



**LETTER L-65-13**

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**VIA EMAIL**

alove@nelson.com

November 14, 2013

Mr. Alex Love  
General Manager  
Nelson Hydro

Dear Mr. Love:

Re: The Corporation of the City of Nelson  
Service Extension Complaint by the Kootenay Lake Estates Development Corporation

The BC Utilities Commission is in receipt of your correspondence which alleges that Kootenay Lake Estates Development Corporation (KLE) is not in compliance with Order G-76-13. Accordingly, Commission staff sent a letter dated October 21, 2013, to KLE requesting confirmation that KLE has complied, or intends to comply, with the requirement to pay its share of the costs to upgrade the line from single to three phase.

On October 21, 2013, KLE responded to the Commission's letter. In its letter, KLE did not indicate whether or not it intends to pay its share of the costs to upgrade the line from single to three phase; however, while Commission Orders G-76-13 and G-106-13 provided the framework for the cost sharing of the project upgrade, the Panel did not make any determinations or orders on the terms of payment beyond the division of costs. For this reason, the default of payment as raised by Nelson Hydro appears to be beyond the Commission's jurisdiction and legal claims for payment must be pursued through other means.

Further, the Commission is in receipt of correspondence from KLE indicating that Nelson Hydro is making efforts to work directly with the strata owners rather than the developer. In the Reasons for Decision to Order G-76-13 the Commission Panel states its expectation that Nelson Hydro will consider recourse directly with the developer rather than involving individual Strata owners (G-76-13, Reasons for Decision, p. 16).

We expect both parties to act in good faith on the terms determined by the Commission and resolve the matter in a professional and timely manner.

Yours truly,

Erica Hamilton

PW/dg

cc: Kootenay Lake Estates Development Corporation