



ORDER NUMBER
G-1-22

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
T. A. Loski, Commissioner
A. K. Fung, QC, Commissioner

on January 5, 2022

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 excluded 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 Orders G-346-20, G-117-21, G-224-21, G-278-21 and G-332-21, the BCUC established and amended a regulatory timetable for review of the Application, which included intervener registration, three rounds of BCUC and intervener information requests, and written final arguments;

- E. By Order G-387-21 dated December 21, 2021, the BCUC established a regulatory timetable for Interveners' Sur Reply and Nelson Hydro's Response to Interveners' Sur Reply;
- F. By letter dated January 2, 2022, Ms. Ramona Faust of the Regional District of Central Kootenay (Ms. Faust) requested a one-week extension to compile her response to the new arguments provided by Nelson Hydro in her intervener Sur Reply; and
- G. The Panel has reviewed the extension request and determines that an amendment to 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 5th day of January 2022.

BY ORDER

Original signed by:

R. I. Mason
Commissioner

Attachment

Nelson Hydro
Cost of Service Analysis and Rate Design Application

REGULATORY TIMETABLE

Action	Date (2022)
Intervenors' Sur Reply, if any	Thursday, January 20
Nelson Hydro's Response to Intervenors' Sur Reply, if necessary	Thursday, February 3