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UTILITIES COMMISSION

ORDER
NUMBER G-87-95

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

An Application by Kanelk for Approval of Rates for	and Transr Transm	mission Company Limited aission and Other Services
K.L. Hall, Commissioner and Chairperson of the Division; and F.C. Leighton, Commissioner)	October 17, 1995

ORDER

WHEREAS

BEFORE:

- A. On September 18, 1995 a public hearing commenced into the Kanelk Transmission Company Limited ("Kanelk") April 28, 1995 Application for approval of rates pursuant to Section 64 of the Utilities Commission Act, for transmission and other services provided by or through Kanelk to British Columbia Hydro and Power Authority ("B.C. Hydro") effective June 1, 1995, January 1, 1996, and January 1, 1997; and
- B. Commission Order No. G-45-95 granted Kanelk interim rates effective June 1, 1995 subject to refund with interest at the average prime rate of Kanelk's principal bank following a public hearing; and
- C. Commission Decision and Order No. G-76-95 concluded that the Kanelk service to B.C. Hydro is not an interprovincial undertaking and falls within the jurisdiction of the Commission; and
- D. The Commission has considered the Application and the evidence adduced thereon, all as set forth in the Decision issued concurrently with this Order.

NOW THEREFORE the Commission, for reasons stated in the Decision, orders as follows.

- 1. The rate base and revenue requirements for the test years ending December 31, 1995, December 31, 1996 and December 31, 1997 are as set out in the Schedules contained in the Decision.
- 2. An annual charge, payable in equal monthly installments, to recover the costs for services and facilities directly related to Kanelk, totaling \$366,294 for 1995, \$602,159 for 1996, and \$735,550 for 1997 is

BRITISH COLUMBIA UTILITIES COMMISSION ORDER

approved as firm and amounts collected in excess of the 1995 approved change shall be refunded in accordance with Commission Order No. G-45-95.

- 3. The annual charge, totaling \$595,600 for 1995, payable in equal monthly installments for the Network Services provided by TransAlta Utilities, is denied and such portion already collected by Kanelk shall be refunded in accordance with Commission Order No. G-45-95.
- 4. The Commission will accept, subject to timely filing by Kanelk, Electric Tariff Rate Schedules which conform to the terms of the Commission's Decision.
- 5. The agreement for the terms and conditions of service between Kanelk and B.C. Hydro is to be concluded between the two parties and filed with the Commission as soon as possible.
- 6. Kanelk will comply with all directions contained in the Decision accompanying this Order.

DATED at the City of Vancouver, in the Province of British Columbia, this / 9 day of October, 1995.

BY ORDER

Kenneth L. Hall, Commissioner and

Chairperson of the Division