



ORDER NUMBER
G-327-19

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

and

British Columbia Hydro and Power Authority
Transmission Service Market Reference-Priced Rates Application

BEFORE:

T. A. Loski, Panel Chair
A. K. Fung, QC, Commissioner

on December 12, 2019

ORDER

WHEREAS:

- A. On October 31, 2019, the British Columbia Hydro and Power Authority (BC Hydro) filed an application with the British Columbia Utilities Commission (BCUC) seeking approvals of an amended Freshet Rate (Rate Schedule 1892) and approval for a new optional rate, the Incremental Energy Rate (Rate Schedule 1893), pursuant to sections 58 to 60 of the *Utilities Commission Act* (Application);
- B. The Freshet Rate was approved by Order G-17-16, on a pilot basis, as part of the BC Hydro 2015 Rate Design Application. The Freshet Rate pilot provides participating customers market pricing for incremental consumption during the freshet period (May 1 to July 31 inclusive);
- C. By Orders G-45-18, G-106-19, and G-224-19, the BCUC approved extensions to the Freshet Rate pilot and directed BC Hydro to file its application for a permanent Freshet Rate, together with the 2019 Freshet Rate pilot evaluation report, by no later than October 31, 2019;
- D. As part of the Application, BC Hydro requests that the Incremental Energy Rate, Rate Schedule (RS) 1893, be approved effective January 1, 2020 on an interim and non-refundable basis. BC Hydro proposes that the interim rate be approved on a non-refundable basis because customers will be making operating decisions based on the interim rate and they require certainty that the rate will not be changed retroactively;
- E. BC Hydro explains that the Incremental Energy Rate will be offered on a non-firm, interruptible basis for electricity usage above normal firm service (RS 1823 or RS 1828) baseline amounts and available as a pilot commencing January 1, 2020 until March 31, 2024;
- F. BC Hydro submits that the Incremental Energy Rate is similar in concept and design to the Freshet Rate, but it would be offered on a year round basis. BC Hydro also submits that it has consulted extensively with transmission service customers, the Association of Major Power Customers of BC (AMPC) and other

stakeholders and that there is strong customer support for the optional Incremental Energy Rate to be offered on a pilot basis;

- G. BC Hydro further submits that in order to implement RS 1893 to meet a request from AMPC and certain customers that this service option be available by January 1, 2020, BC Hydro would require that the BCUC grant an order approving such on an interim and non-refundable basis by November 29, 2019;
- H. By Order G-300-19 dated November 26, 2019, the BCUC approved the Incremental Energy Rate effective January 1, 2020 on an interim and non-refundable basis; and
- I. The BCUC considers that establishing a regulatory timetable for the review of the Application is warranted.

NOW THEREFORE the BCUC orders as follows:

- 1. A public hearing is established for the review of the Application in accordance with the regulatory timetable set out in Appendix A of this order.
- 2. BC Hydro is directed to publish the Application, this order, and the attached regulatory timetable on its website.
- 3. BC Hydro is directed to notify all transmission service rate customers and Transmission Service Freshet Rate Pilot interveners in the 2015 BC Hydro Rate Design Application proceeding of the Application, this order, and the regulatory timetable set out in Appendix A of this order.
- 4. BC Hydro must make the Application and non-confidential supporting material available for inspection at BC Hydro's head office located on the 16th Floor at 333 Dunsmuir Street, Vancouver, BC.
- 5. In accordance with the BCUC's [Rules of Practice and Procedure](#), parties who wish to participate as interveners in the proceeding are to register with the BCUC by completing a [Request to Intervene form](#) by the date established in the regulatory timetable.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of December 2019.

BY ORDER

Original signed by:

T. A. Loski
Commissioner

Attachment

British Columbia Hydro and Power Authority
Transmission Service Market Reference-Priced Rates Application

REGULATORY TIMETABLE

| Action | Date (2019) |
|--|-----------------------|
| BC Hydro notification of the Application | Thursday, December 19 |

| Action | Date (2020) |
|---|-----------------------|
| Intervener registration | Tuesday, January 21 |
| BCUC Information Request (IR) No. 1 to BC Hydro | Thursday, January 23 |
| Intervener IR No. 1 to BC Hydro | Thursday, January 30 |
| BC Hydro responses to BCUC and Intervener IRs No. 1 | Thursday, February 20 |
| Streamlined Review Process (placeholder) | Tuesday, March 17 |
| Further process | To be determined |