



In support of the development of northern business and the encouragement of private home ownership in the Northwest Territories, the Government of the Northwest Territories will provide for equitable power rates throughout the Territories.

The Power Subsidy Contribution Policy of the Government of the Northwest Territories is designed to provide small commercial enterprises and private residential power consumers, with equitable rates for power consumption.

The cost differential for power consumption between Yellowknife rates and those of other Northwest Territories communities will be paid for by this Contribution Policy, up to specified consumption levels.

PURPOSE

Under the conditions outlined in this directive, power rates for communities outside of Yellowknife will be subsidized to the Yellowknife level.

PROVISIONS

1. Eligibility

To be eligible for this subsidization, small commercial enterprises must HAVE annual gross revenues of \$2.0 million or less. For residences to be eligible, private individuals must be responsible for paying their own power bills.

2. Criteria

Small commercial enterprises will be required to exhibit eligibility by provision to the Government of financial statements of the previous fiscal years operation. (Income Tax statements are acceptable.)

Residential consumers will not be required to exhibit eligibility, as the account with the electric utility will be proof of responsibility for payment of the utility bill.



3. Review

For small commercial enterprises, the Comptroller General will approve the application for subsidization based upon review of financial statements of the previous fiscal year.

4. Supporting Data

As outlined, the previous fiscal year's financial statement indicating gross revenue for the small commercial enterprise. These enterprises will be required to annually submit copies of their utility bills to the Department of Finance for reimbursement of that amount eligible for subsidy.

5. Amount of Contribution

For small commercial enterprises the maximum subsidization will be for the first 1000 kilowatt hours of monthly power consumption.

For residential subsidization, the first 700 kilowatt hours of monthly power consumption will be eligible.

No credit build up for use in succeeding months will be allowed.

The minimum monthly bill, as provided by the utility company, will not be covered by this subsidy program.

Where a small commercial enterprise generates its own power, the Government of the Northwest Territories will reimburse the enterprise the difference between:

- (a) an amount determined by multiplying the quantity of electricity produced in kilowatt hours by the price per litre of fuel after fuel tax rebates and by dividing the product thereof by 2.25, and
- (b) the base rate for the first 1000 kilowatt hours of consumption in each month.



6. Method of Payment

For small commercial enterprises, the utility bills are to be submitted annually to the Department of Finance for review and reimbursement of the eligible subsidy.

For residences, the subsidization will be automatically deducted from the monthly power bill, and denoted as "G.N.W.T. Power Subsidy Program Rebate".

7. Term

This program will become effective April 1, 1988. It will remain in effect until such time as further proposals are approved by the Executive Council.

8. Other

- (a) All inquiries on the Power Subsidy Contribution Policy shall be sent to:

Power Subsidy Program
Department of Finance
Government of the Northwest Territories
P.O. Box 1320
YELLOWKNIFE NT X1A 2L9

- (b) For small commercial enterprises, this subsidy policy will be retroactive to five years prior to the beginning of the Government's fiscal year. This retroactive feature will apply back to January 1, so as to correspond with most firm's fiscal year (e.g. - for 1988/89, the program will be retroactive back to January 1, 1983). This will allow sufficient time for commercial enterprises to submit their claim for reimbursement.
- (c) Electric utility company invoices for the cost of providing these subsidies will be paid within 20 days of receipt of the invoice.



Utility firms will maintain records of the receipt and disbursement of funds under this program and will permit the examination of such relevant records for audit purposes. A level one audit, consisting of a financial statement certified by a professional auditor in public practice, will be utilized when conducting such audits.

Basic changes to the program will be communicated to utility firms in six months in advance of implementation.

9. Prerogative of Executive Council

Nothing in this Directive shall in any way be construed to limit the prerogative of the Executive Council to make decisions or take actions respecting power subsidy contribution outside the provisions of this Directive.

Premier and Chairman of the
Executive Council