



ORDER NUMBER
G-211-18

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

British Columbia Hydro and Power Authority
Customer Crisis Fund Pilot Program

BEFORE:

D. M. Morton, Commissioner

on November 8, 2018

ORDER

WHEREAS:

- A. On July 24, 2017, the British Columbia Hydro and Power Authority (BC Hydro) filed with the British Columbia Utilities Commission (BCUC), pursuant to sections 58–61 and 49(a) of the *Utilities Commission Act* (UCA), the Customer Emergency Fund (CEF) Pilot Program Application (Application) for approval of the following:
 - a. Rate Schedule 1903, to establish a CEF Rate Rider, effective June 1, 2018;
 - b. An amendment to Rate Schedule 1901, to exclude the application of the Deferral Account Rate Rider to the CEF Rate Rider, effective June 1, 2018;
 - c. Certain amendments to BC Hydro’s Electric Tariff related to the Application (CEF Tariff Changes), effective June 1, 2018; and
 - d. The establishment of the CEF Regulatory Account, effective the date of the BCUC’s order approving the Application;
- B. Following the public hearing of BC Hydro’s 2015 Rate Design Application (2015 RDA), the BCUC issued Order G-5-17 and accompanying Decision on January 20, 2017. In the 2015 RDA Decision, the BCUC approved the establishment of a pilot crisis intervention fund and directed BC Hydro to file a proposal for a pilot program within six months of the date of the 2015 RDA Decision;
- C. On August 24, 2017, by Order G-131-17, the BCUC established a regulatory timetable for review of the Application, which included intervener registration, filing of supplementary information to the Application, and a Streamlined Review Process (SRP) with one round of technical questions;
- D. On September 29, 2017, pursuant to Order G-131-17, BC Hydro filed as Exhibit B-2 supplementary information to the Application, which provided further particulars and analysis of the costs presented in Tables 2 and 3 of the Application;

- E. On October 13, 2017, pursuant to Order G-131-17, registered interveners provided their technical questions to BC Hydro and, on November 3, 2017, BC Hydro provided its responses;
- F. On November 9, 2017, an SRP was held in Vancouver, BC, with BC Hydro and registered interveners in attendance. Oral final arguments were provided by the participants followed by BC Hydro's reply;
- G. On November 17, 2017, by Order G-166-17, the BCUC approved the Application;
- H. On June 1, 2018, the CEF, renamed to the Customer Crisis Fund (CCF) Pilot Program came into effect;
- I. The BCUC received a significant number of complaints regarding the CCF Pilot Program since it was implemented; and
- J. The BCUC has reviewed the complaints and considers that action is warranted.

NOW THEREFORE pursuant to sections 23(1)(f) and 43(1)(b)(i) of the UCA, and for the reasons attached as Appendix A to this order, the BCUC directs BC Hydro to file an evaluation report of the CCF Pilot Program within 90 days of the completion of the first year of the CCF Pilot Program.

DATED at the City of Vancouver, in the Province of British Columbia, this 8th day of November 2018.

BY ORDER

Original signed by:

D. M. Morton
Commissioner

Attachment

British Columbia Hydro and Power Authority
Customer Crisis Fund Pilot Program

REASONS FOR DECISION

1.0 Introduction

As part of British Columbia Hydro and Power Authority's (BC Hydro's) 2015 Rate Design Application (2015 RDA), British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, B.C. Poverty Reduction Coalition, Council of Senior Citizens' Organizations of BC, Disability Alliance BC, Together Against Poverty Society, and The Tenant Resource and Advisory Centre (BCOAPO) had requested the British Columbia Utilities Commission (BCUC) implement a crisis intervention fund to assist customers who have arrears with BC Hydro and are unable to pay their electricity bills. BCOAPO proposed that the fund would be revenue neutral to BC Hydro because of reduced debt collection costs. Following the BC Hydro 2015 RDA proceeding, on January 20, 2017, through Order G-5-17, the BCUC approved a crisis intervention fund pilot program.

On July 24, 2017, BC Hydro filed an application for the establishment of the crisis intervention fund pilot program referring to it as the Customer Emergency Fund (CEF) Pilot Program, later renamed to the Customer Crisis Fund (CCF) Pilot Program, (Application). The review process of the Application included a Streamlined Review Process which was held in Vancouver, BC, with BC Hydro and registered interveners in attendance.

The BCUC subsequently approved the CCF Pilot Program for a period of three years through Order G-166-17. BC Hydro was directed to file an evaluation report with the BCUC within 90 days of the completion of the second year of the CCF Pilot Program.

The CCF first appeared on BC Hydro customers' electricity bills on June 1, 2018.

2.0 Reporting on CCF Pilot Program

Since June 1, 2018, the BCUC has received a substantial number of complaints and other correspondence from ratepayers expressing their general displeasure with the CCF. Numerous concerns raised relate to program outcomes including administrative costs, impact on bad debts of BC Hydro and the general fairness of the program.

While these matters were considered by the BCUC in its BC Hydro 2015 RDA Decision in establishing the CCF Pilot Program on a test basis, the CCF is currently a pilot project subject to future review by the BCUC. As such, the BCUC believes an earlier review of the CCF results would be beneficial as it allows for a timelier evaluation of the program in light of ratepayer concerns. Rather than waiting for the CCF to progress through two full years, the BCUC believes that reporting to the BCUC after the completion of the CCF's first year would allow the BCUC to complete an earlier review of the program using available data. Therefore, the BCUC finds that an earlier review of the CCF Pilot Program is warranted to allow for an earlier understanding of the CCF's actual results. **The BCUC directs BC Hydro to file an evaluation report within 90 days of the completion of the first year of the CCF Pilot Program.**