



BRITISH COLUMBIA UTILITIES COMMISSION	
ORDER NUMBER.....	G-93-91

IN THE MATTER OF the Utilities Commission
Act, S.B.C. 1980, c. 60, as amended

and

IN THE MATTER OF an Application by
British Columbia Hydro and Power Authority

BEFORE: J.G. McIntyre,)
Chairman; and)
K.L. Hall,) October 4, 1991
Commissioner)

O R D E R

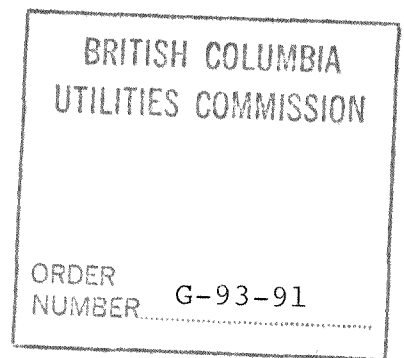
WHEREAS:

- A. On January 15, 1991 British Columbia Hydro and Power Authority ("B.C. Hydro") filed an Application for Rate Design of its Electric Tariffs, ("the Application"), as required by Commission Decision and Order No. G-31-90 dated April 30, 1990 and Order No. G-95-90 dated November 30, 1990; and
- B. By Order No. G-28-91 the Commission set down the Application for public hearing to commence June 10, 1991 in Vancouver, B.C.; and
- C. On May 31, 1991 the Industrial Users requested that the Rate Design Application be adjourned until late Fall of 1991; and
- D. On June 5, 1991, at the public hearing into the adjournment request, the Commission issued a notice to registered intervenors and interested parties that the public hearing into Distribution Extension Policies and the Residential Electric Space Heating Connection Charge would commence on June 10 1991, but the other Rate Design matters including the termination of Closed Rate Schedules, Cost of Service studies, proposed Residential and General Service rate structuring and the Industrial Rate Proposal would be postponed to a later date and be the subject of a future Commission Order and Notice; and
- E. Commission Order No. G-51-91, dated June 25, 1991, granted an adjournment, sine die, based on the Reasons for Decision in Appendix A of the Order. The Order outlined the basis of a consultation process and reporting designed to ensure that the focus of the Industrial Rate Proposal was clarified and supported the Commission's mandate to set rates in support of the Act inclusive of Special Directions; and
- F. The Commission has received the reports contemplated by Commission Order No. G-51-91.

NOW THEREFORE the Commission orders as follows:

- 1. The public hearing into the B.C. Hydro Rate Design Application will resume at 9:00 a.m. local time, Monday, January 13, 1992 in the Commission Hearing Room, Sixth Floor, 900 Howe Street, Vancouver, B.C.
- 2. Not later than October 21, 1991, B.C. Hydro will arrange for publication, of a Notice of Public Hearing, in the form attached, in display-ad format, in one issue of the Vancouver Sun and such other appropriate local news publications as may properly provide adequate Notice to the population in the service area of the utility.

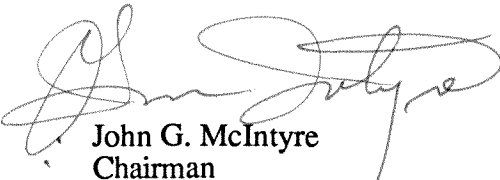
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3. The Application and supporting material will be made available for inspection at the Head Office of B.C. Hydro, 970 Burrard Street, Vancouver, B.C. V6Z 1Y3 , at its District Offices located throughout its service territory, and at the office of the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C.
4. An Executive Summary of the Application will be prepared by B.C. Hydro and sent to Intervenor and Interested Parties as they become registered with the Commission.
5. Not later than Monday, October 28, 1991, B.C. Hydro will file with the Commission any additional prepared testimony and supplemental material upon which it intends to rely.
6. Not later than Tuesday, November 12, 1991, Intervenor and Interested Parties intending to be present and participate in the public hearing shall give written Notice of Intention to the Commission Secretary and to the Applicant. Such Notice shall state the nature of the interest in the proceeding.
7. Information requests to the Applicant should be made no later than Tuesday, November 12, 1991 in order for B.C. Hydro to respond by November 25, 1991.
8. Intervenor and Interested Persons intending to file written submissions should do so by Monday, December 9, 1991 and provide one copy each to the Commission and to the Applicant.
9. Information requests made by B.C. Hydro regarding the submissions from Intervenor/Interested Parties, should be made before December 16, 1991 in order to allow the latter to respond before January 6, 1992.

DATED at the City of Vancouver, in the Province of British Columbia, this *4th* day of October 1991.

BY ORDER


John G. McIntyre
Chairman

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Attachment



BRITISH COLUMBIA HYDRO AND POWER AUTHORITY RATE DESIGN APPLICATION

NOTICE OF PUBLIC HEARING

THE APPLICATION

B.C. Hydro states that its Rate Design Application begins a process of establishing rates which promote efficient use of electricity by ensuring that electricity is sold at a price which reflects the cost of new supply. B.C. Hydro proposes to adjust rates so that the trailing block rate will equate to its long run incremental costs ("LRIC"). The adjustment is proposed to be done in connection with general rate increases and is to be substantially complete by the end of the decade. The following provides an overview of the major changes **proposed**:

(a) **Residential Rates**

Future approved Revenue Requirement increases would be allocated to the trailing block of consumption until it reaches the LRIC. The first block of consumption is to increase from 275 kW.h to 400 kW.h per month.

b) **General Service Rates**

An expansion of the first block of energy from 275 kW.h to 400 kW.h per month with an increase in the remaining energy block prices sufficient to collect the remainder of the revenue requirement increase allocable to the general classes.

(c) **Industrial Rates**

A proposal to continue Rate Schedule 1821-Transmission Service, as modified by future revenue requirements.

An optional rate schedule providing a two-step rate with the trailing step priced at the LRIC.

Alternative rate schedules providing incentives for customers with sources of supply other than B.C. Hydro.

Development of Standby and Backup Service schedules.

d) **Other Affected Rate Classes**

Rate Zone II and other tariff categories such as street lighting and irrigation rate schedules will be modified to maintain consistency with the treatment of the residential, general and industrial rate classes.

(e) **Closed Rate Schedules (Not available to New Customers)**

B.C. Hydro proposes to terminate many of its Closed Rate Schedules as follows:

1140, 1141, 1146, 1147, 1148, 1222, 1223, 1272, 1273, 1275, 1276, 1277, 1278, 1703-(restricted); and (1290, 1843 and 1844 which are no longer in service).

Customers served under the affected Closed Rate Schedules can obtain more information by requesting an Executive Summary of the Application.

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THE PUBLIC HEARING

The Commission has set down the Rate Design Application for public hearing to resume at 9:00 a.m. local time, Monday, January 13, 1992 in the Commission Hearing Room, Sixth Floor, 900 Howe Street, Vancouver, B.C.

PUBLIC INSPECTION OF THE APPLICATION

The Application, supporting material and Commission Order No. G-93-91 are available for inspection at the Head Office of B.C. Hydro, 970 Burrard Street, Vancouver, B.C. V6Z 1Y3, at its District Offices located throughout its service territory, and at the office of the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C.

An Executive Summary of the Application will be made available for inspection at the above-noted locations and will be distributed by the Applicant to Intervenor and Interested Parties as they become registered with the Commission.

INTERVENTIONS AND SUBMISSIONS

Any person wishing to be present at the public hearing and to give evidence or cross-examine witnesses should provide written notice, to be received by the Commission Secretary and the Applicant not later than Tuesday, November 12, 1991. The Notice should include a brief statement as to the nature of the interest in the proceedings. Intervenor or interested parties intending to file written submissions should do so by Monday, December 9, 1991 and provide one copy to the Commission and to the Applicant.

REQUESTS FOR ADDITIONAL INFORMATION

Any person intending to request additional information of B.C. Hydro shall do so not later than Tuesday, November 12, 1991. Should B.C. Hydro request additional information of the Intervenor, it should do so by December 16, 1991 with intervenors to respond by January 6, 1992. Written submissions to the hearing should be submitted, one copy to the Commission Secretary and one copy to the Applicant in order for all parties to be provided with information prior to the public hearing.

CLARIFICATION

Persons intending to participate in the public hearing, who are uncertain as to the manner in which to proceed, may contact Mr. R.J. Pellatt, Commission Secretary, or Mr. B. McKinlay, Manager, Rates and Finance - Electrical, by telephone (660-4700) or (B.C. Toll Free: 1-800-663-1385), or in writing.

BY ORDER



Robert J. Pellatt
Commission Secretary

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