City of Kelowna

MEMORANDUM

DATE:

May 21, 2008

FILE:

1824-02

TO:

City Manager

FROM:

Electrical Administration Manager

RE:

AMENDMENTS TO THE CITY OF KELOWNA ELECTRICITY

REGULATION BYLAW NO. 7639

RECOMMENDATION:

THAT Council approves the revisions to the Electrical Bylaw to allow .8% rate increase for residential, school customers and commercial customers revenues.

AND THAT Council approves the revisions to the Electrical Bylaw to address issues with carriage houses and service charges.

AND THAT the 2008 electrical rates to be effective with the first billing cycle in July, 2008, while the carriage house and service charge amendments become effective immediately.

AND THAT amending Bylaw No. 10008 be advanced for reading consideration:

BACKGROUND:

FortisBC has adopted an additional .8% increase effective May 1, 2008. This is a direct result of BC Hydro's recent interim rate increase, which in turn has increased our cost to purchase power from FortisBC.

This rate increase from FortisBC does impact the bulk power purchase rate for the City of Kelowna and that rate increase is normally passed on to all the city electrical utility customers.

Secondly, on October 22, 2007 Council approved a revision to the Electrical Utility Bylaw for a user pay system for customers requesting upgrades to their electrical services and for service to new buildings. Since that time we have found some inconsistencies around how the bylaw was interpreted and believe that a small number of wording changes are required to address these inconsistencies (i.e. addition of carriage houses that do not request or require an additional meter.) Also we have now established a rate for service charges that require a work crew to response during normal working hours.

We recommend the following three revisions. All changes or additions are in *italics*.

1. Amend **SCHEDULE B**, SECTION I – GENERAL, by deleting subsection B-3. <u>MINIMUM SERVICE CAPACITY OF RESIDENTIAL</u> and replacing it with the following:

"All temporary and new permanent single phase residential services shall be 240 volts, 3 wire and in all new dwelling units the service shall meet the minimum requirements of the Electrical Safety Act. When major alterations are made to a single dwelling unit and/or to the electrical wiring, any deficiencies in the service should be upgraded to ensure adequate service capacity. Only one **service** shall be allowed *per legal property*. Any legal property with more than one 200 amp service with a single meter and/or more than one separate single family dwelling/livable unit is deemed to be multi unit. The service must be installed underground in a minimum size conduit of 7.62 mm (3 inches) if premise is located in an urban or village centre as outlined in the Kelowna Official Community Plan (1994-2013) Bylaw No. 7600 and the City of Kelowna Subdivision, Development and Servicing Bylaw No. 7900."

2. Amend **SCHEDULE C**, Appendix C-13 by deleting the sentence "**All residential **service** greater than 200 amps will be considered commercial and will pay 100% of actual costs based on a cost estimate (minimum fee \$680.00)" and replacing it with the following:

"**All residential **service** greater than 200 amps *and/or with more than one single family dwelling/livable unit* will be considered commercial and will pay 100% of actual costs based on a cost estimate (minimum fee \$680.00)."

3. Amend **SCHEDULE D**, D-8. <u>ADMINISTRATION FEES</u>, sub-section D-8.4, by deleting the sentence "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" and replacing it with the following:

"If it is necessary to call out a work crew the fee shall be Two Hundred and Sixty dollars (\$260.00) for each call out."

INTERNAL CIRCULATION TO:

Director of Financial Services Financial Planning Manager Office of the City Clerk Considerations that were not applicable to this report:

INTERNAL CIRCULATION: N/A

LEGAL/STATUTORY AUTHORITY: N/A

LEGAL/STATUTORY PRODEDURAL REQUIREMENTS: N/A

EXISTING POLICY: N/A

FINANCIAL/BUDGETARY CONSIDERATIONS: N/A

PERSONNEL IMPLICATIONS: N/A **TECHNICAL REQUIREMENTS: N/A**

EXTERNAL AGENCY/PBULIC COMMENTS: N/A COMMUNICATIONS CONSIDERATIONS: N/A

ALTERNATE RECOMMENDATION: N/A

Electrical Administration Manager

Approved for inclusion: John Vos, P. Eng.

Director of Works & Utilities