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**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER G-13-14**

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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  
Residential Inclining Block Rate Re-Pricing Application**

**BEFORE:** R.D. Revel, Commissioner February 4, 2014

**O R D E R**

**WHEREAS:**

- A. On November 1, 2013, British Columbia Hydro and Power Authority (BC Hydro) filed its 2013 Residential Inclining Block (RIB) Rate Re-Pricing Application (Application) seeking approval for a pricing principle under which the F2015/F2016 revenue requirement application rate increases would apply uniformly to each of the RIB's three main elements, which are the Basic Charge, Step-1 energy rate and Step-2 energy rate. BC Hydro is not seeking any change to the RIB rate other than the proposed pricing principle;
- B. On November 7, 2013, the British Columbia Utilities Commission (Commission) issued Order G-181-13 ordering that the Application should proceed according to the Preliminary Regulatory Timetable attached as Appendix A to that Order;
- C. Seven parties registered as Interveners: the B.C. Sustainable Energy Association and the Sierra Club of British Columbia (BCSEA), Canadian Office and Professional Employees Union Local 378 (COPE 378), the British Columbia Pensioners' and Seniors' Organization *et al.* (BCPSO), FortisBC Utilities (FBCU), BC Ministry of Energy and Mines (MEM), the Commercial Energy Consumers Association of British Columbia (CEC) and the Association of Major Power Customers of BC (AMPC);
- D. Commission and Interveners' Information Requests (IRs) No. 1 were issued to BC Hydro on November 20, 2013, in accordance to the Preliminary Regulatory Timetable;
- E. By letter dated November 27, 2013, BC Hydro requested an extension to the December 12, 2013 filing date for the responses to IR No. 1 as well as amending the Preliminary Regulatory Timetable such that the new schedule would be extended by four days from January 6 to January 10, 2014;

- F. By Order dated November 28, 2013, the Commission Panel issued Order G-195-13 and established an Amended Regulatory Timetable for BC Hydro responses to IR No. 1, and the Applicant and Intervener submissions regarding review process;
- G. By letter dated December 19, 2013, BC Hydro proposed, among other things, a procedural submission regarding the regulatory process going forward. BC Hydro identified three alternatives and indicated its preference for a Streamlined Review Process (SRP) if Interveners believed further information was needed prior to proceeding to argument;
- H. Three Interveners, BCSEA, BCPSO, and CEC, filed submissions with respect to review process. BCSEA viewed that the evidentiary record was sufficient and favoured a written hearing, but would support an SRP and would have no objection to another round of IRs. BCPSO indicated that it preferred a written hearing with a second round of IRs after indicating that no form of process for the present Application could meaningfully address the needs of the province's most vulnerable ratepayers. CEC submitted that a second round of IRs was recommended but in the absence of further written process, it would prefer an SRP to a written hearing;
- I. In Reply filed on January 10, 2014, BC Hydro informed the Commission that it contacted BCPSO and CEC to understand the issues that they wish to explore. As a result of this understanding, BC Hydro recommended a SRP be held on January 29, 2014 as an effective and efficient way to proceed;
- J. By Order G-4-14, the Commission determined that the review of the Application would proceed by way of a SRP which would take place on January 29, 2014;
- K. By letter dated January 23, 2014, the Commission provided information to all parties on the process and procedures of the SRP;
- L. The SRP for the review of the Application took place on January 29, 2014. BC Hydro and the following Registered Interveners participated: BCSEA, FBCU, CEC, and BCPSO. All parties either supported or did not oppose the Application; and
- M. The Commission Panel considered the Application, evidence and submissions received.

**NOW THEREFORE** the Commission, orders as follows:

1. The proposed Residential Inclining Block (RIB) rate pricing principle for fiscal 2015 and fiscal 2016 is approved. The three components of the RIB rate, namely Step 1 energy rate, Step 2 energy rate, and the Basic Charge will increase by the provincial government directed rate increases of 9 percent and 6 percent respectively for F2015 and F2016.

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2. The dissolution of the RIB rate Control Group, effective April 1, 2014, is approved.
3. British Columbia Hydro and Power Authority (BC Hydro) is directed to file a report with the Commission, with copies to all Interveners, concerning its decision with regard to the Control Group re-establishment by or before the autumn of 2014.
4. BC Hydro is relieved from certain elements of Directive 4 of Order G-45-11 and shall file a rate design application in F2016 that includes the outstanding information:
  - a. A revisit of the setting of the Step-1 to Step-2 threshold level;
  - b. Evidence that the directives on page 120 of the 2008 RIB Decision: interaction of the Basic Charge and the RIB rate structure as well as Minimum Charge, and the cost of remaining attached to the system have been addressed; and
  - c. A recommendation for pricing principles to apply beyond F2016.
5. BC Hydro shall file updated tariff sheets reflecting rates calculated in accordance with the approved RIB rate pricing principle as required and reflecting the dissolution of the Control Group.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 4<sup>th</sup> day of February 2014.

BY ORDER

*Original signed by:*

R.D. Revel  
Commissioner