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**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER G-92-14**

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

**Kyuquot Power Ltd.  
Application for Amendments to Revenue Requirements  
along with Certain Rate Matters**

**BEFORE:** L.F. Kelsey, Commissioner  
C.A. Brown, Commissioner  
H.G. Harowitz, Commissioner  
K.A. Keilty, Commissioner  
N.E. MacMurchy, Commissioner July 10, 2014  
I.F. MacPhail, Commissioner  
B.A. Magnan, Commissioner  
D.M. Morton, Commissioner

**ORDER**

**WHEREAS:**

- A. On April 28, 2014, Kyuquot Power Ltd. (KPL) filed an application pursuant to section 58 of the *Utilities Commission Act* (Act) for amendments to its Revenue Requirements along with Certain Rate Matters (Application);
- B. In order for KPL to achieve a fair return on common equity (ROE) for fiscal 2015 that approaches the 9.50 percent approved by Order G-105-13, the Application seeks, among other things, amendments to Rate Schedules 1101 and 1102 whereby an increase to customer energy tariff rates are sought upon commencement of the Houpsitas billing services;
- C. KPL has indicated that the most significant reasons for requesting amendments to the rate schedules are :
  - (1) increases in the electricity rates charged by British Columbia Hydro and Power Authority, and
  - (2) commencement of the Houpsitas billing services;
- D. The Application requests approval to include a one percent depreciation of the powerline asset (including Contribution in Aid of Construction);

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- E. The Application requests approval to include the amortization of the cost or renewal of the 20 year License of Occupancy lease (Lease Asset) on a straight-line basis over 20 years. The amortization would commence July 1, 2013 and would end on the lease end date of March 31, 2031;
- F. The Application also requests approval pursuant to section 50(3) of the Act for amendments to a loan agreement with Canadian Western Bank; and
- G. The Commission reviewed the Application and determines that interim rates should be established.

**NOW THEREFORE** pursuant to sections 58 to 61, 89 and 90 of the *Utilities Commission Act*, the British Columbia Utilities Commission orders as follows:

- 1. The current rates for Kyuquot Power Ltd. Rate Schedules 1101 and 1102 are made interim effective July 1, 2014.
- 2. Interveners and Interested Parties are to register with the Commission by Thursday, July 31, 2014.
- 3. A further Regulatory Timetable shall be issued by the Commission for review of the Application in due course.
- 4. Kyuquot Power Ltd. is to inform all affected customers of the interim approval of the Application and the deadline for intervener and interested party registration by way of a customer notice.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 10<sup>th</sup> day of July 2014.

BY ORDER

*Original signed by:*

D.M. Morton  
Commissioner