



**ORDER NUMBER  
G-270-20**

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

and

Boralex Ocean Falls Limited Partnership  
Application for Approval of Rates and Terms and Conditions for  
Service to British Columbia Hydro and Power Authority

**BEFORE:**

B. A. Magnan, Panel Chair  
W. M. Everett, QC, Commissioner  
R. I. Mason, Commissioner

on October 27, 2020

**ORDER**

**WHEREAS:**

- A. On September 30, 2019, Boralex Ocean Falls Limited Partnership (Boralex) applied to the British Columbia Utilities Commission (BCUC) for approval of interim and permanent rates for service to British Columbia Hydro and Power Authority (BC Hydro) for the period of July 1, 2019 to December 31, 2022, terms and conditions for service to BC Hydro and the First Nations relationship building deferral account (Application). The Application is made pursuant to Orders G-143-19 and G-202-19;
- B. Boralex and BC Hydro had been unable to negotiate an Energy Purchase Agreement (EPA) renewal, and on August 29, 2017, BC Hydro filed an application with the BCUC requesting, amongst other things:
  - 1. Approval to amend Order G-26-10 to have Boralex subject to the rate regulation provisions of the *Utilities Commission Act* (UCA) with respect to its service to BC Hydro; and
  - 2. The BCUC determine and set a rate for Boralex's service to BC Hydro, pursuant to sections 58 to 60 of the UCA;
- C. By Order G-143-19 dated June 27, 2019, the BCUC amended Order G-26-10 to exempt Boralex from application of the UCA except for sections 2(1), 25, 38, 41, 42, 43, 49, 55, 58 to 63, 99, 117 and Part 6 with respect to Boralex's service to BC Hydro, with Order G-26-10 remaining in effect with respect to Boralex's service to its other customers. The BCUC also approved an interim and refundable/recoverable rate effective July 1, 2019, and interim terms and conditions for Boralex's service to BC Hydro;
- D. By Order G-265-19 dated October 31, 2019, the BCUC established a public hearing and a regulatory timetable for the review of the Application. The regulatory timetable was updated by Orders G-3-20, G-37-20 and G-142-20;

- E. The following parties registered as interveners: BC Hydro; British Columbia Old Age Pensioners' Organization *et al.* (BCOAPO); Nuxalk Nation; and Zone 1B Ratepayers Group (Z1BRG);
- F. The regulatory process included two rounds of BCUC and Intervener Information Requests and written final and reply arguments;
- G. Boralex filed an application update on April 29, 2020, including revisions to its test period revenue requirements and updated test period rates for service to BC Hydro (Application Update); and
- H. The BCUC has considered the Application, the evidence and the submissions filed in this proceeding and makes the following determinations.

**NOW THEREFORE** pursuant to sections 56, 59 to 61 of the UCA, and for the reasons provided in the Decision issued concurrently with this order, the BCUC orders as follows:

- 1. Boralex is approved to recover on a permanent basis the rates for electric service to BC Hydro as presented in the Application Update, for the period July 1, 2019, to December 31, 2022, subject to the adjustments resulting from the directives and determinations contained in this Order and the Decision issued concurrently.
- 2. Order G-143-19 is varied to exempt Boralex from application of the UCA except for sections 2(1), 25, 38, 41, 42, 43, 49, 55, 56, 58 to 63, 99, 117 and Part 6 with respect to Boralex's service to BC Hydro.
- 3. Boralex is directed to recalculate its revenue requirements and rates for electric service to BC Hydro for the period July 1, 2019, to December 31, 2022, subject to the adjustments resulting from the directives and determinations contained in this Order and the Decision issued concurrently.
- 4. Boralex is directed to file updated regulatory schedules for approval by this Panel within 60 days of this Order. This compliance filing must contain the specific information outlined in the Decision issued concurrently with this Order.
- 5. Upon Panel approval of the compliance filing outlined in directive 4, Boralex is directed to recover / refund to BC Hydro the difference between interim and permanent rates, with interest calculated at the average prime rate of Boralex's principal bank for its most recent year.
- 6. Boralex must submit an annual report each year beginning no later than April 30, 2021, as outlined in section 3.1.5 of the Decision issued concurrently with this order.
- 7. Boralex's terms and conditions of service to BC Hydro are approved effective July 1, 2019, subject to Boralex filing required amendments outlined in section 6 of the Decision issued concurrently with this Order.
- 8. Boralex is approved to establish a First Nations Deferral Account as set out in section 5 of the Decision issued concurrently with this Order with interest at Boralex's weighted average cost of debt.
- 9. Boralex must comply with all other directives and determinations outlined in the Decision issued concurrently with this Order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 27th day of October 2020.

BY ORDER

*Original Signed By:*

B. A. Magnan  
Commissioner