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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-151-06

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

and

**British Columbia Hydro and Power Authority
Application for Approval to Cancel Outstanding Debt**

BEFORE: L.F. Kelsey, Commissioner November 30, 2006

O R D E R

WHEREAS:

- A. On September 7, 2006 the British Columbia Hydro and Power Authority ("BC Hydro") applied on a confidential basis for approval to cancel the outstanding debt from CGED Forest Products Ltd. ("CGED") under Section 63 of the Utilities Commission Act ("the Act"); and
- B. The outstanding debt of \$372,866.28 was incurred during the period from September 12, 1993 to July 5, 2002. BC Hydro has written-off the amount owing as bad debt expense for accounting purposes, but as required by the Act continues to treat the debt as a legal obligation owing by CGED; and
- C. CGED has not formally sought creditor protection but BC Hydro believes it is effectively insolvent. Consequently, BC Hydro does not believe sending the debt to a collection agency would result in recovery of any amount; and
- D. The Commission issued Information Request No. 1 on September 14, 2006. BC Hydro responded to Information Request No. 1 on September 21, 2006 and provided a further submission on October 12, 2006; and
- E. In the Information Response BC Hydro confirmed that it is not and will not be seeking recovery of the debt owed from ratepayers since the outstanding debt has previously been written-off as bad debt expense and would not have an impact on current rates; and
- F. The Commission considers that the Application is in the public interest.

NOW THEREFORE the Commission orders as follows:

- 1. Pursuant to Section 63 of the Act, the Commission hereby approves the application for the cancellation and full discharge of the outstanding debt covering CGED effective from the date of this Order.

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2. BC Hydro's request, that the application and approval should remain confidential is denied.

DATED at the City of Vancouver, in the Province of British Columbia, this 4th day of December 2006.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner