



**ORDER NUMBER
G-278-21**

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

Nelson Hydro
Cost of Service Analysis and Rate Design Application

BEFORE:

R. I. Mason, Panel Chair
A. K. Fung, QC, Commissioner
T. A. Loski, Commissioner

on September 22, 2021

ORDER

WHEREAS:

- A. On November 27, 2020, Nelson Hydro filed a Cost of Service Analysis (COSA) and Rate Design Application (RDA) with the British Columbia Utilities Commission (BCUC) (Application);
- B. Nelson Hydro is owned and operated by the City of Nelson and is exempt from regulation under the *Utilities Commission Act* (UCA) to the extent it is serving customers within its municipal boundaries. Accordingly, the BCUC's review of the Application pertains solely to Nelson Hydro's non-municipal, or rural, ratepayers;
- C. In the Application, Nelson Hydro requests approval of the following:
 - 1. Proposed return on equity for the Rural service area at 9.25% to be used for future rate applications;
 - 2. Nelson Hydro's Policies approved by City Council relating to the non-municipal portion of the utility (i.e. the Allocation Factors Policy, Generation Rates Policy, Debt Policy, and Deferral Account Policy);
 - 3. The COSA; and
 - 4. Proposed rate changes to Rural residential rates effective September 1, 2021 (to be phased-in over a three-year period with follow-up adjustments effective September 1, 2022 and September 1, 2023);
- D. By Order G-346-20, G-117-21 and G-224-21, the BCUC established a regulatory timetable for review of the Application which included intervener registration and three rounds of BCUC and intervener information requests (IRs);
- E. In Order G-224-21 dated July 26, 2021, the BCUC sought submissions from Nelson Hydro and interveners regarding further process after IR No. 3 and by September 16, 2021, all participants filed their submissions on further process; and

F. The Panel has reviewed the submissions received and determines that establishing further process in the regulatory timetable is warranted.

NOW THEREFORE the BCUC amends the regulatory timetable, attached as Appendix A to this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of September 2021.

BY ORDER

Original signed by:

R. I. Mason
Commissioner

Attachment

Nelson Hydro
Cost of Service Analysis and Rate Design Application

REGULATORY TIMETABLE

Action	Date (2021)
Nelson Hydro written Final Argument	Thursday, October 21
Intervener written Final Argument	Monday, November 15
Nelson Hydro written Reply Argument	Thursday, December 2