



IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by Central Heat Distribution Limited
for Approval of an Operating Agreement with the City of Vancouver

BEFORE: L.R. Barr, Deputy Chair)
P.G. Bradley, Commissioner) July 15, 1999
B.L. Clemenhagen, Commissioner)

O R D E R

WHEREAS:

- A. On May 21, 1999, Central Heat Distribution Limited ("CHDL") applied to the Commission for approval of the proposed Terms and Conditions of a Permanent Operating Agreement ("the Agreement") with the City of Vancouver ("the City") pursuant to Section 32 of the Utilities Commission Act ("the Application"); and
- B. The proposed Agreement replaces a thirty-year Franchise Agreement between CHDL and the City that expired on June 29, 1996 and, by agreement with the City, was subsequently extended on an interim basis; and
- C. By Order No. G-62-99, the Commission scheduled a Pre-hearing Conference into the Application for July 9, 1999 and a Public Hearing to commence on September 28, 1999; and
- D. At the July 9, 1999 Pre-hearing Conference, the participants, including CHDL, the City and Commission staff, identified a preliminary issues list and established a further regulatory timetable for negotiations and for a public hearing if negotiations are unsuccessful; and
- E. The Commission requires that a regulatory process to deal with the Application be established.

NOW THEREFORE the Commission orders as follows:

1. The Commission establishes the following regulatory timetable to deal with the Application.

REGULATORY TIMETABLE

<u>Action</u>	<u>Date (1999)</u>
Information Requests issued by all parties	August 6
Information Responses	August 23
Negotiations	August 26-27
<u>If a Public Hearing is required:</u>	
Additional filed Evidence	September 10
Information Requests on additional filed Evidence issued by all parties	September 15
City submissions on BCUC jurisdiction	September 20
CHDL submissions on BCUC jurisdiction	September 23
Information Responses	September 23
Public Hearing commences	September 28

2. Negotiations and the Public Hearing are scheduled to commence at 9:00 a.m. in the Commission's Hearing Room, 6th Floor, 900 Howe Street, Vancouver, B.C.
3. The Preliminary Issues List identified by the parties at the Pre-hearing Conference and attached as Appendix A to this Order is to be addressed at the scheduled negotiations and Public Hearing.

DATED at the City of Vancouver, in the Province of British Columbia, this 16th day of July 1999.

BY ORDER

Original signed by:

Lorna R. Barr
Deputy Chair

Attachment

AN APPLICATION BY CENTRAL HEAT DISTRIBUTION LIMITED
FOR APPROVAL OF AN OPERATING AGREEMENT WITH THE CITY OF VANCOUVER

PRELIMINARY ISSUES LIST

1. Commission Jurisdiction
2. Franchise Fee
 - revenue, base-steam revenue, fuel cost recovery
 - percentage
3. Access Costs
 - City costs
 - allocating the cost of relocating CHDL's pipes to the City and CHDL
4. Operational Issues
 - liability for losses and indemnity
 - new work
 - security interests
 - default
 - assignment of rights
 - annual reporting obligations
 - taxes on payment
 - manhole vent design
 - removal of heating system