



ORDER NUMBER
G-74-23

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

and

British Columbia Hydro and Power Authority
Fiscal 2023 to Fiscal 2025 Revenue Requirements Application

BEFORE:

D. M. Morton, Panel Chair
A. K. Fung, KC, Commissioner
R. I. Mason, Commissioner
A. Pape-Salmon, Commissioner

on April 4, 2023

ORDER

WHEREAS:

- A. On August 31, 2021, the British Columbia Hydro and Power Authority (BC Hydro) filed its Fiscal 2023 to Fiscal 2025 Revenue Requirements Application (Application) with the British Columbia Utilities Commission (BCUC) pursuant to sections 44.2, and 58 to 61 of the *Utilities Commission Act* requesting, among other things, interim and, after certain future determinations in other proceedings, permanent approval of the following:
 - (i) Increase in rates by 0.62 percent, effective April 1, 2022, by 0.97 percent, effective April 1, 2023 and by 2.18 percent, effective April 1, 2024; and
 - (ii) The fiscal 2023, fiscal 2024, and fiscal 2025 Open Access Transmission Tariff rates as set out in Table 9-4 of the Application;
- B. In the Application, BC Hydro also requested to set the Deferral Account Rate Rider on an interim and permanent basis at (2.0) percent, effective April 1, 2022 for fiscal 2023; and, on a permanent basis at (1.0) percent, effective April 1, 2023 for fiscal 2024 and (0.5) percent, effective April 1, 2024 for fiscal 2025;
- C. On November 18, 2022, the Lieutenant governor in Council approved Order in Council (OIC) No. 571, which enacted the Direction to the British Columbia Utilities Commission Respecting Residential and Commercial Customer Account Credits (Direction);
- D. The Direction requires the BCUC to, among other things, order BC Hydro to provide bill credits to its residential and commercial customers, to FortisBC Inc., and to New Westminster. The Direction also requires the BCUC to issue orders so that BC Hydro may make certain changes to its regulatory accounts, including transfers from the Trade Income Deferral Account (TIDA) of \$320 million, \$6 million, and \$74 million to a

customer credit regulatory account, the Customer Crisis Fund regulatory account, and an inflationary pressures regulatory account, respectively;

- E. The BCUC issued Order G-341-22 in response to the Direction;
- F. Subsequent to the Direction and Order G-341-22, and in accordance with Orders G-344-22, G-386-22, and G-10-23, parties provided submissions regarding, among other things, the effect of the Direction and how the balances in the Cost of Energy Variance Accounts and in particular, the TIDA, should be recovered from or refunded to ratepayers;
- G. By Order G-66-23, the BCUC reopened the evidentiary record to accommodate Panel IRs and established an amended regulatory timetable for the review of the Application;
- H. On March 31, 2023, BC Hydro filed a letter with the BCUC seeking approval, as part of the proceeding to review the Application, to reinstate the \$320 million regulatory liability in the TIDA that was transferred to the customer credit regulatory account pursuant to the Direction and Order G-341-22. In its letter, BC Hydro submits that the reinstated \$320 million regulatory liability should be provided to ratepayers via the Deferral Account Rate Rider table mechanism commencing in the next test period; and
- I. The BCUC has considered BC Hydro's letter dated March 31, 2023 and determines that an opportunity for parties' submissions with respect to BC Hydro's request is warranted.

NOW THEREFORE the BCUC establishes a further regulatory timetable, as set out in Appendix A to this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 4th day of April 2023.

BY ORDER

Original signed by:

D. M. Morton
Commissioner

Attachment

British Columbia Hydro and Power Authority
F2023 to F2025 Revenue Requirements Application

REGULATORY TIMETABLE

Action	Date (2023)
Intervener Submissions on Exhibit B-54*	Tuesday, April 11
BC Hydro's Reply Submission on Exhibit B-54	Tuesday, April 18
Further Process	To be determined

* The Panel invites interveners to provide submissions on BC Hydro's request made in its letter dated March 31, 2023, including:

- Whether BC Hydro's request to reinstate a \$320 million regulatory liability in the Trade Income Deferral Account should be approved; and
- Whether the reinstated \$320 million regulatory liability, if approved, should be refunded to ratepayers via the Deferral Account Rate Rider table mechanism commencing in the next test period (i.e. starting in fiscal 2026) or in the current test period.