
City of Kelowna

MEMORANDUM

DATE: February 14, 2001
FILE: 1824-02

TO: City Manager

FROM: Deputy Director of Finance

RE: **PROVINCE WIDE ENERGY REBATE PROGRAM**

RECOMMENDATION:

THAT Council approve a Financial Plan amendment to increase both the revenue and expenditure budget in the Electrical Utility by \$2,113,400 to recognize funds received from the Province, through BC Hydro and West Kootenay Power, and credits applied to all City of Kelowna residential electrical utility accounts that were active on December 31, 2000.

BACKGROUND:

On February 7, 2001, Premier Dosanjh announced plans for an energy rebate to assist British Columbia families in dealing with the recent rapid increase in energy costs, particularly in the price of natural gas. There are two components to the rebate program consisting of:

- A \$200 province-wide rebate for all residential customers, worth approximately 30% of the average residential customer's annual bill. This will be distributed to residential customers through electrical billings of BC Hydro, West Kootenay Power and those municipalities owning their own electrical utility.
- An income-tested rebate of \$50 per single person or \$100 per family. Cheques will be mailed in April by the Province to BC residents who are eligible for the GST credit.

Order of the Lieutenant Governor in Council #106, passed on February 7, 2001, provides clear direction and limitation on the \$200 rebate. Only those residential customer accounts that were active on December 31, 2000 will qualify for the rebate. The City has determined that there were 10,567 active residential electrical customer accounts on that date.

Customers will have a credit applied to their account, to be used to offset amounts due on regular billings. The City does not intend to make cash payments except in cases where an account has been closed in 2001 and the account holder has moved out of the City's utility area.

The City is expected to receive funds for the rebate program in advance of the credits being applied. As there are presently three billing cycles, customers can expect the credit to appear on the February 26, March 6 or March 16, 2001 billings, depending on their regular billing date.

Paul Macklem
Deputy Director of Finance

cc: Director of Finance & Corporate Services
Revenue Manager
Electrical Manager