
City of Kelowna

MEMORANDUM

DATE: Oct 15, 2007
FILE: 1824-02
TO: City Manager
FROM: Electrical Administration Manager
RE: **COST FOR CUSTOMER DRIVEN UPGRADES AND NEW SERVICES EXTENTIONS**

RECOMMENDATION:

THAT Council direct staff to prepare the necessary changes to the electrical connection charges as suggested in the report dated October 15, 2007 from the Electrical Administration Manager;

AND THAT staff bring forward for reading consideration the related amending bylaw to the City of Kelowna Electricity Regulation Bylaw No. 7639.

DISCUSSION:

The City of Kelowna's cost for customer driven upgrades and/or extensions have been steadily increasing over the last several years due to significant growth in the City Electric Utility Service area, redevelopment of existing properties and upgrades of electrical supply to existing properties. In 2006 the Utility incurred costs of \$416,521 while recovering \$55,707 in fees. In 2007 the Utility has already incurred \$303,942 in expenses while recovering only \$38,241 in fees.

Review of policies of other Electric Utilities (such as Fortis BC), and the City of Kelowna's Water and Sanitary Sewer Utility, identifies that customers are responsible for expenditures incurred when connecting from the extension point on the mainline to their dwelling. Currently, the City of Kelowna Electrical Utility have been providing for these costs within their connection fee. Numerous system upgrades (i.e. larger transformers, new wires and poles etc.) have been required due to the increasing number of the carriage houses and home power supply upgrades. Properties are no longer content with a basic 200 amp service. We are now getting requests for two 200 amp services or more into one property resulting in an increase in load and a system upgrade requirement.

The proposed changes would bring the Utility in line with other utilities. They would also assist the Utility financial picture as it strives to expand mainline systems to deal with growth as well as upgrade aging infrastructure.

Based on our review, we would recommend the following by-law revisions:

SCHEDULE B

Section I – GENERAL

B3 – MINIMUM SERVICE CAPACITY OF RESIDENTIAL

- ADD after the wording; “Only one service shall be allowed”: Any legal property with more than one 200 amp service with a single meter and single family dwelling is deemed to be multi family.

Section II: EXISTING OVERHEAD SERVICES

- Change Wording: EXISTING AND/OR NEW OVERHEAD SERVICES

Section III: UNDERGROUND SERVICES

- Removed B-11.2 Replace with:

The **Customer** shall be responsible for 100% of all trenching, conduit and cable from the customer’s point of service (i.e. meter base to the City of Kelowna Point of attachment (i.e. service pole, service box, etc.) for all underground service. A minimum 7.62 m., (3in) PVC of DB2 conduit with bell ends and long sweep bend shall be required.

- B-12. Change to read: MULTI UNIT, GENERAL SERVICE COMMERCIAL AND INDUSTRIAL
- B-12.1 Change wording: All Multi unit, commercial and industrial services shall be installed underground unless specific approval is granted by the Electrical Administration Manager for an overhead service or unless otherwise provided for the City of Kelowna Subdivision Bylaw No. 6050-86.
- B12.2. Removed sentence: All cost of hi-potting to be borne by Customer.
- B-40 Add to last sentence: “or 25% of actual cost of the transformer.”
- B-41. Remove and replace with: Transformer capacity over 500 KVA shall be approved by the Electrical Administration Manager, purchased by the Customer and installed by an Electrical Contract. The **City** will contribute a maximum of 75% only of the cost of a 500 KVA transformer, additional cost for transformers greater than 500 KVA is to be paid by the **Customer**.

SCHEDULE C Appendix C-13

Remove and replace with:

APPENDIX C-13

Electrical Service Connection Charge for Single Family Properties:
 (All, trenching, conduit and cable from city's point of attachment to the customers point of attachment are paid for by the customer)

1. Basic:

	Underground	Overhead
200 amp service or less, during regular hours	\$260	\$260
200 amp service or less, after regular hours	\$460	\$460

2. Temporary Service:

200 amp service or less, during regular hours	\$260	\$260
200 amp service or less, after regular hours	\$460	\$460

3. Service Upgrade or Relocation Underground and/or Overhead:

200 amp service or less, during regular hours	\$260	\$260
200 amp service or less, after regular hours	\$460	\$460

** All residential **service** greater than 200 amps will be considered commercial and will pay 100% of actual costs based on a cost estimate.

SCHEDULE D D-8. ADMINISTRATION FEES

Remove and replace with:

D-8.1 The fee for making a standard new utility billing account application shall be as follows:
 Effective October 30, 2007 Thirty dollars (\$30.00)

In the case of multiple utility billing account applications, where two or more applications are to be made for one Customer at the same time at lone location the fee shall be as follows:

Effective October 30, 2007 Thirty dollars (\$30.00)
 For each application.

D-8.2 No Change

D-8.3 If it is necessary to re-read a meter more than twice in one calendar year the following fees may apply:

Effective October 30, 2007 Fifty-five dollars (\$55.00)

D-8.4 The fee for a change of service shall be as follows:

Effective October 30, 2007 Thirty dollars (\$30.00)

If it is necessary to call out a work crew the fee shall be Two hundred and Sixty dollars (\$260.00) during call-out hours.

D8.5 The fee for a reconnection to supply after disconnection violation of this Bylaw shall be as follows:

Effective October 30, 2007 – Thirty dollars (\$30.00)

If it is necessary to call out a work crew the fee shall be Two hundred and Sixty dollars (\$260.00) during call-out hours.

If it is necessary to disconnect/reconnect at the pole during regular hours the fee shall be Two Hundred and Sixty dollars (\$260.00) per call out.

If it is necessary to disconnect/reconnect at the pole during call-out hours the fee shall be Four Hundred and Sixty dollars (\$460.0) per call out.

Housekeeping: Change “Electrical Manager” to Electrical Administration Manger” throughout the Bylaw



Cindy McNeely
Electrical Administration Manager

Approved for inclusion:
John Vos, P. Eng.
Director of Works & Utilities

cc: Director of Financial Services
Financial Planning Manager

Schedule	Description	Current Rate	New Proposed Rate
C - 1	Basic Underground/Overhead	\$525	Actual cost & \$260 connection fee
C - 2	Temporary Service U/G or O/H	\$166	Actual cost & \$260 connection fee
	Temp Serv U/G or O/H After Hour Call Out	n/a	Actual cost & \$460 connection fee
C - 3	Service Upgrade or Relocate	\$525	Actual cost & \$260 connection fee
	Service Upgrade or Relocate After Hour Call Out	n/a	Actual cost & \$460 connection fee
D - 8.1	New Utility Billing Account	\$27	\$30
D - 8.3	Re-read meter more than twice in one calendar year	\$50	\$55
D - 8.4	Change of Service	\$27	\$30
	Change of Service After Hour Call Out	\$258	\$260
D - 8.5	Reconnection after disconnection for Violation of Bylaw	\$27	\$30
	Reconnection after disconnection for Violation of Bylaw – After Hour Call Out	\$258	\$260
	Reconnection after disconnection for Violation of Bylaw – At the Pole	\$27	\$260
	Reconnection after disconnection for Violation of Bylaw – At the Pole After Hour Call Out	\$258	\$460