



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

and

An Application by Central Heat Distribution Limited
for Approval of a Municipal Access Agreement with the City of Vancouver

BEFORE: P. Ostergaard, Chair)
L.R. Barr, Deputy Chair)
B.L. Clemenhagen, Commissioner) June 15, 2000
K.L. Hall, Commissioner)
N.F. Nicholls, Commissioner)

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

WHEREAS:

- A. On May 21, 1999, Central Heat Distribution Limited ("CHDL") applied to the Commission for approval of the proposed Terms and Conditions of a Permanent Operating Agreement with the City of Vancouver ("the City") pursuant to Section 32 of the Utilities Commission Act ("the Application"); and
- B. The proposed Permanent Operating Agreement would replace a thirty-year Franchise Agreement between CHDL and the City that expired on June 29, 1996, and by agreement with the City, was subsequently extended on an interim basis; and
- C. On July 15, 1999 the Commission, by Order No. G-77-99, established a regulatory timetable to deal with the Application with negotiations on August 26 and 27, 1999 and a public hearing to commence on September 28, 1999 if negotiations were unsuccessful. The regulatory timetable was subsequently amended by Commission Order No. G-85-99 to allow additional time for negotiations; and
- D. On August 30, 1999, Bull, Housser & Tupper, counsel representing CHDL, advised the Commission that agreement on the outstanding issues with the City had been reached and that both parties requested the Commission to adjourn indefinitely the proceedings set down by Commission Orders No. G-77-99 and G-85-99. Following completion of documentation and internal approvals, a signed agreement would be submitted to the Commission by CHDL for approval. The Commission, by Order No. G-89-99, approved the indefinite adjournment of the regulatory proceedings; and

- E. On June 6, 2000, CHDL filed for approval a Municipal Access Agreement with the City for the term from September 1, 1999 to June 29, 2029. CHDL also filed for approval a September 1, 1999 Side Letter with the City which addresses transitional issues from the end of the old Franchise Agreement on June 29, 1996 to the effective date of the new Municipal Access Agreement; and
- F. CHDL expects that the new Municipal Access Agreement is sufficiently cost neutral that it will not, at this time, file an application to amend its rates; and
- G. The Commission has reviewed the Municipal Access Agreement and Side Letter and finds that approval is necessary and in the public interest.

NOW THEREFORE pursuant to Section 45(7) of the Utilities Commission Act, the Commission approves the Municipal Access Agreement between CHDL and the City for the term September 1, 1999 to June 29, 2029, and the September 1, 1999 Side Letter.

DATED at the City of Vancouver, in the Province of British Columbia, this 21st day of June 2000.

BY ORDER

Original signed by:

Peter Ostergaard
Chair