

IN THE MATTER OF the Utilities Commission
Act, S.B.C. 1980, c. 60, as amended

and

IN THE MATTER of Backbilling Policies of
Commission Regulated Utilities

BEFORE: J.G. McIntyre,)
Chairman;)
N. Martin,) February 28, 1991
Commissioner; and)
W.M. Swanson, Q.C.,)
Commissioner)

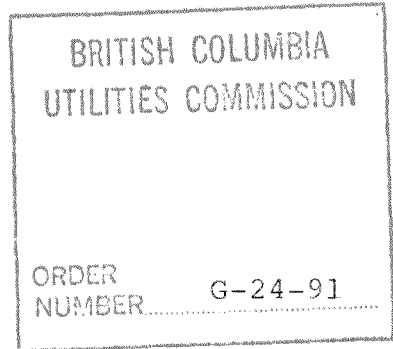
O R D E R

WHEREAS:

- A. As a result of many complaints from customers of regulated utilities, the Commission initiated a review of utility policies on backbilling of energy consumption; and
- B. The review of utility backbilling policies indicated there was a need for standardization in terms and conditions in filed tariffs; and
- C. In 1988 the Commission requested regulated utilities to comment on draft terms and conditions relating to backbilling policies; and
- D. During 1989 the Commission commenced an investigation to determine its constitutional jurisdiction with regard to the Federal Statute, The Electricity and Gas Inspection Act; and
- E. In 1989 the Commission provided a summary of utility responses in a consolidated form of draft terms and conditions for additional comment from both utilities and interested parties; and
- F. In 1990 the Commission determined its jurisdiction and consolidated further suggestions and provided a final draft that was modified with input from responding utilities; and
- G. The Commission has considered the comments and responses from utilities and interested parties and finds that adoption of a backbilling policy in utility tariff format is necessary and in the public interest.

NOW THEREFORE the Commission orders as follows:

- 1. Regulated utility terms and conditions concerning backbilling of services to customers is approved in the form attached as Appendix A, effective May 1, 1991.



2. The following public utilities shall file with the Commission by April 12, 1991, in appropriate tariff format, the backbilling policy as approved in Section 1.

Electric Utilities


- British Columbia Hydro and Power Authority
- Princeton Light & Power Company, Limited
- West Kootenay Power Ltd.
- The Corporation of the City of Nelson
- Hemlock Valley Electrical Services Limited
- Yoho Power Ltd.
- Yukon Electric Co. Ltd.

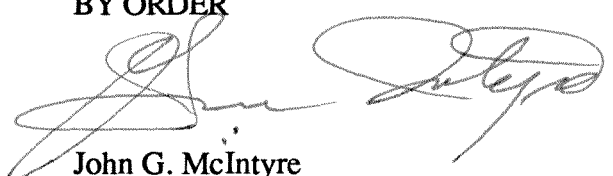
Gas Utilities

- BC Gas Inc.
- Centra Gas British Columbia Inc.
- Northland Utilities (B.C.) Limited
- Pacific Northern Gas Ltd.
- Pacific Coast Energy Corporation
- Squamish Gas Co. Ltd.

Steam Heat Utility

- Central Heat Distribution Limited

DATED at the City of Vancouver, in the Province of British Columbia, this  day of March, 1991.

BY ORDER

John G. McIntyre
Chairman

GENERIC BACK-BILLING TARIFF

Appendix A

Terms and Conditions

Pursuant to section 69 of the Utilities Commission Act, this tariff constitutes the consent of the commission to allow a public utility, in the circumstances specified herein, to charge, demand, collect or receive from its customers in respect of a regulated service rendered a greater or lesser compensation than that specified in the subsisting schedules of the utility applicable to that service.

In the case of a minor adjustment to a customer's bill, such as an estimated bill or an equal payment plan billing, such adjustments do not require back-billing treatment to be applied.

1. Definition:

Back-billing means the rebilling by a utility for services rendered to a customer because the original billings are discovered to be either too high (over-billed) or too low (under-billed). The discovery may be made by either the customer or the utility, and may result from the conduct of an inspection under provisions of the federal statute, the Electricity and Gas Inspection Act ("EGI Act"). The cause of the billing error may include any of the following non-exhaustive reasons or combination thereof:

- (a) Stopped meter.
- (b) Metering equipment failure.
- (c) Missing meter now found.
- (d) Switched meters.
- (e) Double metering.
- (f) Incorrect meter connections.
- (g) Incorrect use of any prescribed apparatus respecting the registration of a meter.
- (h) Incorrect meter multiplier.
- (i) The application of an incorrect rate.
- (j) Incorrect reading of meters or data processing.
- (k) Tampering, fraud, theft or any other criminal act.

2. Whenever the dispute procedure of the EGI Act is invoked, the provisions of that Act apply, except those which purport to determine the nature and extent of legal liability flowing from metering or billing errors.

3. Where metering or billing errors occur and the dispute procedure under the EGI Act is not invoked, the consumption and demand will be based upon the records of the utility for the customer, or the customer's own records to the extent they are available and accurate, or if not available, reasonable and fair estimates may be made by the utility. Such estimates will be on a consistent basis within each customer class or according to a contract with the customer, if applicable.

4. If there are reasonable grounds to believe that the customer has tampered with or otherwise used the utility's service in an unauthorized way, or evidence of fraud, theft or other criminal act exists, then the extent of back-billing will be for the

duration of the unauthorized use, subject to the applicable limitation period provided by law, and the provisions of items 7, 8, 9 and 10 below do not apply.

In addition, the customer is liable for the direct (unburdened) administrative costs incurred by the utility in the investigation of any incident of tampering, including the direct costs of repair, or replacement of equipment.

Under-billing resulting from circumstances described above will bear interest at the rate normally charged by the utility on unpaid accounts from the date of the original under-billed invoice until the amount under-billed is paid in full.

5. In every case of under-billing or over-billing, the cause of the error will be remedied without delay, and the customer will be promptly notified of the error and of the effect upon the customer's ongoing bill.
6. In every case of over-billing, the utility will refund to the customer all money incorrectly collected for the duration of the error, subject to the applicable limitation period provided by law. Simple interest, computed at the short-term bank loan rate applicable to the utility on a monthly basis, will be paid to the customer.
7. Subject to item 4 above, in every case of under-billing, the utility will back-bill the customer for the shorter of:
 - (a) the duration of the error; or
 - (b) six months for residential, small general service (commercial) or irrigation; and
 - (c) one year for all other customers or as set out in a special or individually negotiated contract with the utility.
8. Subject to item 4 above, in all cases of under-billing, the utility will offer the customer reasonable terms of repayment. If requested by the customer, the repayment term will be equivalent in length to the back-billing period. The repayment will be interest free and in equal instalments corresponding to the normal billing cycle. However, delinquency in payment of such instalments will be subject to the usual late payment charges.
9. Subject to item 4 above, if a customer disputes a portion of a back-billing due to under-billing based upon either consumption, demand or duration of the error, the utility will not threaten or cause the discontinuance of service for the customer's failure to pay that portion of the back-billing, unless there are no reasonable grounds for the customer to dispute that portion of the back-billing. The undisputed portion of the bill shall be paid by the customer and the utility may threaten or cause the discontinuance of service if such undisputed portion of the bill is not paid.
10. Subject to item 4 above, back-billing in all instances where changes of occupancy have occurred, the utility will make a reasonable attempt to locate the former customer. If, after a period of one year, such customer cannot be located, the over or under billing applicable to them will be cancelled.