

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-40-11**

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

and

**British Columbia Hydro and Power Authority
F2012 to F2014 Revenue Requirements Application**

BEFORE: L.A. O'Hara, Panel Chair/Commissioner
D. Morton, Commissioner March 8, 2011
A.A. Rhodes, Commissioner

O R D E R

WHEREAS:

- A. On March 01, 2011 British Columbia Hydro and Power Authority (BC Hydro) filed its F2012 to F2014 Revenue Requirements Application (the Application) with the British Columbia Utilities Commission (Commission) pursuant to sections 56 and 58 to 61 of the *Utilities Commission Act* (the Act) seeking, among other things, the determination of just, reasonable and sufficient rates for its fiscal years 2012, 2013 and 2014 (F2012, F2013 and F2014), including:
- final approval to increase rates by an average of 9.73 percent effective each of April 1, 2011 and April 1, 2012, to be applied as set out in Appendix X of the Application;
 - a final determination that rates are to be increased by an average of 9.73 percent effective April 1, 2013, to be applied as set out in Appendix X of the Application, subject only to the Commission's future review of an expenditure schedule reflecting demand side measures (DSM) BC Hydro has made or anticipates making during the F2014 period;
 - final approval to set the Deferral Account Rate Rider (DARR) at 2.5 percent effective April 1, 2011;
 - final approval to set Open Access Transmission Tariff (OATT) rates as set out in Appendix X of the Application;
- B. The Application also seeks an interim order to allow BC Hydro to increase its rates by an average of 9.73 percent, to be applied as set out in Appendix X of the Application, and a continuation of the DARR at 2.5 percent, both effective April 1, 2011, on an interim and refundable basis, pending determination of the

Application, pursuant to sections 58 to 61, 89 and 90 of the Act, and section 15 of the *Administrative Tribunals Act*;

- C. The Application includes placeholder allowances for the DSM expenditures BC Hydro anticipates making for each of F2012, F2013 and F2014, which are based on the DSM Plan that BC Hydro filed with the Commission as part of its 2008 Long-Term Acquisition Plan, updated to reflect new information and experience;
- D. BC Hydro intends to file a separate application for review of its DSM expenditure schedule for F2012 and F2013, pursuant to section 44.2 of the Act, by July of 2011 (F12/F13 DSM Filing), and anticipates the Commission will complete its review of the F12/F13 DSM Filing prior to completing its review of the Application;
- E. The Application includes a proposed regulatory timetable for registration of Interveners and Interested Parties, Commission Information Requests (IRs), Intervener IRs, BC Hydro responses to IRs, an evidentiary update by BC Hydro, Intervener evidence and an Oral Public Hearing;
- F. The Commission has reviewed BC Hydro's proposed regulatory timetable and considers an initial regulatory timetable should be established.

NOW THEREFORE the Commission orders as follows:

- 1. The deadlines for Commission and Intervener IR No. 1 to BC Hydro, the responses from BC Hydro, the registration of Interveners and Interested Parties are set out in the Initial Regulatory Timetable attached as Appendix A to this Order.
- 2. The Commission will hold a Workshop to review the issues in the Application on March 16, 2011 commencing at 9:00 a.m. in the Commission's Hearing Room on the 12th Floor, 1125 Howe Street, Vancouver, BC.
- 3. A Procedural Conference regarding the further regulatory process for the review of the Application will be held on March 25, 2011 commencing at 9.00 a.m. in the Commission's Hearing Room on the 12th Floor, 1125 Howe Street, Vancouver, BC following which the Commission will issue a further procedural order and regulatory timetable for the review of the Application.
- 4. BC Hydro will publish, as soon as practicable, in display-ad format, the Notice of Application, Workshop and Procedural Conference attached as Appendix B to this Order, in such appropriate news publications as may properly provide adequate notice to the public in its service areas.

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5. BC Hydro is to provide a copy of this Commission Order and the Initial Regulatory Timetable attached as Appendix A to this Order to all parties who registered and/or participated in the F2011 Revenue Requirements Application proceeding.
6. The Application, together with any supporting materials, will be made available for inspection at the following locations:

BC Hydro and Power Authority
16th Floor, 333 Dunsmuir Street
Vancouver, BC V6B 5R4
Telephone: (604) 623-4046

BC Utilities Commission
Sixth Floor, 900 Howe Street
Vancouver, BC V6Z 2N3
Telephone: (604) 660-4700

7. BC Hydro will make the Application available on its website at <http://www.bchydro.com>.
8. BC Hydro is to post a bulletin on its website notifying its OATT customers of the Application and proposed change in OATT rates.
9. Interveners and Interested Parties should register with the Commission, in writing or by electronic submission, by March 15, 2011. Interveners should specifically state the nature of their interest in the Application and identify generally the nature of the issues that they may intend to pursue during the proceeding and the nature and extent of their anticipated involvement in the review process.
10. Interveners intending to apply for participant assistance must submit a budget estimate by May 9, 2011, consistent with the Commission's Participant Assistance/Cost Award Guidelines and Order G-72-07. Copies are available upon request, or can be downloaded from the Commission's website at <http://www.bcuc.com>.

DATED at the City of Vancouver, in the Province of British Columbia, this 8th day of March 2011.

BY ORDER

Original signed by:

L.A. O'Hara
Panel Chair/Commissioner

Attachments

British Columbia Hydro and Power Authority
F2012 to F2014 Revenue Requirements Application

INITIAL REGULATORY TIMETABLE

ACTION	DATE (2011)
Registration of Interveners and Interested Parties	Tuesday, March 15
F12 to F14 RRA Workshop	Wednesday, March 16
Procedural Conference	Friday, March 25
Commission Information Request No. 1 to BC Hydro	Wednesday, April 6
Intervener Information Request No. 1 to BC Hydro	Wednesday, April 13
Filing of Participant Assistance/Cost Award Budgets	Monday, May 9
BC Hydro responds to Commission and Intervener IR No. 1	Monday, May 16
SUBJECT TO FURTHER REGULATORY ORDER	
Commission and Interveners issue IR No. 2	Monday, June 6
BC Hydro responds to IR No. 2	Wednesday, June 29
BC Hydro files Evidentiary Update	Friday, July 15
Commission and Interveners issue IR No. 3	Wednesday, August 3
BC Hydro responds to IR No. 3	Friday, August 26
Interveners present evidence	Friday, September 9
Commission and Participants file IR No. 1 on Intervener evidence	Friday, September 23
Interveners respond to Commission and Participant IR No. 1	Friday, October 7
BC Hydro issues rebuttal evidence	Friday, October 14
Oral public hearing begins	Thursday, October 20



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British Columbia Hydro and Power Authority
F2012 to F2014 Revenue Requirements Application

**NOTICE OF APPLICATION
WORKSHOP AND PROCEDURAL CONFERENCE**

WORKSHOP		PROCEDURAL CONFERENCE
DATE:	March 16, 2011	March 25, 2011
TIME:	9:00 a.m.	9:00 a.m.
LOCATION:	Commission Hearing Room Twelfth Floor, 1125 Howe Street Vancouver, BC	Commission Hearing Room Twelfth Floor, 1125 Howe Street Vancouver, BC

THE APPLICATION

On March 01, 2011 British Columbia Hydro and Power Authority (BC Hydro) filed its F2012 to F2014 Revenue Requirements Application (the Application) with the British Columbia Utilities Commission (Commission) pursuant to sections 56 and 58 to 61 of the *Utilities Commission Act* seeking, among other things, the determination of just, reasonable and sufficient rates for its fiscal years 2012, 2013 and 2014 (F2012, F2013 and F2014), including:

- final approval to increase rates by an average of 9.73 percent effective each of April 1, 2011 and April 1, 2012, to be applied as set out in Appendix X of the Application;
- a final determination that rates are to be increased by an average of 9.73 percent effective April 1, 2013, to be applied as set out in Appendix X of the Application, subject only to the Commission's future review of an expenditure schedule regarding the expenditures on demand side measures (DSM) BC Hydro has made or anticipates making during the F2014 period;
- final approval to set the Deferral Account Rate Rider (DARR) at 2.5 percent effective April 1, 2011;
- final approval to set Open Access Transmission Tariff (OATT) rates as set out in Appendix X of the Application.

The Commission wishes to ensure that affected parties have an opportunity to understand the Application and its implications for customer rates. The Commission also wishes to hear from affected parties before determining the public process necessary for the disposition of the Application.

THE REGULATORY PROCESS

The Commission will hold a Workshop on March 16, 2011 in Vancouver, BC to discuss issues in the Application and a Procedural Conference March 25, 2011 to discuss procedural matters related to the Application.

REGISTERING TO PARTICIPATE

Persons who wish to actively participate in this proceeding should register as Interveners with the Commission in writing by March 14, 2011. Interveners will receive a copy of the Application as well as all correspondence and filed documents. An email address should be provided if available.

Persons not expecting to actively participate, but who have an interest in the proceeding, should register as Interested Parties with the Commission in writing by March 14, 2011 and identify their interest in the Application. Interested Parties will receive an Executive Summary of the Application and a copy of the Commission's Decision when issued.

PUBLIC INSPECTION OF DOCUMENTS

This Application and supporting material will be made available for inspection at the following locations:

BC Hydro
16th Floor, 333 Dunsmuir Street
Vancouver, BC V6B 5R4
Telephone: (604) 623-4046

BC Utilities Commission
Sixth Floor, 900 Howe Street
Vancouver, BC V6Z 2N3
Telephone: (604) 660-4700

The Application is also available for viewing on the following web sites: <http://www.bchydro.com> and <http://www.bcuc.com>.

All submissions and/or correspondence received from active participants or the general public relating to the Application will be placed on the public record and posted to the Commission's website.

FURTHER INFORMATION

For further information, please contact Ms. Erica Hamilton, Commission Secretary, by telephone (604) 660-4700 or BC Toll Free at 1-800-663-1385, by fax (604) 660-1102, or by Email Commission.Secretary@bcuc.com.