



IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by British Columbia Hydro and Power Authority ("BC Hydro")
for the Review of the F2007 and F2008 Revenue Requirements Application ("F07/08 RRA")
and for the Review of the 2006 Integrated Electricity Plan ("2006 IEP")
and the Approval of the 2006 Long-Term Acquisition Plan ("2006 LTAP")

BEFORE:

R.H. Hobbs, Chair
L.A. Boychuk, Commissioner
A.J. Pullman, Commissioner

May 29, 2006

O R D E R

WHEREAS:

- A. On May 25, 2006, BC Hydro filed the balance of its F07/F08 RRA as proposed in its letter to the Commission dated March 15, 2006. The F07/08 RRA requests approval, pursuant to Sections 58, 59, 60 and 90 of the Utilities Commission Act (the "Act"), for an across-the-board rate increase of 4.65 percent from July 1, 2006 to allow a partial recovery of its F07 revenue requirements, a further increase of 2.71 percent effective April 1, 2007 and a regulatory asset (deferral account) to record the F07 revenue deficiency between April 1, 2006 and the date its rates are raised on an interim basis, net of any disallowance of F07 revenue requirements; and
- B. In a letter dated March 15, 2006, BC Hydro had applied for Commission approval to set its current rates as interim effective April 1, 2006 and in the same letter informed the Commission that it proposed to file its F07/08 RRA in late April 2006; and
- C. By Order No. G-32-06 dated March 23, 2006, the Commission approved current customer rates as interim effective April 1, 2006; and
- D. On May 10, 2006, the Commission issued a letter with a draft regulatory timetable and an accompanying Order No. G-51-06 (IEP Exhibit A-4) to address issues raised by Intervenor with respect to the delay by BC Hydro in filing the F07/08 RRA; and
- E. The Commission held a Procedural Conference on May 19, 2006 wherein the Commission Panel considered submissions on whether or not the Order on interim rates should be reconsidered; whether a Rate Design Application ("RDA") should be filed; and the scheduling for the regulatory review of the 2006 IEP and 2006 LTAP, the F07/08 RRA and a RDA (if required by the Commission); and
- F. By Order No. G-59-06, the Commission approved the request for a reconsideration of Order No. G-32-06 with Reasons and a timetable for submissions established in Letter No. L-21-06. Intervenor Argument on the

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UTILITIES COMMISSION**

**ORDER
NUMBER** G-60-06

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reconsideration request is to be filed on May 31, 2006 with BC Hydro Argument to be filed on June 5, 2006 with Intervenor Reply of June 7, 2006; and

- G. Order No. G-59-06 also required BC Hydro to file an RDA with the date for filing the RDA to be determined following the Second Procedural Conference. An amended Regulatory Agenda is attached as Appendix A to Order No. G-59-06; and
- H. The Commission wishes to seek the views of parties and has concluded that a timetable for submissions on the requested July 1, 2006 interim rate increase should be established.

NOW THEREFORE the Commission orders as follows:

1. Intervenor may file submissions by Friday, June 9, 2006 on the BC Hydro July 1, 2006 requested interim rate increase.
2. BC Hydro may file a reply to the Intervenor submissions by Friday, June 16, 2006.
3. The Commission will issue its determination on the BC Hydro July 1, 2006 requested interim increase by way of a future Order.

DATED at the City of Vancouver, in the Province of British Columbia, this 1st day of June 2006

BY ORDER

Original signed by:

Robert H. Hobbs
Chair