PROVINCE OF BRITISH COLUMBIA

Eighth Annual Report

OF THE

PUBLIC UTILITIES COMMISSION

Pursuant to Section 64 of the
"Public Utilities Act"

For the Year ended December 31st,

1946

•

PRINTED BY
AUTHORITY OF THE LEGISLATIVE ASSEMBLY.

VICTORIA, B.C.:
Printed by DON MCDIARMID, Printer to the King's Most Excellent Majesty.
1947.

VICTORIA, B.C., February 28th, 1947.

To His Honour the Lieutenant-Governor in Council
of the Province of British Columbia.

MAY IT PLEASE YOUR HONOUR:

SIR,—We have the honour to transmit herewith, in accordance with section 64 of the "Public Utilities Act," the Eighth Annual Report of the Public Utilities Commission under that Act for the year ended December 31st, 1946.

PUBLIC UTILITIES COMMISSION,
W. A. CARROTHERS, *Chairman.*
L. W. PATMORE, *Commissioner.*
J. C. MACDONALD, *Commissioner.*

CONTENTS.

	PAGE.
Scope of Report	7
Legislation	7
Regulations	7
Operations of Public Utility Systems—	
New Construction, New Operations, and Expansions	7
New Supplies of Electric Power for Lower Mainland Area	8
New Supplies of Gas for Vancouver and Victoria	9
Shortages of Materials	10
Discontinuance and Suspension of Service	10
Complaints as to Service by Public Utilities	10
Rates—	
Investigation of British Columbia Electric Railway Company, Limited	10
Rate Changes filed under Section 16 of " Public Utilities Act "	12
Rate Complaints	12
Security Issues, Mortgages, and Sales—	
Security Issues and Mortgages	12
Refinancing of British Columbia Electric Railway Company, Limited	13
Sales of Assets by Public Utility Systems	14
Revenue and Expenses, 1940–46	14
Tables—	
No. 1.—Certificates of Public Convenience and Necessity	15
No. 2—Extensions permitted under Section 12A of " Public Utilities Act "	16
No. 3.—Particulars of Extensions by British Columbia Electric Railway Company, Limited	16
No. 4—Applications to require Public Utilities to extend Systems	17
No. 5.—Applications to discontinue or suspend Service	19
No. 6.—Complaints as to service of Public Utilities	19
No. 7.—Rate Changes consented to pursuant to Section 16 of " Public Utilities Act "	19
No. 8.—Rate Complaints	22
No. 9.—Security Issues and Mortgages	22
No. 10.—Sales of Assets of Public Utility Systems	23
No. 11.—Comparative Statement of Revenue and Expenses	23

Eighth Annual Report of the Public Utilities Commission under the "Public Utilities Act" for the Calendar Year ended December 31st, 1946.

SCOPE OF REPORT.

This report of the Public Utilities Commission is made in accordance with section 64 of the "Public Utilities Act" and covers the calendar year ended December 31st, 1946. It does not cover the work of the Commission under the "Motor Carrier Act," a separate report of which is being made pursuant to section 36 of that Act.

LEGISLATION.

The amendments to the "Public Utilities Act" in 1946 relate solely to milk, over which the Milk Board has jurisdiction and not the Public Utilities Commission.

REGULATIONS MADE DURING 1946 UNDER THE "PUBLIC UTILITIES ACT."

No new regulations or revisions were made by the Commission under the "Public Utilities Act" during the year.

OPERATIONS OF PUBLIC UTILITY SYSTEMS.

New Construction and Operation, and Expansion by Public Utility Systems.

New construction or operation, or expansion, of a public utility system requires the approval or consent of the Commission under section 12 or 12A of the "Public Utilities Act." A summary of applications for certificates of public convenience and necessity received or decided during the year is set out in Table 1. In the case of extensions of a more or less routine nature, such as extensions of distribution systems to serve new customers, the Commission, pursuant to the powers set out in section 12A, relieves the public utility from the requirement of obtaining a certificate of public convenience and necessity. A summary of extensions permitted under section 12A is set out in Table 2. It will be noted that the majority are extensions made by the British Columbia Electric Railway Company, Limited. Of the 397 extensions of electric power systems permitted to this company under section 12A, 394 were extensions of electric distribution-lines, particulars of which are set out in Table 3. The other three were the installation of dust-recovery apparatus at the Brentwood steam plant (near Victoria), improvements in sub-station, transmission and distribution facilities in the Greater Vancouver area, and improvements in transmission, transformer, and distribution facilities on Vancouver Island. As noted in Table 2, the Commission permitted a number of extensions of transportation systems under section 12A. These were in connection with temporary bus service in the municipalities of Richmond and Burnaby pending franchise negotiations, temporary service in Stanley Park during the Jubilee celebrations in Vancouver, and extensions of bus service in the Municipality of Esquimalt.

A number of letters were received by the Commission from persons desiring extensions of public utility systems to serve their premises. Many of these called for merely an explanation of the principles and terms on which the extensions should be made. Those which were more in the nature of complaints are summarized in Table 4.

New Supplies of Electric Power for Lower Mainland Area.

The report of the Commission for 1945 explained the need for new supplies of electric power for the Lower Mainland area and referred to the order of June 6th, 1945, requiring the British Columbia Electric Railway Company, Limited, to proceed without delay with the development of an initial stage of the Bridge River project, involving a capacity of at least 45,000 kilowatts. The company had, on March 26th, 1945, issued an order to the Shawinigan Engineering Company, of Montreal, to prepare plans and specifications for the initial works to be carried out at the Bridge River power-site. These were submitted to the Commission on February 25th, 1946. The approximate cost of the development of the initial stage of the Bridge River project was estimated at $10,920,000. The initial works will include the following:—

(*a*) Construction of a diversion-dam at Site No. 7, which is immediately below the present tunnel intake.

(*b*) Miscellaneous works at the Seton Lake end of the tunnel.

(*c*) Construction of a 6-foot 4-inch diameter penstock from the tunnel to the power-house site.

(*d*) Construction of the first portion of the power-house, with settings for three machines.

(*e*) Installation of one 62,000-horsepower hydro-electric generating unit.

(*f*) Necessary low-voltage switching equipment, together with auxiliary equipment and transformer capacity to step up voltage for transmission to Vancouver.

(*g*) One 230-kilovolt transmission-line, to be carried on steel towers from Bridge River to Vancouver.

The certificate of public convenience and necessity issued by the Commission in connection with the project is included in Table 1.

The progress made during 1946 is outlined in a report of February 28th, 1947, from the company to the Commission, from which the following is quoted:—

"Dealing first with the Diversion Dam, for which the construction contract was signed on May 29, 1946, and work begun on June 5, a reasonably satisfactory rate of progress has been maintained, the greatest difficulty being inexperienced labour. On February 20, 313 men were employed by the contractor. Up to that date 180,000 cubic yards of rock had been removed from the spillway channel, leaving approximately 18,000 cubic yards still to be removed to complete this portion of the work. Placing of concrete in this spillway section was commenced on February 19. Sheet steel piling and reinforcing steel are on hand together with a supply of the embedded members to accommodate the sluice gates. The balance of the embedded members are being completed at the Western Bridge Company shops and will be ready for installation when sufficient concrete has been placed to receive them.

"Work on the upstream coffer dam, approximately 70 per cent. complete, has been carried as far as is possible until the river has been diverted from its original channel to the new spillway. Approximately 70,000 bags of cement have been transported to the site and approximately 19,000 cubic yards of sand and gravel are in adjacent rock piles.

"On November 1, 1946, orders were placed for the first main generator and the first turbine. The generator was ordered from the Canadian Westinghouse Company and the turbine from the Pelton Water Wheel Company of San Francisco. Through an arrangement with the Vancouver Engineering Works, the greater part of the turbine will be constructed and assembled in the Vancouver shops of the latter company.

"Preliminary drawings of both generator and turbine have just come to hand which will permit completing the design of the generating station and calling for tenders on the building. Tenders for the first step-up transformer bank were called for on December 28, 1946, and for the first penstock on January 24, 1947.

"Work commenced on preparation for construction of the transmission line on June 3, 1946. At the end of last week the number of men employed on clearing operations, excavation and construction of tower footings was 230. Seven camps have been established, about 45 miles of clearing completed and 5 miles of road, in addition to a mile of pack-trail, has been constructed.

"Orders were placed on April 7, 1946, for transmission line towers and up to February 22, a total of 59 tower bases have been completed. Excavation for an additional 33 has been completed, for which steel is on site and partially in place. In addition, anchor bolts have been delivered for a considerable number of towers which will sit on solid rock, and drilling for these anchor bolts is under way. Orders for suspension insulators for the line were placed on May 13, and for the necessary conductors on July 12. Orders for hardware were placed on September 10. All of these items are scheduled for delivery as the erection of towers progresses."

New Supplies of Gas for Vancouver and Victoria.

On December 13th, 1945, the Commission granted a certificate of public convenience and necessity to Victoria Gas Company, Limited, authorizing an addition to its gas-production plant. This certificate was noted in the report of the Public Utilities Commission for 1945. Gas consumption in the Victoria area had increased from 158,000,000 cubic feet in 1938-39 to 320,000,000 cubic feet in 1944, the bulk of the demand coming from domestic and commercial users, with a relatively small demand from industrial users. In 1941 an old water gas set of 500,000 cubic feet capacity, which had been discarded from the Vancouver plant, was reconditioned and put into service in Victoria owing to heavily increasing gas load and the impossibility of obtaining new plant in war-time. This brought the total manufacturing capacity to 1,500,000 cubic feet per day. With the increasing load it was apparent in 1945 that a new plant of enlarged capacity would be needed as soon as obtainable. The Commission's certificate of December 13th, 1945, authorized the installation of a new carburetted water gas-generating set with a capacity of 1,200,000 cubic feet per day. It was expected that the new installation would be completed before the 1946–47 winter.

Conditions in Vancouver were similar to those in Victoria. Demand for gas had increased to the point where there was no surplus generating capacity at peak periods even with the use of old equipment which had been reconditioned and put into service out of necessity during the war. The total manufacturing capacity was 9,500,000 cubic feet per day. On February 13th, 1946, the Commission granted a certificate authorizing the installation of a reverse-flow carburetted water gas manufacturing set with a capacity of 4,500,000 cubic feet per day. There appeared to be a reasonable probability of having the installation in operation in time to meet the 1946–47 winter peaks if delays in obtaining and installing the unit could be avoided.

By the late summer of 1946 it was becoming apparent that the new gas-generating capacity in Victoria and Vancouver would not be in operation in time to meet the winter peaks, and that some temporary restriction of service would be necessary. A report from the company dated August 29th, 1946, stated:—

"The company is experiencing grave difficulties in constructing new plant in order to take care of expanding requirements for gas, and therefore it is likely to be extremely difficult to meet winter peak requirements during this year if the company is required to take on additional gas heating load. We are now having difficulties in obtaining materials for the construction of the company's new gas plants, which are certainly

bound to delay completion of these units until well on into the winter heating season. At the same time there is a growing demand for gas as a house heating fuel, and if these are to be accepted the company will be placed in an extremely precarious position with respect to its winter peak load this year."

On August 30th, 1946, the Commission granted its consent to the withholding of the quoting of gas space-heating rates to any additional customers and to refusing the granting of such rates for a period of eight months. It was expected that under normal conditions the company would then be able to protect existing gas customers against serious disruptions of service during the winter peak. Unfortunately a severe cold spell brought about especially heavy demands, which resulted in a short period of low pressure and restricted service both in Vancouver and Victoria.

The new installation in Victoria was put into operation in February, 1947, and this should ensure an adequate supply of gas for many years to come. The new plant in Vancouver has not been completed, as of the date of this report, but is well along toward completion, and it may be assumed that it will be in operation before the next peak occurs. This should ensure an adequate supply of gas in Vancouver for many years to come.

Shortages of Materials.

There has been a steadily increasing demand for public utility service during and after the war years. During the war, expansion of plants and systems could only be carried out in accordance with Dominion controls. Materials were not available to provide for future demands of a purely civilian nature. The end of the war brought increasingly insistent demands for additional service with no corresponding improvement in the availability of materials. Delays were unavoidable in meeting the new demands.

In the case of electric utilities, shortages of transformers and wire were especially serious. On December 3rd, 1946, the British Columbia Electric Railway Company, Limited, had eighty-five large extensions of electric distribution-lines in an unfinished state. This number includes only extensions requiring ten poles or more. Further, there was a very large number of other extensions, large and small, approved and ready for installation. To avoid complaints of discrimination, it was necessary to follow a fair and definite policy in completing extensions, and the company advised the Commission that it was following a policy of strict priority. West Kootenay Power and Light Company, Limited, experienced the same problems and also established a priority system, completing extensions as materials became available according to the order of date of application for service.

Discontinuance and Suspension of Service.

Particulars of applications by public utilities to discontinue or suspend service are set forth in Table 5.

Complaints as to Service by Public Utilities.

Particulars of complaints as to service provided by public utilities are set forth in Table 6.

RATES.

Investigation of British Columbia Electric Railway Company, Limited, and Associated and Subsidiary Companies.

By an order dated August 15th, 1939, the Commission commenced an inquiry into the property, operations, and rates of the British Columbia Electric Railway Company, Limited, and its associated and subsidiary companies. Pursuant to this order and

supplementary instructions an appraisal of property was made by the Commission's Chief Engineer and the financial results of operations were investigated for the Commission by the accounting firm of George A. Touche & Company. The report of the Chief Engineer was submitted to the Commission on August 8th, 1941, and the report of the accounting firm in October, 1941. Both reports were made available to the public on November 1st, 1941. Public hearings were begun on August 24th, 1942, at which these reports and the representations of interested parties were submitted. These hearings were continued until January 12th, 1943.

In accordance with the requirements of section 15 of the "Public Utilities Act" the Commission investigated the properties and revenues of each "service unit" separately. The service units into which the operations as a whole were divided were:—

Electric service—Lower Mainland.
Electric service—Vancouver Island South.
Electric service—Alberni.
Electric service—Kamloops.
Electric service—Newcastle-Nanoose.
Electric service—Comox-Nelson.
Gas service—Lower Mainland.
Gas service—Vancouver Island South.
Urban transportation—Lower Mainland.
Urban transportation—Vancouver Island South.
Interurban transportation—Lower Mainland.
Water service—Comox-Nelson.

Following the public hearings, the findings of the Commission were set out in a report to the Lieutenant-Governor in Council dated July, 1943. Schedule A of that report shows the appraised values of the properties of each service unit. Schedule B comprises an analysis of the historical cost of funds for the companies as a whole. Schedule C shows the relation of revenue to cost of service for each service unit for each of the years 1939–1942, inclusive. The revenue was in excess of the cost of service in 1942 in several service units. Schedule D shows the relation of revenue to cost of service *and taxes* for 1942 for all services combined, the result being a deficit of $480,246 for the year on the basis of the fair return allowable under the "Public Utilities Act."

In November, 1943, the Commission issued a supplementary report which, because of its bearing on the subsequent actions of the Commission, is quoted herewith, as follows:—

"In the first report of the Public Utilities Commission on the investigation into the rates and service of the British Columbia Electric Railway Company, Limited, it was found that on the basis of the 1942 revenues a reduction in charges to customers in some units of service was indicated. An inspection of the business during the past five years indicated also that these revenues cannot be considered to be normal. Their continuance at present levels cannot be assumed.

"It was also reported that because of the abnormal conditions at the present time it is not opportune to make a complete revision of rate structures. Hearings with regard to rates were postponed until a later date. It is the opinion of the Commission that any change at the present time should be made in the simplest and most flexible way to be easily modified as the unstable conditions of the time may require.

"It is the opinion of the Commission, however, that the revenues of the company are such as to justify some relief to the customers of the company, particularly in the electric service. The question arises as to the manner of giving such relief. A percentage alteration in those charges which appear most out of line was suggested in our

first report. We find that the application of this method would likely involve some delay as its adoption is based to some extent on the full findings of the report.

"In view of this, believing the customers to be entitled to some immediate relief, we recommend that this be given through the omission of billing of customers for a definite period. This method has the advantage of giving consideration to the unstable character of the situation at the present time, due to war conditions. Such a method would give immediate relief and allow further time for the consideration of the first report of the Commission in the future, as it would not necessarily involve the full acceptance of that report. This method would be essentially temporary in character, and would leave the Commission free to make such further orders in the future as are deemed desirable in the circumstances.

"Apart from the effect of this in reducing the revenues of the company, it would, to some extent, be a recognition of the inconvenience experienced by the public at the present time due to inferiority of service, necessitated by shortage of materials and equipment, and war restrictions in general.

"With regard to the period for non-billing of customers to be established, it is recommended that on the basis of the excess of earnings over cost in the various areas, this be one month in the Lower Mainland area and two months in all other areas served by the company, the details and application to be embodied in an order of the Commission."

Free billing periods were ordered by the Commission in 1943, 1944, and 1945. By 1946 the war was ended and the abnormal conditions which were the justification for the unusual method of regulation by the free billing procedure were disappearing. While revenues remained high, indications were that cost of service was increasing very rapidly, and that the relationship of revenue to cost of service would not justify a free billing period in 1946. Free billing was therefore discontinued.

Annual reports have been received from the companies, by means of which the original investigation data can be brought up to date, year by year. On April 16th, 1946, the Commission made an order providing for audits of these reports and assigned the Chief Engineer and retained the accounting firm of George A. Touche & Company to audit the reports for 1943, 1944, and 1945. The reports of Touche & Company were received on January 7th and 16th, 1947, and the report of the Chief Engineer on February 12th, 1947. Analyses of the reports, as audited, were immediately commenced in order to compare revenues with cost of service, with a view to determining future policy.

Rate Changes filed pursuant to Section 16 of "Public Utilities Act."

A complete statement of all rate changes filed during 1946 is shown in Table 7. Most of the changes are adjustments made to meet special circumstances and affecting a relatively small number of consumers. There has been no general increase in utility rates comparable to the general rise in prices of most commodities, although a few cities and small utilities found it necessary to make some increases. On the other hand, there have been a number of substantial reductions by telephone and electric utilities.

Rate Complaints.

The rate complaints dealt with during the year are summarized in Table 8.

SECURITY ISSUES, MORTGAGES, AND SALES.

Security Issues and Mortgages.

Section 21 of the "Public Utilities Act" requires that no public utility shall issue any stocks or shares or any bonds, debentures, securities, or other evidence of indebted-

ness payable in more than one year from the date thereof unless it has first obtained approval by the Commission of the proposed issue. Applications made under this section in 1946 and summaries of the findings of the Commission thereon are set out in Table 9.

It will be noted from Table 9 that a very substantial refunding plan by the British Columbia Electric Railway Company, Limited, and associated companies has been authorized. Details of this refunding are set out in the following paragraphs.

Refinancing of British Columbia Electric Railway Company, Limited, and Associated and Subsidiary Companies.

By an order dated November 12th, 1946, and approved by Order in Council, No. 2718, the Commission approved a plan of refinancing of British Columbia Electric Railway Company, Limited, and associated and subsidiary companies. Under the plan, British Columbia Electric Power and Gas Company, Limited, a company subject to the "Public Utilities Act," was made the financing company in place of British Columbia Power Corporation, Limited, a company not subject to that Act. The subsidiaries of British Columbia Electric Power and Gas Company, Limited, transferred the title to their property and assets to that company to enable it to give a first mortgage on such assets as well as on the gas properties already owned by it. To provide further security for the new bond issue of British Columbia Electric Power and Gas Company, Limited, British Columbia Power Corporation, Limited, transferred to that company $5,000,000 of bonds and all the preferred and deferred ordinary stock of British Columbia Electric Railway Company, Limited. With the above-mentioned security, British Columbia Electric Power and Gas Company, Limited, after changing its name to British Columbia Electric Company, Limited, issued $33,000,000 of bonds to the public, bearing interest at 3¼ per cent. The Commission's approval specified that the bonds must be sold at a price of not less than $98 per $100.

The intercorporate relationships of the British Columbia Electric group of companies were simplified by the elimination of $19,160,000 of bonds of subsidiaries previously held by British Columbia Power Corporation, Limited. Of the bonds of the group of companies in the hands of the public, the following were redeemed:—

British Columbia Power Corporation 4¼-per cent. Series A	$10,800,000
British Columbia Power Corporation 4¼-per cent. 1939 Series	4,210,000
British Columbia Power Corporation 4-per cent. 1945 Series	10,000,000
Vancouver Power 4¼-per cent. debenture stock, £1,500,000, say	7,290,000
	$32,300,000

The annual saving in interest before tax, as a result of the refinancing, is estimated at $224,675. In addition, it is anticipated that the financial reorganization will enable the group of companies to obtain funds in the future, through public financing by British Columbia Electric Company, Limited, at a cheaper rate of interest than would otherwise be possible.

The change in the relationship of the group of companies to the investing public is, briefly, that £1,500,000 of first mortgage bonds of Vancouver Power Company, Limited, and $25,010,000 of collateral bonds of British Columbia Power Corporation, Limited, are replaced by $33,000,000 of first mortgage bonds of British Columbia

Electric Company, Limited. The relationship of the investing public to the group of companies is unchanged in connection with the following securities which are still outstanding in the hands of the public, namely:—

£2,788,170 of debenture stock of British Columbia Electric Railway Company, Limited.

£1,440,000 of preference stock of British Columbia Electric Railway Company, Limited.

$5,000,000 of preference shares of British Columbia Electric Power and Gas Company, Limited (now British Columbia Electric Company, Limited).

$59,250,000 of shares of British Columbia Power Corporation, Limited.

Sales of Assets of Public Utility Systems.

Transfers of property by public utilities to the British Columbia Power Commission do not require the approval of the Public Utilities Commission and are therefore not recorded. The transfers dealt with by the Commission under section 23 of the "Public Utilities Act" are shown in Table 10.

Table 10 shows a transfer of the title of assets to British Columbia Electric Power and Gas Company, Limited, by its subsidiaries. This was done in connection with a financing plan which is explained elsewhere in this report.

It will be noted that a change from private to municipal operation has taken place at Kimberley, Lake Cowichan, and Maple Ridge, the privately operated utility systems having been acquired by purchase by the municipalities.

REVENUE AND EXPENSES, 1940–46.

A statement of revenue and expenses of the Public Utilities Commission under the "Public Utilities Act" and the "Motor Carrier Act" is set out in Table 11. The figures shown are for the calendar year and not the fiscal year, and figures for previous years have been included for comparative purposes. Revenue under the "Motor Carrier Act" has been compiled from monthly reports made by the Superintendent of Motor Carriers. Revenue under the "Public Utilities Act" represents fees on applications granted during the year, even though the fees may not have been transferred from Suspense Account to Revenue Account until the following year. The fees in connection with the refinancing of the British Columbia Electric Railway Company, Limited, and its associated and subsidiary companies, amounting to $55,642.50, were responsible for an abnormally large revenue under the "Public Utilities Act" for 1946.

TABLES.

TABLE 1.—APPLICATIONS FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY RECEIVED OR DECIDED IN 1946.

Class of Service.	Applicant.	Date of Application.	Particulars.	Result.
Transportation...	British Columbia Electric Railway Co., Ltd.	Dec. 12, 1945	Revision of Mt. Tolmie bus route, City of Victoria	Granted; Jan. 11, 1946.
		Sept. 26, 1946	Approval of bus franchise in North Vancouver	Granted; Sept. 30, 1946.
		Oct. 28, 1946	Approval of bus franchise in Richmond	Granted; Nov. 1, 1946.
	Sea Bus Lines, Ltd.....	Apr. 24, 1946	Ferry service on Howe Sound previously operated by Howe Sound Transport	Granted; May 17, 1946.
Electric power.....	British Columbia Electric Railway Co., Ltd., and Bridge River Power Co., Ltd.	Feb. 25, 1946	Initial stage of Bridge River power-development, providing for 62,000 horse-power	Granted; Mar. 25, 1946.
	British Columbia Electric Railway Co., Ltd.	May 31, 1946	Expansion of transmission, transforming, and distribution facilities in Lower Fraser Valley	Granted; June 6, 1946.
		June 5, 1946	Construction of approximately 47.2 miles of new electric distribution-lines on Vancouver Island	Granted; July 9, 1946.
	Burns Lake Electric.....	Aug. 3, 1946	Enlargement of generating plant at Burns Lake	Granted; Aug. 7, 1946.
	Clinton Power and Light Co., Ltd.	Sept. 18, 1946	Installation of electric power system at Clinton, replacing those previously operated by F. T. Boyd and Bruce McTavish	Granted; Oct. 21, 1946.
	Craker, R. J.....	June 21, 1946	Installation of electric power system at Houston	Granted; Aug. 23, 1946.
	Davies, W.	July 30, 1946	Installation of electric power system at Lone Butte	Granted; Aug. 23, 1946.
	Kimberley, City of.....	June 21, 1946	Operation of electric power system at Kimberley previously operated by Consolidated Mining and Smelting Co. of Canada, Ltd.	Granted; July 24, 1946.
	Martin, C.	Mar. 30, 1946	Installation of electric power system at Masset	Granted; Apr. 9, 1946.
	Miller, G.	Sept. 25, 1946	Operation and extension of electric power system at Yale	Granted; Dec. 18, 1946.
Water.....	Dougan, V. E.....	Oct. 22, 1945	Operation of water system at Shawnigan Lake with larger capacity	Granted; Oct. 30, 1946.
	Kimberley, City of.....	June 21, 1946	Operation of water system at Kimberley previously operated by Consolidated Mining and Smelting Co. of Canada, Ltd.	Granted; July 24, 1946.
	Kuryluk, Nick	Dec. 20, 1946	Installation of waterworks system near Kinnaird	Granted; Jan. 27, 1947.
	Lake Cowichan, Village of	Oct. 19, 1946	Operation of water systems at Lake Cowichan previously operated by Stanley Gordon and Peter Olson	Granted; Nov. 28, 1946.
	Willows Hotel Co., Ltd.	Sept. 26, 1946	Operation of water system at Campbell River previously operated by Campbell River Hotel and Resort Co., Ltd.	Granted; Oct. 11, 1946.
Gas.....	British Columbia Electric Power and Gas Co., Ltd.	Feb. 4, 1946	Installation of new gas-manufacturing plant at Vancouver with capacity of 4,500,000 cu. ft. per day	Granted; Feb. 13, 1946.

TABLE 2.—EXTENSIONS DEALT WITH UNDER SECTION 12A OF THE "PUBLIC UTILITIES ACT" DURING 1946.

Class of Service.	Public Utility.	Number of Extensions.
Transportation	British Columbia Electric Railway Co., Ltd.	6
Electric power	British Columbia Electric Railway Co., Ltd., and associated companies	397
	Courtenay, City of	4
	Cumberland Electric Lighting Co., Ltd.	2
	East Kootenay Power Co., Ltd.	1
	Nanaimo, City of	1
Gas	British Columbia Electric Power and Gas Co., Ltd., and Victoria Gas Co., Ltd.	1
Water	General Utility Co., Ltd.	1
	Kelowna, City of	1
	Total	414

TABLE 3.—EXTENSION OF ELECTRIC DISTRIBUTION-LINES OF BRITISH COLUMBIA ELECTRIC RAILWAY COMPANY, LIMITED, DURING 1946, PERMITTED UNDER SECTION 12A OF THE "PUBLIC UTILITIES ACT."

Municipality or District.	Number of Extensions.			Number of Customers to be served.	Total Cost of Extensions (estimated).	Total Distance of Extensions (Feet).
	Domestic and Farm.	Commercial and Industrial.	Total.			
Burnaby and North Burnaby	18	1	19	100	$32,818.02	30,797
Chilliwack and Chilliwhack	12	1	13	149	63,098.30	110,955
Coquitlam*	8	....	8	65	25,011.10	50,707
Delta	6	....	6	41	13,175.85	26,653
Dewdney	4	....	4	41	15,691.45	34,413
Esquimalt	7	....	7	15	3,931.59	10,090
Goldstream	2	....	2	6	1,900.58	9,260
Highlands	1	....	1	10	8,579.96	27,050
Ioco	1	....	1	1	473.55	740
Kamloops, North and East	5	....	5	138	13,253.79	17,200
Kent	3	....	3	7	3,409.55	7,910
Langley†	49	....	49	447	137,976.39	342,015
Malahat	1	....	1	3	783.94	1,900
Maple Ridge	14	....	14	98	31,167.85	60,776
Matsqui	38	....	38	264	81,700.85	186,268
Metchosin	8	....	8	26	17,504.91	42,390
Mission	14	....	14	63	20,765.95	37,719
New Westminster	....	1	1	1	3,109.05	2,640
Nicomen	5	....	5	17	10,505.60	23,275
North Saanich	8	....	8	17	5,561.79	14,510
North Vancouver	20	....	20	104	30,673.16	37,413
Pitt Meadows	5	....	5	56	18,932.60	49,688
Port Coquitlam	4	....	4	11	3,657.30	5,190
Richmond	10	1	11	55	19,749.30	26,635
Saanich	14	1	15	26	10,796.58	30,850
Shawnigan	13	....	13	61	14,911.98	45,310
Sooke	8	....	8	34	14,542.33	41,352
Sumas	19	....	19	51	22,230.70	54,026
Surrey‡	78	....	78	371	109,302.73	222,384
Vancouver	11	....	11	276	27,732.90	28,053
West Vancouver	2	....	2	43	3,168.00	3,113
Yale	1	....	1	1	757.60	2,100
Totals	389	5	394	2,598	$766,875.25	1,583,382

* Includes 2 extensions, serving 51 consumers, which extend into Port Coquitlam; shown under "Coquitlam" and not under "Port Coquitlam."

† Includes 2 extensions, serving 70 consumers, which extend into Matsqui; shown under "Langley" and not under "Matsqui."

‡ Includes 2 extensions, serving 25 consumers, which extend into Langley; shown under "Surrey" and not under "Langley."

TABLE 4.—APPLICATIONS TO COMMISSION TO REQUIRE PUBLIC UTILITIES TO EXTEND THEIR SYSTEMS, 1946.

Public Utility.	Applicant.	Particulars of Application.	Disposition.
British Columbia Electric Railway Co., Ltd.	Bates, A. L.	Extension of electric distribution-lines in Matsqui	Priority given to application due to special circumstances; *extension completed* Feb. 28, 1946.
	Burnaby, District of	Bus-route extension to serve Moscrop area of Burnaby Municipality	Service commenced Sept. 16, 1946.
	Lawson, C. W.	Extension of electric distribution-lines on Iverson Road, Langley Prairie	General discussion with company regarding delays in making extensions, such delays being due principally to difficulty in obtaining materials. Undertaking given by company to follow a policy of strict priority in completing extensions.
	Parlane, A.	Extension of electric distribution-lines on Manson Road, Mission	Extension completed Dec. 16, 1946.
Gibsons Landing, Village of	Smart, J. T.	Connection to water-mains in D.L. 685	Not ordered because of restricted supply.
Nelson, City of	St. Dennis, J. A.	Extension of electric distribution-lines near Nelson	Applicant unwilling to meet required revenue guarantee.
Prince George, City of	Hennig, J. C., and others	Extension of electric distribution-lines to serve 31 residents of D.L. 1511	No action taken; insufficient surplus power available from city's plant.
Quesnel Light & Water Co., Ltd.	Goodwin, W. R., and others	Extension of water-mains on Kinchant Street, Quesnel	No action taken; existing mains overloaded and new materials unobtainable.
Victoria, City of	Waide, F. G.	Extension of water-mains at Sooke a distance of 750 feet	Financial terms proposed by city found to be reasonable and Mr. Waide so notified Feb. 15, 1946.
	Waterhouse, R.	Extension of water-mains to Florence Lake Road on cheaper rate than provided in standard extension policy of city	Refused.
	Whitney-Griffiths, C. E.	Extension of water-mains at Albert Head and East Metchosin	Applicant referred to city for negotiation of terms.
West Kootenay Power and Light Co., Ltd.	Association of B.C. Irrigation Districts	Request for more equitable and speedy action in making connections to electric power lines	Assurance given by company that connections will be made on priority basis.
	Boocock, W.	Extension of electric distribution-lines at Midway	Terms of standard extension policy of company applied to this extension, involving minimum charge of $2.55 per month.
	Boswell and District Farmers' Institute, H. Demchuk and others	Extension and improvement of service at and near Creston and north along east side of Kootenay Lake	Matter extensively investigated by company, but no other action taken in 1946 due to inadequacy of supply.
	Douglas, R. R.	Extension of electric distribution-lines to Kettle Valley	Extension not feasible due to insufficient number of customers.
	Hackney, F. M.	Extension of electric distribution-lines to Patterson Valley	Not sufficient business to warrant capital expenditure necessary.
	Haugen, Essie E.	Extension of electric distribution-lines at Robson	Company to make extension when materials available.

TABLE 4.—APPLICATIONS TO COMMISSION TO REQUIRE PUBLIC UTILITIES TO EXTEND THEIR SYSTEMS, 1946—*Continued.*

Public Utility.	Applicant.	Particulars of Application.	Disposition.
West Kootenay Power and Light Co., Ltd.—*Continued.*	O'Genski, J.	Extension of electric distribution-lines at Apex	Extension found to be not feasible due to insufficient number of customers.
	Okanagan Falls Board of Trade	Extension of electric power lines to Okanagan Falls	Undertaking given by company to complete extension as soon as materials available.
	Osachoff, M., and Markoff, P.	Extension of electric distribution-lines to Slocan Park	Not sufficient business to warrant capital expenditure necessary.
	Leaf, A.	Extension of electric distribution-lines in Taghum area	Applicant referred to City of Nelson to negotiate for service.

TABLE 5.—APPLICATIONS TO DISCONTINUE OR SUSPEND SERVICE, 1946.

Applicant.	Date of Application.	Particulars.	Disposition.
Boyd, F. T.	Oct. 3, 1946	Discontinuance of electric service at Clinton on installation of new system by Clinton Power and Light Co., Ltd.	Certificate of public convenience and necessity cancelled Oct. 21, 1946.
McTavish, Bruce	Oct. 3, 1946	Discontinuance of electric service at Clinton on installation of new system by Clinton Power and Light Co., Ltd.	Certificate of public convenience and necessity cancelled Oct. 21, 1946.

TABLE 6.—COMPLAINTS AS TO SERVICE OF PUBLIC UTILITIES, 1946.

Public Utility.	Complainant.	Date of Complaint.	Particulars.	Disposition.
British Columbia Electric Railway Co., Ltd.	Stuart, J. M.	May 1, 1946	Low voltage in 4600 Block, Thirteenth Ave. W., Vancouver	Undertaking given by company to install corrective devices.
	Hollingsworth, O.	Dec. 10, 1946	Voltage fluctuations at Deep Cove, V.I.	Larger transformer installed; cause of complaint rectified.
Carlin Bros., Ltd.	Bradner, E. M., and others	May 4, 1946	Dirt in water	Investigations by Provincial Board of Health and engineer of Water Rights Branch arranged. Company directed to investigate feasibility of settlement-tanks as a solution.
	Kolchak, A.	Feb. 5, 1946	Complaint that electric service disconnected without due cause	Company required to resume service after reading of meter and payment of bill.
Columbia Valley Irrigated Fruitlands, Ltd.	Saunders, H.	Mar. 19, 1946	Insufficient pressure	Temporary arrangements made to correct complaint pending major rehabilitation of system.
General Utility Co., Ltd.	Department of Public Works	Mar. 6, 1946	Complaint that leaky mains of company responsible for flooded basement of Court-house at Princeton	Condition improved following remedial measures by both parties.
Okanagan Telephone Co.	Paine, Dr. G. C.	Mar. 8, 1946	Refusal of company to list residence under P.B.X. number	Listing arranged as desired.
White Rock Water Works Co., Ltd.	Burton, G., and others	July 8, 1946	Insufficient pressure	More rigid control of sprinkling put into effect and work commenced on installation of new storage-tanks and pipe.

TABLE 7.—RATE CHANGES CONSENTED TO PURSUANT TO SECTION 16 OF THE "PUBLIC UTILITIES ACT," 1946.

(*a*) *Transportation Systems.*

Name of Public Utility.	Route affected.	Effect of Change.	Date filed.	Date effective.
Howe Sound Transport	Ferry across Howe Sound	Seat reservation system put into effect	Mar. 13, 1946	Mar. 13, 1946.
Nelson, City of	Nelson	Increase in street-car fares	July 26, 1946	Sept. 1, 1946.
North Vancouver, City of	Ferry between Vancouver and North Vancouver	Increased rates for trucks, live stock, and freight	June 20, 1946, following public hearing at Vancouver	July 1, 1946.

TABLE 7.—RATE CHANGES CONSENTED TO PURSUANT TO SECTION 16 OF THE "PUBLIC UTILITIES ACT," 1946—*Continued.*

(b) Telephone and Telegraph Systems.

Name of Public Utility.	Area affected.	Effect of Change.	Date filed.	Date effective.
North-West Telephone Co.	Vessels at sea	Revised list of vessels	May 31, 1946	July 1, 1946.
	Vancouver to Prince Rupert, Quesnel, and Hazelton	Substitution of land circuit for radio link	May 31, 1946	July 1, 1946.
	Vancouver Island South	Reduction of ship-to-shore rates, involving estimated reduction in revenue of $1,000 per year	Nov. 19, 1946	Nov. 21, 1946.
Okanagan Telephone Co.	Area between Kelowna and Vernon	Revision of foreign-exchange tariff, resulting in increased long-distance charges to certain users	Aug. 12, 1946	Aug. 12, 1946.

(c) Electric Power Systems.

Ashcroft Water, Electric and Improvement Co.	Ashcroft	Rural extension policy established and new rates for street-lighting, etc., prescribed	May 2, 1946	May 2, 1946.
British Columbia Electric Railway Co., Ltd.	Parksville - Qualicum - Dashwood area, Vancouver Island	Rate established for 3-phase power service	Jan. 5, 1946	Dec. 16, 1945.
	Vancouver and Lower Mainland	New lower rates for electric steel-making and iron-ore reducing furnaces	May 16, 1946	June 1, 1946.
	Provincial Mental Hospital, Essondale	Rate reduction, involving loss of revenue of approximately $3,995 per year	May 28, 1946	Apr. 1, 1946.
	Vancouver and Lower Mainland	Temporary flat rates, where meters not obtainable	July 23, 1946	July 1, 1946.
	Vancouver Island	Temporary flat rates, where meters not obtainable	Sept. 7, 1946	Aug. 1, 1946.
	All areas served	Security deposits discontinued for residential consumers	Oct. 10, 1946	Oct. 1, 1946.
	Victoria and vicinity	Rate revision for large commercial users, involving reduction of $1,154 in annual revenue	Oct. 11, 1946	Oct. 1, 1946.
	Vancouver	Temporary flat rates to Canadian Food Products, Ltd.	Nov. 18, 1946	Nov. 18, 1946.
Canadian Utilities, Ltd.	Fort St. John	General reduction	July 9, 1946	Aug. 1, 1946.
Kaslo, City of	Area adjacent to Kaslo	General revision, involving reduction in domestic rates	Aug. 12, 1946	Aug. 1, 1946.
Northland Utilities (B.C.), Ltd.	Dawson Creek and Pouce Coupe	General rate reduction, involving reduction of revenue of approximately $5,000 per year	Feb. 11, 1946	Feb., 1946.
West Kootenay Power and Light Co., Ltd.	Fruitvale	Restricted optional power rate established	Jan. 18, 1946	June 1, 1945.

TABLE 7.—RATE CHANGES CONSENTED TO PURSUANT TO SECTION 16 OF THE "PUBLIC UTILITIES ACT," 1946—*Continued.*

(d) Waterworks Systems.

Name of Public Utility.	Area affected.	Effect of Change.	Date filed.	Date effective.
Ashcroft Water, Electric and Improvement Co.	Ashcroft	Irrigation rates for April, 1946, remitted	May 1, 1946	Apr., 1946.
Cooper, C. J.	Deroche	Increase in rates of approximately 10 per cent.	June 25, 1946	July 1, 1946.
Cooper, C. J.	Deroche	Connection charges and security deposits established	Sept. 25, 1946	Oct. 1, 1946.
Creston, Village of	Area adjacent to Creston	Increase of connection charge from $3 to $10	Mar. 8, 1946	Mar. 8, 1946.
Cumberland and Union Waterworks Co., Ltd.	Cumberland	Reduced rate to cemetery	July 22, 1946	July 15, 1946.
Kamloops Fruitland Irrigation and Power Co., Ltd.	Rural area served by company near Kamloops	Increase of 50 per cent. in rates, with consent of users, to provide funds for rehabilitation of system	Feb. 23, 1946	Mar. 1, 1946.
Quesnel Light & Water Co., Ltd.	Area adjacent to Quesnel	Revision to eliminate discrimination affecting six customers	May 1, 1946	May 1, 1946.
Trail, City of	Area adjacent to Trail	Connection charge increased from $5 to $15	May 7, 1946	May 7, 1946.
Victoria, City of	Area adjacent to Victoria	Rules established to state conditions on which mains will be extended	Mar. 21, 1946	Mar. 21, 1946.
Victoria, City of	Area adjacent to Victoria	Rules established to state conditions on which mains will be extended	Apr. 11, 1946	Apr. 11, 1946.

(e) Gas Systems.

British Columbia Electric Power and Gas Co., Ltd.	Victoria and Vancouver and district	Suspension of gas space-heating rates for eight months because of temporary shortage of gas-production capacity	Aug. 30, 1946	Aug. 30, 1946.
	Victoria	Elimination of security deposits for domestic accounts	Oct. 21, 1946	Oct. 1, 1946.
	Vancouver and district	Elimination of security deposits for domestic accounts	Oct. 8, 1946	Oct. 1, 1946.

TABLE 8.—RATE COMPLAINTS, 1946.

Public Utility.	Complainant.	Date of Complaint.	Particulars.	Disposition.
British Columbia Electric Railway Co., Ltd.	Cato, J. L.	Jan. 5, 1946	Complaint that free billing given in wrong month	Free billing found to have been given correctly.
	Gregory, H. A.	Dec. 12, 1945	Refund of part of revenue deficit payment on connection of new customers to extension	Company's tariff found to have been properly applied.
Courtenay, City of	Pearse, T.	Dec. 1, 1945	Complaint *re* connection charge for water	Complaint found to be justified, and adjustment made.
Okanagan Telephone Co.	O'Neill, J. A. W.	Oct. 14, 1946	Complaint as to overtiming on long-distance calls	Investigation did not disclose any defects in company's methods.
West Kootenay Power and Light Co., Ltd.	Affleck, B.	Jan. 5, 1946	Complaint *re* increase in rates	Increase found to have been made inadvertently on general rate revision in 1945. Old rate reinstated and adjustment made.
	Tjibbes, T.	July 13, 1946	Complaint *re* charging commercial rate for bunk-house on farm at Grand Forks	Bunk-house classified under domestic rate and adjustment of bill made.

TABLE 9.—APPLICATIONS BY PUBLIC UTILITIES FOR APPROVAL OF SECURITY ISSUES AND MORTGAGES RECEIVED OR DECIDED IN 1946.

Applicant.	Nature and Amount of Issue.	Purpose.	Date of Application.	Disposition.
British Columbia Electric Power and Gas Co., Ltd.	750,000 Class A shares and 750,000 Class B shares	Satisfaction of debts owing to British Columbia Power Corporation, Ltd., in connection with financial reorganization incidental to new bond issue	Oct. 24, 1946	Granted; Nov. 12, 1946.
British Columbia Electric Power and Gas Co., Ltd.	$33,000,000 of 3¼-per-cent. first mortgage bonds	Refunding	Oct. 24, 1946	Granted; Nov. 12, 1946.
British Columbia Electric Railway Co., Ltd.	Extension of maturity date of 4-per-cent. general mortgage bonds	Maturity date made to coincide with that of other bonds for which British Columbia Electric Railway Co.'s bonds are held as security	Oct. 24, 1946	Granted; Oct. 31, 1946.
Clinton Power and Light Co., Ltd.	500 shares of par value of $50 each	Purchase and installation of electric power system at Clinton	Oct. 9, 1946	Granted; Oct. 21, 1946.
Sea Bus Lines, Ltd.	10,000 shares of par value of $1 each	Acquisition of ferry across Howe Sound	Apr. 24, 1946	Granted; May 17, 1946.
White Rock Water Works Co., Ltd.	$30,000 of first mortgage 4-per-cent. bonds.	Additions to waterworks system at White Rock	Apr. 26, 1946	Granted; June 17, 1946.

TABLE 10.—APPLICATIONS FOR APPROVAL OF SALES OF ASSETS OF PUBLIC UTILITY SYSTEMS RECEIVED OR DECIDED IN 1946.

Applicant.	Transferee.	Property sold or transferred.	Date of Application.	Disposition.
Bridge River Power Co., Ltd.	British Columbia Electric Power and Gas Co., Ltd.	Title to all assets	Oct. 24, 1946	Granted; Nov. 12, 1946.
Burrard Power Co., Ltd.	British Columbia Electric Power and Gas Co., Ltd.	Title to all assets	Oct. 24, 1946	Granted; Nov. 12, 1946.
Campbell River Hotel and Resort Co., Ltd.	Willows Hotel Co., Ltd.	Waterworks system at Campbell River	Oct. 8, 1946	Granted; Oct. 11, 1946.
Consolidated Mining and Smelting Co. of Canada, Ltd.	City of Kimberley	Electric power and waterworks systems at Kimberley	June 5, 1946	Granted; July 24, 1946.
Gordon, Stanley, estate of	Village of Lake Cowichan	Waterworks system at Lake Cowichan	Nov. 1, 1946	Granted; Nov. 15, 1946.
Howe Sound Transport (Ballantine and Frith)	Sea Bus Lines, Ltd.	Assets connected with ferry across Howe Sound	Apr. 24, 1946	Granted; May 17, 1946.
Nylen, Eric	G. Miller	Electric power system at Yale	Oct. 11, 1946	Granted; Dec. 18, 1946.
Olson, Peter	Village of Lake Cowichan	Waterworks system at Lake Cowichan	Nov. 2, 1946	Granted; Nov. 15, 1946.
Stevens, Ltd.	District of Maple Ridge	Waterworks system in Maple Ridge Municipality	Sept. 7, 1946	Granted; Sept. 12, 1946.
Vancouver Island Power Co., Ltd.	British Columbia Electric Power and Gas Co., Ltd.	Title to all assets	Oct. 24, 1946	Granted; Nov. 12, 1946.
Vancouver Power Co., Ltd.	British Columbia Electric Power and Gas Co., Ltd.	Title to all assets	Oct. 24, 1946	Granted; Nov. 12, 1946.
Victoria Gas Co., Ltd.	British Columbia Electric Power and Gas Co., Ltd.	Title to all assets	Oct. 24, 1946	Granted; Nov. 12, 1946.
Western Power Co. of Canada, Ltd.	British Columbia Electric Power and Gas Co., Ltd.	Title to all assets	Oct. 24, 1946	Granted; Nov. 12, 1946.
West Kootenay Power and Light Co., Ltd.	The Consolidated Mining and Smelting Co. of Canada, Ltd.	Corra Linn, Upper Bonnington, and South Slocan power plants	July 11, 1946	Not proceeded with by applicant.

TABLE 11.—COMPARATIVE STATEMENT OF REVENUE AND EXPENSES ("PUBLIC UTILITIES ACT" AND "MOTOR CARRIER ACT"), 1940 TO 1946.

	Revenue.	Expenses.	
		"Motor Carrier Act."	"Public Utilities Act."
1940	$149,038.19	$69,229.50	$45,388.62
1941	171,170.06	67,952.13	43,935.09
1942	175,945.67	68,956.02	42,481.88
1943	173,714.09	63,274.33	40,724.35
1944	183,524.00	70,555.02	44,613.41
1945	211,777.09	78,002.08	47,649.45
1946	328,080.08	111,984.66	48,715.34
Totals	$1,392,249.18	$529,953.74	$313,508.14

Net revenue over expense, 1940 to 1946, $548,787.30.

VICTORIA, B.C.:
Printed by DON MCDIARMID, Printer to the King's Most Excellent Majesty.
1947.

465-847-5175