



LETTER L-64-13

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC CANADA V6Z 2N3
TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

Log No. 44883

ERICA HAMILTON
COMMISSION SECRETARY
Commission.Secretary@bcuc.com
web site: <http://www.bcuc.com>

VIA EMAIL

bchydroregulatorygroup@bchydro.com

November 7, 2013

Ms. Janet Fraser
Chief Regulatory Officer
British Columbia Hydro and Power Authority
17th Floor, 333 Dunsmuir Street
Vancouver, BC V6B 5R3

Dear Ms. Fraser:

Re: British Columbia Hydro and Power Authority
Timing of F2014 to F2016 Demand-Side Management
Expenditure Schedule Filing

On September 19, 2013, British Columbia Hydro and Power Authority (BC Hydro) filed a letter to the British Columbia Utilities Commission (Commission) to propose filing the F2014 to F2016 Demand-Side Management (F2014/F2016 DSM) Expenditure Schedule pursuant to section 44.2(1)(a) of the *Utilities Commission Act* as part of, or contemporaneously with, the next Revenue Requirement Application (RRA) on or before March 1, 2014 (Filing Option 2). This is in contrast with an alternative filing date of October 2013 that was also considered by BC Hydro (Filing Option 1). Presently, BC Hydro's F2014 rates are on an interim basis until BC Hydro files a F2014 DSM expenditure schedule and the Commission determines that the F2014 expenditures are, or are not, in the public interest.

BC Hydro explained that Filing Option 2 offers significant advantages over for Filing Option 1, including most notably that an approved Integrated Resource Plan is likely to be in place for Filing Option 2 but not for Filing Option 1. The majority of interveners support Filing Option 2.

The Commission has reviewed BC Hydro's proposal and accepts that it is reasonable for BC Hydro to file the F2014/F2016 DSM Expenditure Schedule after approval of the Integrated Resource Plan by the BC Government. However, BC Hydro should file the F2014/F2016 DSM Expenditure Schedule separately from the RRA since DSM issues should be reviewed on their own merits and according to its own regulatory timetable. A timely decision would also help prevent any unnecessary delay in setting permanent rates as of April 1, 2013 for F2014.

Yours truly,

Erica Hamilton

JT/yl

cc:

AMPC
Attention: Richard Stout
roninconsult@live.com

BCPSO
Attention: Eugene Kung
ekung@bcpiac.com

BCSEA
Attention: William J. Andrews
wjandrews@shaw.ca

CEABC
Attention: David Austin
daustin@securitieslaw.bc.ca

CEC
Attention: Chris Weafer
cweafer@owenbird.com

FortisBC Inc.
Attention: Dennis Swanson
Electricity.regulatory.affairs@fortisbc.com

BCSEA
Attention: Thomas Hackney
thackney@shaw.ca

CEC
Attention: David Craig
dwcraig@allstream.net

ESVI
Attention: Ludo Bertch
ludob@horizontec.com

FortisBC Energy Inc.
Attention: Diane Roy
gas.regulatory.affairs@fortisbc.com