

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER NUMBER

G-115-06

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

and

An Application by Corix Multi Utility Services Inc. for Reconsideration of Interim Rate Increase Order No. G-103-06 for the Electric Utility at the Sun Rivers Service Area

BEFORE: L.F. Kelsey, Commissioner September 14, 2006

ORDER

WHEREAS:

- A. On August 25, 2006, Corix Multi Utility Services Inc. ("Corix") [formerly known as Terasen Multi Utility Services Inc. ("TMUS")] filed a request for Reconsideration of the interim rate increase, approved effective September 1, 2006 by Commission Order No. G-103-06, for electric service to customers at the Sun Rivers Resort Community near Kamloops, B.C. ("Sun Rivers") to reflect interim increases in the electric rates from its supplier, British Columbia Hydro and Power Authority ("BC Hydro") effective July 1, 2006 (the "Reconsideration Application"); and
- B. By Order No. G-71-06 dated June 19, 2006, the Commission approved a 4.65 percent interim refundable rate increase for BC Hydro effective July 1, 2006; and
- C. By Order No. G-68-05 the Commission approved a TMUS request for a flow-through rate adjustment mechanism for electricity rates for Sun Rivers to amend the electric monthly charges, delivery charges and commodity charges for Sun Rivers in order to maintain customer rates at levels equivalent to those of BC Hydro, adjacent to Sun Rivers, 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; and

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- D. Corix filed updated electric tariffs for Sun Rivers on August 4, 2006 with an effective date of July 1, 2006 which did not comply with the flow-through rate adjustment mechanism approved by Order No. G-68-05; and
- E. Commission Order No. G-103-06 considered the Corix filing of August 4, 2006 to be an application to implement interim rates pursuant to Sections 61(4) and 61(5) of the Utilities Commission Act and approved the requested 4.65 percent interim increase in Electric Tariff Rate Schedules for Sun Rivers on a prospective basis effective September 1, 2006; and
- F. The Reconsideration Application requests a reconsideration to the delay of the approved interim increase from July 1 to September 1, 2006 for the reasons of no direct notice from BC Hydro or the Commission to Corix or its designate providing adequate and timely notice of the rate increase; steps have now been taken to ensure adequate notice of electric and natural gas rate changes; postponing recovery of the BC Hydro interim increase to September 1 represents a revenue loss of approximately \$2,500 for Sun Rivers which is unduly punitive; this decision precludes the original premise of charging identical rates to the adjacent service territory and Corix should not be rewarded or punished for errors in the event that it took reasonable steps to comply with the original orders; and
- G. The Commission has established criteria for reconsideration of its Decisions that in the first phase addresses whether a reasonable basis exists to allow a reconsideration due to an error in fact or law, a fundamental change in circumstances or facts since the Decision, a basic principle has not been raised in the original proceeding or a new principle has arisen as a result of the Decision. If in the first phase the claim of error is substantiated on a prima facie basis and the error has significant material implications, the reconsideration proceeds to the second phase where the Commission hears full arguments on the merits of the reconsideration application; and

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H. The Commission has reviewed the Reconsideration Application in relation to the first phase process and the criteria for determining whether a reasonable basis exists to allow the reconsideration and has determined that Corix has not established a prima facie case that is sufficient to warrant reconsideration of the matter by the Commission.

NOW THEREFORE he Commission denies Corix's Reconsideration Application.

DATED at the City of Vancouver, in the Province of British Columbia, this 14th day of September 2006.

BY ORDER

Original signed by

L.F. Kelsey Commissioner