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ORDER NUMBER G-162-24

IN THE MATTER OF the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

APT Utility Corp.
Request to Discontinue Service

BEFORE:

B. A. Magnan, Commissioner

on June 17, 2024

ORDER

WHEREAS:

- A. By letter dated May 7, 2024, APT Utility Corp. (APT) filed a request with the British Columbia Utilities Commission (BCUC) to discontinue utility service at Holly Lodge, an apartment rental building located at 1210 Jervis Street, Vancouver, British Columbia (Holly Lodge), and for relief from certain directives set out in Decision and Order G-116-24 (Application);
- B. By Decision and Order G-116-24 dated April 18, 2024, the BCUC ordered that:
 - 1. APT is a public utility as defined in section 1 of the *Utilities Commission Act* (UCA).
 - 2. APT is directed to file with the BCUC a plan for obtaining all required regulatory approvals for its rates (electricity, natural gas) for service provided under the UCA, and operating system within 60 days of the order.
 - 3. APT is directed to file with the BCUC interim tariff pages reflecting rates for service provided under the UCA that are currently being charged to customers for BCUC endorsement within 30 days of the order.
 - 4. Pursuant to section 90 of the UCA, the current rates for service provided under the UCA that APT charges to its customers are made interim as of the date of the order and any differences between the interim and permanent rates, once approved by the BCUC, will be refundable or recoverable with interest calculated at the average prime rate of APT's principal bank for its most recent fiscal year.
 - 5. APT is directed to provide a copy of the order to all customers of APT as a bill insert in the next billing cycle or within 30 days, whichever is sooner.
 - 6. APT is directed to publish a copy of the order on the homepage of its website within 60 days of the order and the order is to remain on APT's website for a minimum of 60 days from the date it is first published.
 - 7. APT is directed to file an Annual Report with the BCUC within 4 months of its fiscal year end, in accordance with BCUC letter L-46-23.

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- C. In the Application, APT states that the landlord at Holly Lodge has agreed to provide building services to the tenants as of May 1, 2024, and that APT has no future plans to carry on business in British Columbia;
- D. By Order G-139-24, dated May 17, 2024, the BCUC adjourned directives 2 through 7 of Decision and Order G-116-24 and established a regulatory timetable for review of the Application, including an opportunity for letters of comment; and
- E. The BCUC has reviewed the Application and letters of comment received and finds the following determinations are warranted.

NOW THEREFORE for the reasons outlined in the decision accompanying this order, the BCUC orders as follows:

- 1. APT is granted permission to discontinue the provision of utility services at Holly Lodge.
- 2. Directives 2 through 7 of Decision and Order G-116-24 are hereby rescinded.
- 3. APT is directed to notify the BCUC should it seek to resume the provision of public utility service in the future.

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

17th

day of June 2024.

BY ORDER

Original signed by:

B. A. Magnan Commissioner

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APT Utility Corp. Request to Discontinue Service

DECISION

1.0 Background

On April 18, 2024 by Decision and Order G-116-24, the British Columbia Utilities Commission (BCUC) found APT Utility Corp. (APT), a provider of gas and electric utility services at Holly Lodge, an apartment rental building located at 1210 Jervis Street, Vancouver, British Columbia (Holly Lodge), to be a public utility, as defined in section 1 of the *Utilities Commission Act* (UCA). The BCUC ordered that:

- APT was to file with the BCUC a plan for obtaining all required regulatory approvals for its rates (electricity, natural gas) for service provided under the UCA, and operating system within 60 days of the BCUC's order (Directive 2);
- APT was to file with the BCUC interim tariff pages reflecting rates for service provided under the UCA that were currently being charged to customers for BCUC endorsement within 30 days of the BCUC's order (Directive 3);
- Pursuant to section 90 of the UCA, the current rates for service provided under the UCA that APT
 charged to its customers were made interim as of the date of the order and any differences between the
 interim and permanent rates, once approved by the BCUC, would be refundable or recoverable with
 interest calculated at the average prime rate of APT's principal bank for its most recent fiscal year
 (Directive 4);
- APT was to provide a copy of the BCUC's order to all customers of APT as a bill insert in the next billing cycle or within 30 days, whichever was sooner (Directive 5);
- APT was to publish a copy of the BCUC's order on the homepage of its website within 60 days of the
 order and the order was to remain on APT's website for a minimum of 60 days from the date it was first
 published (Directive 6); and
- APT was to file an Annual Report with the BCUC within 4 months of its fiscal year end, in accordance with BCUC letter L-46-23 (Directive 7).

By letter dated May 7, 2024, APT filed a request with the BCUC to discontinue utility service at Holly Lodge and for relief from certain of the directives set out in Decision and Order G-116-24 (Application).

In the Application, APT states that it has ceased all operations, no longer has any customers, and has no plans to carry on business in British Columbia. APT submits that Holly Lodge has 83 units and that it is not economically viable for the company to continue as a regulated public utility with such a small customer base. APT states that the landlord at Holly Lodge has agreed, as of May 1, 2024, to assume providing services to the tenants of Holly Lodge, and that tenants have been offered two options: (i) to continue paying for separate services or (ii) to merge the services into a single rental payment. APT submits that no tenant has been or will be left without utility service. 2

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¹ Exhibit B-1, p. 1.

² Ibid.

On May 17, 2024,³ the BCUC established a proceeding to review the Application, and adjourned Directives 2 through 7 pending a final determination on the matter.

Two letters of comment were received from residents of Holly Lodge. Commenters raised, among other things, questions as to the appropriateness of the rates charged by APT and the landlord, and whether refunds would be provided to customers for previous billing periods.⁴

2.0 Panel Determination

The Panel grants permission for APT to discontinue utility service at Holly Lodge. The Panel notes that no objections have been made to APT ceasing such operations.

Further, the Panel finds that recission of Directives 2 through 7 is warranted. As APT will no longer be providing public utility service, the requirements set out in Directives 2 through 7 for APT to, among other things, obtain BCUC approval for its rates and operating system, file interim tariff pages, and file an annual report with the BCUC are no longer necessary or appropriate.

With respect to submissions regarding the potential for reimbursement to APT customers for past billing periods, the Panel considers the costs and regulatory burden associated with determining permanent rates for APT for the brief period between when APT's existing rates were made interim on April 18, 2024, and May 1, 2024, when the Holly Lodge landlord began providing utility services, would significantly exceed the potential benefits to APT and its customers. As such, the Panel makes no order relating to reimbursement to, or collection from, APT customers with respect to past amounts paid.

Finally, the Panel notes that a landlord providing service to tenants with lease terms of 5 years or less is not a public utility subject to regulation by the BCUC. Accordingly, the BCUC has no jurisdiction to establish or review any utility service rates charged by such a landlord.

DATED at the City of Vancouver	, in the Province of British Columb	oia, this	17 th	day of June 2024

Original signed by:

B. A. Magnan

Commissioner

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³ Exhibit A-2, p. 2.

⁴ Exhibit D-1, p. 1; Exhibit D-2, p. 1.