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

and

An Application by The Corporation of the City of Nelson for Approval of Electrical Utility Amendment By-Law 2770, 1997

BEFORE:

M.K. Jaccard, Chairperson; and) L.R. Barr, Deputy Chairperson)

February 6, 1997

ORDER

WHEREAS:

- A. On December 8, 1994 the Commission issued Order No. G-93-94 approving for The Corporation of the City of Nelson ("the City") its Electrical Utility Regulatory Amendment By-Law No. 2675, 1994 which approved a flattening of the existing electricity rate structure effective December 1, 1994 and a shift, over a three-year period, of 3 percent of total revenues from the commercial to residential class of customers commencing July 1, 1995; and
- B. On January 28, 1997 the City applied to the Commission for approval of Electrical Utility Regulatory By-Law No. 2770, 1997 ("the By-Law") which would continue to flatten small commercial service rates and reduce the number of blocks for large commercial rates and provide for a general increase in all electrical rates by one percent, effective February 1, 1997; and
- C. The By-Law will continue to send the proper price signals to the City's customers consistent with rate design and restructuring of rates for other Commission regulated utilities and allows a revenue increase to recover additional debt costs related to the recent G-5 Generation Hydro Plant addition; and
- D. The Commission has reviewed the By-Law and supporting material and finds that the continued flattening of customer rates and a one percent general revenue increase is necessary and in the public interest.

NOW THEREFORE the Commission orders as follows:

- 1. The Commission approves and accepts for filing the City's Electrical Utility Regulatory By-Law 2770, 1997 effective February 1, 1997.
- 2. The City, by way of Customer Notice, is to inform all customers of the continued flattening of commercial service rates, the revenue increase required to service the additional debt related to the G-5 Hydro Plant addition and the effect on monthly electricity bills.
- 3. The City is to provide the Commission with a final certified copy of the By-Law following all approvals.

DATED at the City of Vancouver, in the Province of British Columbia, this 10th day of February, 1997.

BY ORDER

Original signed by:

Dr. Mark K. Jaccard Chairperson