

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-174-09**



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

and

**An Application by Birds Eye Cove Estates Ltd.
for a Certificate of Public Convenience and Necessity
and Approval of Revenue Requirements and Electric Tariff**

BEFORE: L.F. Kelsey, Commissioner December 31, 2009

O R D E R

WHEREAS:

- A. Birds Eye Cove Estates Ltd. (doing business as Birds Eye Cove Power, and referred to as "BCEP") purchases electrical power from British Columbia Hydro and Power Authority ("BC Hydro"), uses its system to make the power available to nine property owners in Birds Eye Cove in the vicinity of Maple Bay, British Columbia, and currently provides service to six customers; and
- B. In response to a complaint from customers, by Letter L-13-09 dated February 23, 2009, the British Columbia Utilities Commission (the "Commission") required BCEP to file an application with the Commission for exemption from public utility status, or to establish public utility status and terms of service; and
- C. BCEP, several property owners at Birds Eye Cove and Commission staff met in Vancouver on March 12, 2009 to discuss the complaint from customers and related matters; and
- D. On November 27, 2009, BCEP filed an application for a CPCN, franchise service area, revenue requirements and a tariff (the "Application"); and
- E. In the Application, BCEP requests that the tariff rates be effective December 1, 2009 and April 1, 2010. BCEP's fiscal year ends on March 31. The requested December 1, 2009 rate for service is a BCEP Monthly Fee of \$196.33 plus an allocation of the BC Hydro monthly bill based on consumption; and
- F. The proposed BCEP Monthly Fee is based on BCEP's forecast average revenue requirements for the Fiscal Year ending March 31, 2010, including a Replacement Reserve Fund, averaged over nine customers. The forecast F2010 Revenue Requirement averaged over six customers is \$294.50 per month; and

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- G. In the Application, BECP states that its forecast revenue requirements for F2010, excluding a Replacement Reserve Fund, averages \$159.42 per month for nine customers, and \$239.17 per month when averaged over six customers; and
- H. The forecast revenue requirements include contributions to the Replacement Reserve Fund for F2010 ending on March 31, 2010 and F2011 ending on March 31, 2011, and have cost projections that may be revised following a review of the Application. The Commission considers that the establishment of interim rates is warranted, pending completion of its review of the Application; and
- I. The Commission determines that the Electric Tariff should be approved effective January 1, 2010 on an interim basis, but that the BECP Monthly Fee should be based on forecast 2010 revenue requirements excluding a Replacement Reserve Fund, averaged over nine customers.

NOW THEREFORE pursuant to sections 59 to 63 and 91 of the *Utilities Commission Act*, the Commission orders as follows:

- 1. The Electric Tariff as set out in the Application is approved effective January 1, 2010, except that the BECP Monthly Fee will be \$159.42, with all rates approved by this order being approved as interim rates.
- 2. Any differences between the interim rates and the approved permanent rates will be paid to or recovered from customers, including interest to be paid or recovered at the prime rate of the principal bank where BECP does business.
- 3. The approved Electric Tariff is effective January 1, 2010 and any outstanding issues from service provided prior to this date are to be resolved through the courts if necessary.
- 4. BECP is to provide a copy of this Order to the six customers currently receiving service from BECP.

DATED at the City of Vancouver, in the Province of British Columbia, this 31st day of December 2009.

BY ORDER

Original signed by:

L. F. Kelsey
Commissioner