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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-194-13**

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

and

An Application by Central Heat Distribution Ltd.
for Approval of 2014 Revenue Requirements

BEFORE: L.F. Kelsey, Commissioner November 28, 2013

WHEREAS:

- A. On November 26, 2013, Central Heat Distribution Limited (CHDL) filed with the Commission, pursuant to Sections 58 to 61 and 89 of the *Utilities Commission Act* (Act), an Application to increase its Steam Tariff portion of rates by 11.91 percent effective January 1, 2014 on an interim basis (Application);
- B. CHDL separately charges its customers for energy input costs and when the requested increase in Steam Tariff rates is combined with the energy input costs, the impact to customers will be an average increase of approximately 4.58 percent effective January 1, 2014;
- C. The Application is the first rate change since January 2009 and seeks to recover increases in operating costs, fund capital expenditures, and to allow the utility to earn a reasonable return. CHDL states that the proposed rate increase will result in an overall increase in operating margin of approximately \$825,302 in 2014;
- D. The Application provides CHDL with a rate of return on common equity (ROE) of approximately 9.25 percent, which is consistent with the Commission's approved interim ROE established in Order G-187-12;
- E. The Application contains a customer notice that CHDL has sent or intends to send to all of its customers, identifying the Application and the requested increase in the Steam Tariff rates;
- F. The Commission has determined that a public notice should be published by CHDL and that a preliminary regulatory timetable should be established to review the Application.

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NOW THEREFORE the Commission orders as follows:

1. Pursuant to section 89 of the Act, an increase of 11.91 percent to CHDL's Stream Tariff is approved effective January 1, 2014, on an interim and refundable basis.
2. The Application shall proceed according to the Preliminary Regulatory Timetable attached as Appendix A to this Order.
3. CHDL must publish, as soon as possible, a public notice outlining the details of the Application in the Vancouver Sun.
4. The Application, together with any supporting materials, will be made available for inspection at CHDL's Office, Suite 1, 720 Beatty Street, Vancouver, BC V6B 2M1, and at the British Columbia Utilities Commission, 6th Floor, 900 Howe Street, Vancouver, BC, V6Z 2N3. These materials will also be available on the Commission's website.
5. Current or prospective customers who wish to intervene in the review of the Application must register with the Commission, in writing or electronic submission, by Monday, December 16, 2013. Interveners should specify the nature of their interest in the Application and the issues that they intend to pursue in review of the Application.

DATED at the City of Vancouver, In the Province of British Columbia, this 28th day of November 2013.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner

Attachment

Central Heat Distribution Ltd.
Application for Approval of 2014 Revenue Requirement

PRELIMINARY REGULATORY TIMETABLE

ACTION	DATES (2013/2014)
Central Heat to Publish Notice of Application	by Friday, December 6
Intervener Registration	Monday, December 16
Commission and Intervener Information Requests No. 1	Thursday, February 20
Central Heat Response to Commission and Intervener Information Requests No. 1	Thursday, March 6