

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER C-13-05**

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

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

and

**Applications by Terasen Multi-Utility Services Inc.
for Approval of a Certificate of Public Convenience and Necessity
to Construct and Operate Natural Gas and Electric Distribution Systems
at Sonoma Pines Subdivision in Westbank, B.C.**

BEFORE: L.F. Kelsey, Commissioner May 25, 2005

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

WHEREAS:

- A. By applications dated February 28, 2005 (the "Applications"), Terasen Multi-Utility Services Inc. ("TMUS") requested that the British Columbia Utilities Commission (the "Commission") approve a Certificate of Public Convenience and Necessity ("CPCN") to construct and operate natural gas and electric utility distribution systems in the Sonoma Pines Subdivision ("Sonoma Pines") in Westbank, B.C. that is being developed by the Vintage Hills Development Limited Partnership ("Vintage"), and approve rates and tariffs for utility service; and
- B. The Sonoma Pines service area is outlined on the map which is Appendix A to this Order; and
- C. Vintage has entered into a 99-year lease commencing May 5, 2003 for the Sonoma Pines lands, which is located on Westbank First Nations lands; and
- D. TMUS has entered into an Infrastructure Agreement with Vintage dated February 1, 2004, and a Maintenance Agreement with Vintage and the Sonoma Pines Homeowners Association also dated February 1, 2004, regarding the provision by TMUS of certain utility and maintenance services; and
- E. The term of the Infrastructure Agreement extends until the earlier of completion of the build-out of Sonoma Pines or December 31, 2018. The term of the Maintenance Agreement will be for the term of the lease of the Sonoma Pines lands; and
- F. The Applications propose natural gas rates that are consistent with those for the Terasen Gas Inc. ("Terasen Gas") Inland Division, and request approval to amend the gas tariff to maintain customer rates that are equivalent to those for Terasen Gas adjacent to the Sonoma Pines development; and

- G. The Applications propose electric rates that are consistent with those of British Columbia Hydro and Power Authority (“BC Hydro”) and request approval to amend the electric tariff to maintain customer rates at a level equivalent to those of BC Hydro adjacent to the Sonoma Pines development; and
- H. On April 8, May 7 and May 16, 2005, TMUS responded to Commission Information Requests; and
- I. TMUS informed interested parties about the Applications, and neither it nor the Commission has received any comments in response; and
- J. The Commission has reviewed the Applications and the supporting documentation and has determined that the construction and operation of the natural gas and electric utility distribution systems by TMUS is necessary and properly conserves the public interest.

NOW THEREFORE pursuant to Sections 45 and 61 of the Utilities Commission Act, the Commission orders as follows:

- 1. The Commission issues a CPCN for the construction and operation of natural gas and electric utility distribution systems at Sonoma Pines, with TMUS being responsible for obtaining all other necessary licences, permits and agency approvals.
- 2. TMUS will maintain separate accounts, and will file Annual Reports and financial statements which summarize the results for each of the natural gas and electric utility operations at Sonoma Pines within 60 days of TMUS’ financial year-end, in a form to be developed in consultation with Commission staff.
- 3. The Commission approves natural gas rates for Sonoma Pines as set out in Section 4.1 of Tab 1 and Appendix B of the Applications, effective June 1, 2005.
- 4. The Commission grants TMUS approval to amend the natural gas Basic Charge, Delivery Charge and Gas Cost Recovery Charge for Sonoma Pines in order to maintain customer rates at levels equivalent to those of the Terasen Gas Inland Division, adjacent to Sonoma Pines, subject to the filing of the amended rates with the Commission within ten business days of the effective date of the changes to Terasen Gas rates, and subject to review by the Commission in the event of a complaint by an interested party within 60 days of the effective date of the amended rates.
- 5. The Commission approves the Natural Gas Tariff for Sonoma Pines as set out in Appendix B of the Applications, as amended by TMUS’ April 8, 2005 filing.
- 6. The Commission approves electric rates for Sonoma Pines as set out in Section 4.1 of Tab 2 and Appendix E of the Applications effective June 1, 2005.

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** C-13-05

3

7. The Commission grants TMUS approval to amend the electric monthly charges, delivery charges and commodity charges for Sonoma Pines in order to maintain customer rates at levels equivalent to those of BC Hydro, adjacent to Sonoma Pines, subject to the filing of the amended rates with the Commission within ten business days of the effective date of the changes to BC Hydro rates, and subject to review by the Commission in the event of a complaint by an interested party within 60 days of the effective date of the amended rates.
8. The Commission approves the Electric Tariff for Sonoma Pines as set out in Appendix E of the Applications, as amended by TMUS' April 8, 2005 filing.
9. TMUS will provide a copy of this Order and the 24-hour emergency contact numbers to each new customer, and will maintain a copy of its approved Terms and Conditions of Service and Rate Schedules available for inspection by customers.

DATED at the City of Vancouver, in the Province of British Columbia, this 30 day of May 2005.

BY ORDER

Original signed by:

L. F. Kelsey
Commissioner