

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-41-11

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**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 14, 2011
A.A. Rhodes, Commissioner

O R D E R

WHEREAS:

- A. On March 1, 2011 British Columbia Hydro and Power Authority (BC Hydro) filed its fiscal years 2012, 2013 and 2014 (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 F2012 to 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 as set out in Appendix X of the Application, to increase its OATT rates as set out in Appendix X of the Application and to continue the DARR at 2.5 percent, each to be 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*;

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- C. In a separate Application BC Hydro filed with the Commission its Residential Inclining Block (RIB) Re-pricing Application, for approval of a pricing principle for its RIB rate, to be effective April 1, 2011. In the RIB Application BC Hydro requests approval to allow it to continue to apply the revenue requirement rate increases to each of the RIB rate's Basic charge, Step 1 Rate and Step 2 Rate;
- D. The Commission has reviewed the Application and considers that the requested interim rate increase and the continuation of the DARR should be approved.

NOW THEREFORE pursuant to sections 58 to 61, 89 and 90 of the Act the Commission orders as follows:

1. The applied-for across-the-board rate increase of 9.73 percent, to be applied as set out in Appendix X of the Application is approved effective April 1, 2011, subject to the decision on the Residential Inclining Block Rate Re-Pricing Application, on an interim and refundable basis pending the determination of the this Application.
2. The applied-for increase in the Open Access Transmission Tariff (OATT) as set out in Appendix X of the Application and the continuation of the Deferral Account Rate Rider (DARR) at 2.5 percent are both approved effective April 1, 2011, on an interim and refundable basis pending the determination of the Application.
3. The interim rate increases and interim continuation of the DARR are both subject to adjustment with interest at BC Hydro's weighted average cost of debt for its most recent fiscal year.
4. BC Hydro is to provide customers with notification of the interim rate increases as soon as is practicable.

DATED at the City of Vancouver, in the Province of British Columbia, this 14th day of March 2011.

BY ORDER

Original signed by:

L.A. O'Hara
Panel Chair/Commissioner