BRITISH COLUMBIA UTILITIES COMMISSION ORDER NUMBER G-35-13

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

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

and

Hemlock Utility Services Ltd. Revenue Requirements Application

BEFORE: A.A. Rhodes, Commissioner

ORDER

March 13, 2013

WHEREAS:

- A. On November 30, 2010, Hemlock Utility Services Ltd. (Hemlock, the Utility) and 0762608 B.C. Ltd. filed an Application with the British Columbia Utilities Commission (Commission) pursuant to sections 59 to 61 of the Utilities Commission Act (Act) requesting, among other things, approval of a rate increase for the electricity charges to the ratepayers of the Utility and an automatic mechanism for rate increases (the Original Application);
- B. The Original Application sought a rate increase for customers who use between 0 and 124 kilowatt hours from \$20 per month to \$24 per month and a rate increase for usage in excess of 124 kilowatt hours per month from \$0.1605 per kilowatt hour to \$0.18 per kilowatt hour, increased to \$0.2644 per kilowatt hour in August 2011;
- C. The Original Application was heard by the Commission through a written hearing process which included one round of Information Requests. The Commission did not provide, nor did it direct Hemlock to provide, public notice of the Original Application; therefore, Hemlock's customers did not receive notice of Hemlock's request for a rate increase;
- D. By Order G-66-12 dated May 24, 2012, the Commission approved, among other things, a rate increase from \$20 per month to \$24 for usage between 0 and 124 kilowatt hours per month, and a rate increase from \$0.1605 per kilowatt hour to \$0.23 for usage in excess of 124 kilowatt hours per month. The Order did not specify an effective date for the rate increase;
- E. Following the approvals granted in Order G-66-12, the Commission received approximately 30 letters from Hemlock customers complaining about the rate increase and the process the Commission followed in hearing the Original Application. Many of the letters requested that a new public hearing be held on the basis that no public notice had been provided for the Original Application and also requested that the approved rate increase be deferred until such time;



- F. On September 24, 2012, the Commission issued Letter L-54-12 seeking submissions from Hemlock and any interested customer or party regarding a potential Reconsideration;
 - G. On September 25, 2012, the Commission issued Order G-128-12 which set rates approved under Order G-66-12 as interim, effective September 1, 2012, pending determination of the potential Reconsideration;

2

- H. On November 30, 2012, the Commission issued Order G-184-12 ordering a Reconsideration of the rate increase portion of the Original Application pursuant to section 99 of the Act and directing Hemlock to file a new Revenue Requirements Application;
- I. Order G-184-12 also established that the Reconsideration is to proceed by way of a new written hearing;
- J. On March 8, 2013, Hemlock filed the new Revenue Requirements Application requesting that interim rates established under Order G-128-12 be made permanent (the Application);
- K. The Commission considers establishing a Regulatory Timetable for the review of the Applications is necessary and in the public interest.

NOW THEREFORE the Commission Orders:

- 1. The Regulatory Timetable for the review of the Application is as set out in Appendix A to this Order.
- 2. Hemlock is to provide notice of this Order by sending a copy to each ratepayer in its service area within five business days of the date of this Order.
- 3. Hemlock will publish in display-ad format, as soon as possible, but no later than Monday, March 25, 2013, the Notice of Application attached as Appendix C to this Order, in such appropriate news publications as may properly provide adequate notice to the public in its service areas.

DATED at the City of Vancouver, in the Province of British Columbia, this 13th

day of March 2013.

BY ORDER

Original signed by:

A.A. Rhodes Commissioner

Attachments

Hemlock Utility Services Ltd. Revenue Requirements Application

REGULATORY TIMETABLE

ΑстіоΝ	Date (2013)
Intervener and Interested Party Registration	Monday, April 8
Commission Information Request No. 1	Tuesday, April 9
Intervener Information Request No. 1	Monday, April 15
Hemlock Response to Commission and Intervener Information Request No. 1	Friday, April 26
Commission and Intervener Information Request No. 2	Friday, May 10
Hemlock Response to Commission and Intervener Information Request No. 2	Friday, May 24
Hemlock Final Submission	Monday, June 3
Interveners Final Submissions	Wednesday, June 12
Hemlock Reply Submission	Friday, June 21

HOW TO REGISTER AS AN INTERVENER OR INTERESTED PARTY AND MAKE FILINGS TO THE COMMISSION

In accordance with the Regulatory Timetable, the Commission Secretary must be informed in writing or by online web registration, by Monday, April 8, 2013 of parties' intent to register as Interveners or Interested Parties with respect to this Application.

Interveners

Persons expecting to actively participate in the review process must register as Interveners. Interveners receive copies of the Application, all correspondence and filed documents. In addition, Registered Interveners have an opportunity to participate in rounds of Information Requests as the Regulatory Timetable permits. It is acceptable to register as an Intervener and choose to not fully participate in the process.

In the interest of procedural efficiency, the Commission strongly encourages those parties expecting to actively participate in the process to proactively join other parties with similar interests and/or similar issues, and establish one representative. This is not required, however, in certain circumstances and/or through the hearing process the Commission Panel may not permit the same issues to be brought forward by several participants.

Interested Parties

Persons not expecting to actively participate, but who would like to remain informed on the matter, can register with the Commission as Interested Parties. Interested Parties receive a copy of the Application as well as the Commission's Decision when it is issued.

Letters of Comment

Parties not expecting to register as Interveners or Interested Parties can submit their comments on the Application or process by way of a Letter of Comment. Letters of Comment should indicate that you are a customer or otherwise affected by the Application, and are an opportunity to share your views without becoming a party to the matter. These letters are filed as exhibits, provided to the staff team and the Panel for consideration, and posted on the Commission's website as E Exhibits.

The Commission's *New User's Guide* outlines in more detail how you can participate in the Commission's process. This document can be found at: <u>http://www.bcuc.com/Documents/MiscDocs/NewUsersGuide.pdf</u>.

The Public Record

All submissions and/or correspondence received from active participants or the general public relating to the Application will be placed on the public record and posted on the Commission's website.

The Application and related exhibits can be found on the Commission's website at <u>www.bcuc.com</u>/Current Proceedings.

Contact Information

Registration and filings can be made by web filing, email, facsimile, or mail to the Commission Secretary with the subject: 'Hemlock RRA.' Our preferred method is web filing.

Web Registrations and Filings can be made through the Commission's website at <u>www.bcuc.com</u>. For assistance with this method, please contact Mark Hudson, Web Administrator at <u>web.administrator@bcuc.com</u> or 604-660-4700.

APPENDIX B to Order G-35-13 Page 2 of 2

Mail, email, or facsimile registrations and filings can be made at the following:

British Columbia Utilities Commission Attention: Erica Hamilton, Commission Secretary Sixth Floor, 900 Howe Street, Vancouver, BC V6Z 2N3 Phone: 604-660-4700 Fax: 604-660-1102 Toll Free: 1-800-663-1385 Email: commission.secretary@bcuc.com

For more information, please visit our website or contact Erica Hamilton, Commission Secretary.

APPENDIX C to Order G-35-13 Page 1 of 2

PUBLIC NOTICE

BRITISH COLUMBIA UTILITIES COMMISSION



HEMLOCK UTILITY SERVICES LTD. REVENUE REQUIREMENTS APPLICATION

NOTICE OF APPLICATION FOR WRITTEN HEARING

THE APPLICATION

Effective September 1, 2012, the British Columbia Utilities Commission (Commission) approved a rate increase for Hemlock Utility Services Ltd. (Hemlock) from \$20 per month to \$24 for customers using between 0 and 124 kilowatt hours per month, and a rate increase from \$0.1605 per kilowatt hour to \$0.23 for usage in excess of 124 kilowatt hours per month by Order G-66-12.

On November 30, 2012, the Commission issued Order G-184-12 ordering a Reconsideration of the rate increase pursuant to section 99 of the *Utilities Commission Act* and established that the Reconsideration would proceed by way of a new written hearing. Order G-184-12 also directed Hemlock to file a new Revenue Requirements Application and made the rates established under Order G-66-12 interim, pending a determination on the Revenue Requirements Application.

On March 8, 2013, Hemlock filed a new Revenue Requirements Application requesting interim rates established under Orders G-66-12 and G-128-12 be made permanent (the Application).

THE REGULATORY PROCESS

Commission Order G-35-13 established the Regulatory Timetable for the written review of the Application. The detailed Regulatory Timetable can be reviewed on the Commission's website at <u>www.bcuc.com</u> under Current Applications.

PUBLIC INSPECTION OF THE APPLICATION

The Application and supporting material will be made available for inspection at Hemlock's Head Office at 20955 Hemlock Valley Road RR 1, Hemlock Valley, BC, VOM 1A1, and at the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, BC, V6Z 2N3.

The Application will also be available for viewing on the Commission's website at <u>www.bcuc.com</u>. The Commission's website contains detailed materials related to the Application including Commission Orders and Intervener materials (<u>http://www.bcuc.com/Proceeding.aspx?ApplicationType=Current</u>).

REGISTERING TO PARTICIPATE

Persons who expect to actively participate in the review process must register as Interveners. Interveners also receive copies of the Application, all correspondence and filed documents. Persons not expecting to actively participate may register with the Commission as Interested Parties and will receive a copy of the Application and the Commission's Decision when it is issued.

Interveners and Interested Parties must inform the Commission Secretary, in writing or by online web registration, by **Monday April 8, 2013** of their intention to become Interveners or Interested Parties with respect to the Application.

All submissions and/or correspondence received from active participants or the general public relating to the Application will be placed on the public record and posted to the Commission's website.

FURTHER INFORMATION

For further information, please contact Erica Hamilton, Commission Secretary, or Philip Nakoneshny, Director, Rates, as follows:

Telephone:	604-660-4700
BC Toll Free:	1-800-663-1385
Email:	commission.secretary@bcuc.com