



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

and

An Application by
Princeton Light and Power Company, Limited
for an Accounting Exemption Order
regarding its Pension Plan

BEFORE: P. Ostergaard, Chair)
R.H. Hobbs, Commissioner) May 29, 2003

O R D E R

WHEREAS:

- A. On April 22, 2003, Princeton Light and Power Company, Limited ("PLP") applied to the Commission pursuant to Section 56 of the Utilities Commission Act ("the Act") for approval to be exempted from the requirements to amortize a pension plan credit due to the depletion of surplus funds in the account effective for its March 31, 2003 financial statements ("the Application"); and
- B. Commission staff requested additional information from PLP regarding the pension surplus and the treatment of the amortization for regulatory purposes; and
- C. On May 28, 2003, PLP revised the Application to request that the Deferred Employee Benefits Credits of \$126,433 as of March 31, 2002 be transferred to a deferral account for future amortization into customer rates. The revision also proposes to amortize the \$126,433 credit over a ten-year period starting with the fiscal period ending 2005 ("the Revised Application"); and
- D. The Revised Application recognizes that in order for customers to receive the benefit of the amortization, PLP has to either file a future revenue requirements application that includes this credit amortization or demonstrate to the Commission that PLP's expenses have risen by an amount equal to the amortization and by keeping rates unchanged the amortization credit offsets the increased expenses; and
- E. The Commission has reviewed the Revised Application and considers that approval is in the public interest.

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-39-03

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NOW THEREFORE pursuant to Sections 56 of the Act, the Commission approves for PLP the Revised Application effective for its March 31, 2003 financial statements.

DATED at the City of Vancouver, in the Province of British Columbia, this *third* day of June 2003.

BY ORDER

Original signed by:

Peter Ostergaard
Chair