



**ORDER NUMBER**  
**G-40-22**

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

and

British Columbia Hydro and Power Authority  
Fiscal 2023 Rate Schedule 1101, 1121 Residential Service Pricing Principles Application

**BEFORE:**

R. I. Mason, Panel Chair  
A. C. Dennier, Commissioner  
A. Pape-Salmon, Commissioner

on February 18, 2022

**ORDER**

**WHEREAS:**

- A. On February 11, 2022, British Columbia Hydro and Power Authority (BC Hydro) filed with the British Columbia Utilities Commission (BCUC) an application for approval of revised pricing principles (Residential Service Pricing Principles) for Rate Schedule 1101, 1121 (collectively, RS 1101) effective April 1, 2022 (Application or Residential Pricing Principles Application);
- B. As part of the separate, ongoing proceeding to review BC Hydro's Fiscal 2023 to Fiscal 2025 Revenue Requirements Application (F2023 to F2025 RRA), on February 7, 2021, BC Hydro filed a request for approval of interim F2023 rates effective April 1, 2022, specifically a general rate increase of 0.62 percent and a Deferral Account Rate Rider of (2.0) percent, resulting in a net bill decrease of 1.4 percent. BC Hydro requests that the F2023 interim rates be approved subject to any interim or final BCUC orders related to the Residential Pricing Principles Application;
- C. By Order G-124-08, the BCUC approved BC Hydro's application to implement a Residential Inclining Block (RIB) rate for its residential customers, with approval of pricing principles for BC Hydro's fiscal 2009 to fiscal 2010 periods. By Orders G-180-10, G-45-11, and G-13-14, respectively, the BCUC approved RIB rate pricing principles for BC Hydro's fiscal 2011, fiscal 2012 to 2014, and fiscal 2015 to fiscal 2016 periods;
- D. By Order G-5-17, the BCUC approved a RIB rate pricing principle of uniformly increasing the basic charge, Step-1 energy rate, and Step-2 energy rate by the amount of the approved revenue requirements application rate increases (Uniform RIB Rate Pricing Principle) for BC Hydro's fiscal 2017 to fiscal 2019 period. By Orders G-214-18 and G-62-20, respectively, the BCUC approved the extension of the Uniform RIB Rate Pricing Principle for BC Hydro's fiscal 2020 and fiscal 2021 to fiscal 2022 periods;
- E. BC Hydro requests approval in the Application to apply any F2023 general rate increases approved in the F2023 to F2025 RRA proceeding effective April 1, 2022, to the three RS 1101 charges as follows:

- Basic Charge: apply the F2023 RRA general rate increase;
  - Step 2 Energy Charge: hold the Step 2 Energy Charge constant at its current level of 14.08¢ per kilowatt hour (kWh); and
  - Step 1 Energy Charge: apply the rate increase necessary so that, on a forecast basis, BC Hydro will earn the same revenue in F2023 from its RS 1101 customers as if the F2023 RRA general rate increase had been applied equally to all three charges of RS 1101;
- F. BC Hydro requests permanent approval of the Residential Service Pricing Principles, or interim approval if additional time is required for the regulatory process, by March 15, 2022;
- G. BC Hydro proposes a regulatory process for the review of the Application that includes public notification by utilizing BC Hydro's email distribution list of nearly 500 interested parties, which includes intervenors in its residential rate design regulatory proceedings and staff from local governments (BC Hydro Email Distribution List); and
- H. The BCUC has commenced its review of the Application and determines that approval of the Residential Service Pricing Principles on an interim basis and the establishment of a regulatory timetable for the review of the Application are warranted.

**NOW THEREFORE** the BCUC orders as follows:

1. The regulatory timetable for the review of the Application is established as set out in Appendix A to this order. Parties who wish to actively participate in the proceeding are to file a letter of comment by the date established in the regulatory timetable and in accordance with the BCUC's Rules of Practice and Procedure attached to Order G-15-19.
2. The Residential Service Pricing Principles as set forth in the Application are approved on an interim basis, effective April 1, 2022. Any difference in rates resulting from the interim versus permanent Residential Service Pricing Principles will be refundable/recoverable in the manner determined by the Panel in rendering its final decision, with interest at BC Hydro's weighted average cost of debt.
3. BC Hydro is directed to provide a copy of this order by Friday, February 25, 2022, electronically where possible, to the following:
  - All registered intervenors in the BC Hydro F2023–F2025 RRA proceeding;
  - All registered intervenors in the BC Hydro 2015 Rate Design Application proceeding; and
  - All parties on the BC Hydro Email Distribution List.
4. BC Hydro is directed to post the public notice in Appendix B to this order on its Twitter, LinkedIn, and Facebook social media platforms, on or before Friday, February 25, 2022. It must also post weekly reminder notices on each of these platforms until the letter of comment deadline on Tuesday, May 24, 2022.
5. BC Hydro is directed to make the Application and this order available on its website at <http://www.bchydro.com> by Friday, February 25, 2022.

6. BC Hydro is directed to provide all BC Hydro residential customers with notice of the Application and this order by Friday, May 6, 2022. It must also provide confirmation to the BCUC that notice of the Application and this order has been provided to BC Hydro residential customers as directed by Monday, May 9, 2022.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 18<sup>th</sup> day of February 2022.

BY ORDER

*Original signed by:*

R. I. Mason  
Commissioner

Attachment

British Columbia Hydro and Power Authority  
Fiscal 2023 Rate Schedule 1101, 1121 Residential Service Pricing Principles Application

**REGULATORY TIMETABLE**

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Action	Date (2022)
BC Hydro provides notice of Application to parties outlined in Directive 3 of the order	Friday, February 25
BC Hydro publishes notice of Application on its social media platforms	Friday, February 25
BCUC Information Request (IR) No. 1 to BC Hydro	Thursday, April 7
BC Hydro responses to BCUC IR No. 1	Thursday, April 28
BC Hydro provides notice of the Application and this order to all residential customers	Friday, May 6
BC Hydro provides confirmation to the BCUC that notice has been provided to all residential customers	Monday, May 9
Letter of comment deadline	Tuesday, May 24
BC Hydro final argument and reply to letters of comment	Tuesday, June 14



# We want to hear from you

## BC Hydro's Fiscal 2023 Residential Service Pricing Principles Application

On February 11, 2022, BC Hydro filed its Residential Service Pricing Principles Application (Application). The Application requests approval for revisions effective April 1, 2022 to the pricing principles that determine how general rate changes are applied to the different components of the residential rates in Rate Schedule 1101, 1121. Under the current pricing principles, the estimated average annual bill impact to residential customers effective April 1, 2022 is a bill decrease of approximately 1.39%. Under BC Hydro's revised pricing principles, as proposed in the Application, the estimated average annual bill impact to residential customers effective April 1, 2022 ranges from a bill decrease of approximately 0.99% for those customers with annual energy usage up to 8,000 kilowatt hour (kWh) to a bill decrease of approximately 1.93% for those customers with annual energy usage greater than 50,000 kWh.

### HOW TO PARTICIPATE

- Submit a letter of comment
- Register as an interested party




### IMPORTANT DATES

1. **Tuesday, May 24, 2022** – Deadline to submit a letter of comment with the BCUC




For more information about the Application, please visit the [Proceeding Webpage](#) on bcuc.com under "Our Work – Proceedings". To learn more about getting involved, please visit our website at [www.bcuc.com/get-involved](http://www.bcuc.com/get-involved) or contact us at the information below.

### GET MORE INFORMATION

#### BC Hydro Regulatory & Rates Group

-  16th Floor, 333 Dunsmuir Street  
Vancouver, BC V6B 5R3
-  E: [bchydroregulatorygroup@bchydro.com](mailto:bchydroregulatorygroup@bchydro.com)
-  P: 604.623.3726

#### British Columbia Utilities Commission

-  Suite 410, 900 Howe Street  
Vancouver, BC Canada V6Z 2N3
-  E: [Commission.Secretary@bcuc.com](mailto:Commission.Secretary@bcuc.com)
-  P: 604.660.4700