

December 18, 2015

Disposition 20930-D01-2015

Blazer Water Systems Ltd.  
104, 122 17th Avenue S.E.  
Calgary, Alberta T2G 1H2

**Response to Blazer Water Systems Ltd. Letter to the AUC  
Proceeding 20930**

1. On October 13, 2015, the Alberta Utilities Commission received a complaint letter from a customer of Blazer Water Systems Ltd. (Blazer) regarding the changes made to Blazer's water rates.
2. In its October 26, 2015 letter, the Commission directed Blazer to discontinue charging its new water rates immediately, and to return to charging its previously approved water rates. Section 103 of the *Public Utilities Act*, RSA 2000, c. M-26, indicates that a utility may not increase its rates without Commission approval. The Commission has not received, nor ruled on, an application for a change to Blazer's water rates to date.
3. In its December 2, 2015 letter to the Commission, Blazer agreed that it was not legally able to increase its water rates without Commission approval.
4. Blazer further indicated in its letter that it will stop charging the revised water rates as of January 2016 and revert to billing based on its previous rate schedule. The amounts collected under the revised water rates will be placed in a deferral account, and held pending completion of its upcoming general rate application. Blazer stated its plan is to file its 2016 general rate application with the Commission by the end of February 2016.
5. The Commission has authorized the writer to communicate on its behalf.
6. Based on the information above, the Commission has closed this complaint proceeding, on the basis that Blazer has discontinued charging the revised water rates and that in the upcoming general rate application, the Commission will consider how to treat the amounts placed in the deferral account.
7. If there are any other questions, please contact the undersigned at 780-422-3139 or by email at [nathan.nagy@auc.ab.ca](mailto:nathan.nagy@auc.ab.ca).

Sincerely yours,

Nathan Nagy  
Lead Application Officer