



ORDER NUMBER
G-25-23

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

and

Nelson Hydro
2023 Revenue Requirement Application

BEFORE:

E.B. Lockhart, Panel Chair
A.C. Dennier, Commissioner
T.A. Loski, Commissioner

on February 2, 2023

ORDER

WHEREAS:

- A. On October 28, 2022, Nelson Hydro filed an application with the British Columbia Utilities Commission (BCUC) seeking approval of a general annual rate increase of 9.87 percent for the Rural service area, effective on January 1, 2023, pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA) (Application);
- B. Nelson Hydro is owned and operated by the City of Nelson and is excluded from regulation under the UCA to the extent it is serving customers within its municipal boundaries. Accordingly, the BCUC's review of the Application pertains solely to Nelson Hydro's non-municipal, or rural, ratepayers;
- C. In the Application, Nelson Hydro requests that the 9.87 percent general rate increase for the Rural service area be approved on an interim and refundable basis, effective January 1, 2023, pending the outcome of this proceeding;
- D. Nelson Hydro also requests approval to establish the following deferral accounts:
 - i. A revenue variance deferral account to record additional revenues that Nelson Hydro may be entitled to between January 1, 2023 and the BCUC's decision on the Nelson Hydro's Application for Reconsideration and Variance of Order G-196-22 which may result in modifications to the BCUC-approved Cost of Service Analysis (COSA) that is being used in this Application.
 - ii. A storm regulatory deferral account to smooth out the budgetary impact of major storms and other emergency outage response events, such as wildfires.
- E. Nelson Hydro submits that the proposed percentage rate increase is based on the utility's 2023 budget figures used in a COSA that was approved in Order G-196-22 and seeks to transition to providing information focused on the Rural portion of the utility rather than the utility as a whole;

- F. By Order G-332-22A dated December 2, 2022, the BCUC, among other things, established the regulatory timetable for the review of the Application, which provided for Nelson Hydro's response to BCUC and Intervener information request (IR) no. 1 on February 13, 2023. Order G-332-22A also approved Nelson Hydro's requested rate increase on an interim, refundable, and recoverable basis, effective January 1, 2023;
- G. By letter dated February 1, 2023, Nelson Hydro requested an extension to respond to IR no. 1 due to resource constraints and to also extend the subsequent timelines for letters of comment and reply, as follows:

Action	Date (2023)
Nelson Hydro Response to BCUC Information Request (IR) No. 1	Monday, February 27
Nelson Hydro Response to Intervener IR No. 1	Monday, March 6
Letters of Comment on Nelson Hydro's Application to the BCUC	Monday, March 13
Nelson Hydro Reply Comments, if Applicable	Monday, March 27

- H. The BCUC has considered Nelson Hydro's extension request and finds that an amended regulatory timetable for the review of the Application is warranted.

NOW THEREFORE the BCUC amends the regulatory timetable as set out in Appendix A to this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 2nd day of February 2023.

BY ORDER

Original signed by:

E.B. Lockhart
Commissioner

Attachment

Nelson Hydro
2023 Revenue Requirement Application

REGULATORY TIMETABLE

Action	Date (2023)
Nelson Hydro Response to BCUC Information Request (IR) No. 1	Monday, February 27
Nelson Hydro Response to Intervener IR No. 1	Monday, March 6
Letters of Comment on Nelson Hydro's Application to the BCUC	Monday, March 13
Nelson Hydro Reply Comments, if Applicable	Monday, March 27
Further Process	To be determined