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BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-1-96

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

and

An Application by Central Heat Distribution Limited
for Approval of 1996 Revenue Requirements

BEFORE: M.K. Jaccard, Chairperson; and)
L.R. Barr, Deputy Chairperson) January 18, 1996

O R D E R

WHEREAS:

- A. On November 30, 1995 Central Heat Distribution Limited ("CHDL") filed, pursuant to Sections 64 and 104 of the Utilities Commission Act ("the Act"), an Application to increase its Steam Tariff Schedule of Charges by 5 percent effective January 1, 1996 on a permanent basis or on an interim basis, if final approval is not forthcoming by that date; and
- B. The Application requested that the Commission approve the recovery of a revenue deficiency of approximately \$235,000 which will allow the utility to earn a projected return on common equity in 1996 of 12.26 percent and 9.41 percent on rate base; and
- C. Commission Order No. G-104-95 approved a 5 percent interim increase effective January 1, 1996 and required that customers and interested parties who wished to intervene or provide comments on the Application for a permanent 5 percent rate increase were to make their submissions by December 20, 1995. The Order also scheduled a pre-hearing conference for January 9, 1996 in order for participants to discuss preliminary issues and the process by which to deal with the Application; and
- D. No customers or interested parties intervened in the Application or attended the pre-hearing conference; and
- E. At the pre-hearing conference, CHDL and Commission staff agreed to attempt to resolve the Application through negotiations; and
- F. On January 10, 1996 a settlement agreement was reached between CHDL and Commission staff; and
- G. On January 15, 1996 the Commission was informed by CHDL and Commission staff that the settlement agreement had been reached; and
- H. The Commission has reviewed the settlement proposal and considers that approval of the settlement proposal is in the public interest.

NOW THEREFORE the Commission orders as follows:

1. The Commission approves for CHDL an average permanent rate increase in the basic Steam Tariff Schedule of Charges of 3.516 percent effective January 1, 1996 to recover a revenue deficiency of \$164,278.
2. CHDL is to inform all customers of the settlement process, a summary of the differences between the Application and the approved settlement and the resulting rate increase by way of a bill stuffer.
3. CHDL is to file a permanent Steam Tariff Schedule of Charges that is in accordance with the terms of the settlement and this Order.

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of January, 1996.

BY ORDER

Original signed by:

Dr. Mark K. Jaccard
Chairperson