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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-69-12

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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.M. Morton, Commissioner May 31, 2012
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 Revenue Requirements Application for its fiscal years 2012, 2013 and 2014 (F2012, F2013 and F2014) (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 including:
- final approval to increase rates by an average of 9.73 percent for each of F2012, F2013, and F2014, effective April 1, 2011, April 1, 2012, and April 1, 2013, respectively, subject only to the Commission's future review of an expenditure schedule regarding the proposed F2014 expenditures on demand-side measures (DSM);
 - final approval to set the Deferral Account Rate Rider (DARR) at 2.5 percent effective April 1, 2011;
- B. BC Hydro also sought an order, on an interim and refundable basis, pending determination of the Application to, among other things: (i) increase rates by an average of 9.73 percent, and (ii) retain the DARR at 2.5 percent, effective April 1, 2011;
- C. On November 24, 2011, BC Hydro filed its amendments to the Application (Amended Application) seeking, among other things:
- final approval to increase rates by an average of 8.0 percent for F2012, effective May 1, 2011, 3.91 percent for F2013, effective April 1, 2012, and 3.91 percent for F2014 effective April 1, 2013, subject only to the Commission's future review of a schedule setting out the proposed F2014 expenditures on DSM, to be applied as set out in amended Appendix X of the Amended Application;
 - final approval to set the DARR at 2.5 percent effective April 1, 2011, and for the DARR to remain at 2.5 percent until the Commission orders a change to the DARR, no earlier than April 1, 2014;

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**ORDER
NUMBER G-69-12**

2

- D. BC Hydro also sought an order, on an interim and refundable basis, pending determination of the Amended Application to, among other things: (i) increase rates by an average of 3.91 percent for F2013, effective April 1, 2012, and for F2014, effective April 1, 2013, and (ii) retain the DARR at 2.5 percent, effective April 1, 2012;
- E. The Commission determined that the Amended Application was to be reviewed by way of an Oral Public Hearing and set the Regulatory Timetable for its review by Order G-206-11 dated December 7, 2011. The Regulatory Timetable provided, among other things, for an Oral Public Hearing to commence on Monday, June 18, 2012;
- F. On February 15, 2012, pursuant to Order G-17-12, the Commission approved the applied-for across-the-board F2013 interim rate increase of 3.91 percent effective April 1, 2012, on a refundable basis, pending determination of the Amended Application. The Commission rejected the continuation of the DARR at 2.5 percent for F2013, effective April 1, 2012, and set it at 5.0 percent on an interim and refundable basis, pending determination of the Amended Application;
- G. On May 22, 2012, the Lieutenant Governor in Council, by Order in Council No. 314, issued Direction No. 3 to the Commission, pursuant to section 3 of the Act. Direction No. 3 requires the Commission to issue final orders to BC Hydro as requested in the Amended Application except for certain adjustments specifically noted in Direction No. 3;
- H. On May 29, 2012, the Commission issued a letter inviting Interveners to make submissions on the need for any further process on the Amended Application by June 4, 2012 and requested BC Hydro to file a reply submission on or before June 7, 2012.

NOW THEREFORE the Commission orders that:

- 1. The Oral Public Hearing scheduled to commence on June 18, 2012 is adjourned.
- 2. June 12, 2012 at 9:00 a.m. at the Commission Hearing Room, Twelfth Floor, 1125 Howe Street, Vancouver, BC, is set as the placeholder date, time and place for a possible Procedural Conference.

DATED at the City of Vancouver, in the Province of British Columbia, this 31st day of May 2012.

BY ORDER

Original signed by:

L.A. O'Hara
Commissioner