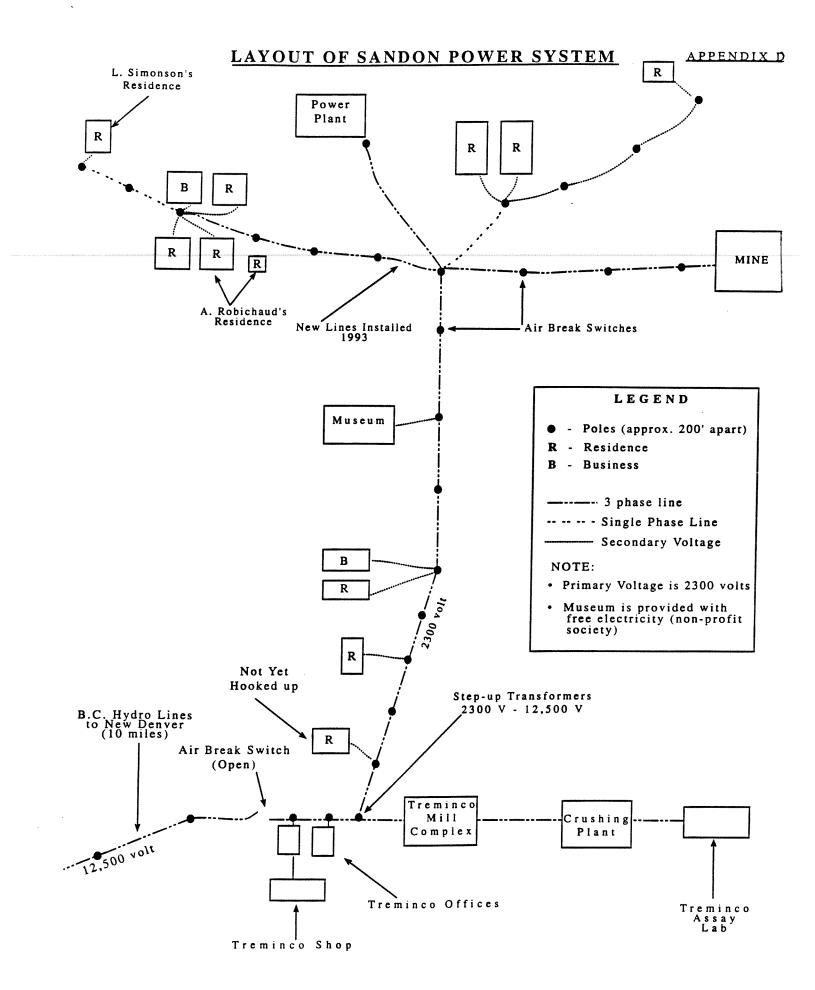
Date:

May 31, 1995

Time:

9:00 a.m. local time

Sandon, B.C.



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