



ORDER NUMBER
G-61-23

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 March 21, 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 a 9.87 percent general rate increase for the Rural service area, effective January 1, 2023, pending the outcome of the proceeding. By Order G-332-22A, the BCUC approved the 9.78 percent general rate increase on an interim, refundable and recoverable basis, effective January 1, 2023;
- 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 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 and any surplus or deficit in revenue that might result from the BCUC's final decision on the Application and the interim 9.87 percent rate increase approved in Order No. G-332-22, effective January 1, 2023.
 - 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 by 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 established the regulatory timetable, which included, among other things, one round of BCUC and intervener information requests (IRs);
- G. On February 27, 2023 and March 6, 2023, Nelson Hydro provided responses to BCUC IR No. 1 and Intervener IR No. 1, respectively. In the cover letter to Nelson Hydro's responses to Interveners' IR No. 1, Nelson Hydro requested that interveners collaborate and coordinate their IRs to form one joint IR submission to the extent that any further IR rounds are forthcoming in the proceeding; and
- H. The Panel has reviewed Nelson Hydro's responses to IR No. 1 and considers that amending the regulatory timetable to include submissions on intervener collaboration and a second round of IRs are 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 21st day of March 2023.

BY ORDER

Original signed by:

E.B. Lockhart
Commissioner

Attachment

Nelson Hydro
2023 Revenue Requirement Application

FURTHER REGULATORY TIMETABLE

Action	Date (2023)
Nelson Hydro Reply to Letters of Comment	Monday, March 27
Intervener Submissions on Intervener Collaboration*	Tuesday, March 28
Nelson Hydro Reply Submission on Intervener Collaboration	Monday, April 3
BCUC IR No. 2 to Nelson Hydro	Wednesday, April 12
Intervener IR No. 2 to Nelson Hydro	Wednesday, April 19
Nelson Hydro Responses to IR No. 2	Wednesday, May 17
Further Process	To be determined

* The Panel invites intervener submissions on Nelson Hydro's request for the BCUC to require BC Old Age Pensioners' Organization, Council of Senior Citizens' Organizations of BC, Active Support Against Poverty, Disability Alliance BC, and Tenant Resource and Advisory Centre (BCOAPO); Residential Consumer Intervener Association (RCIA); and Mr. Randy Evanchuk to collaborate and coordinate their IRs as stated in the cover letter filed in Exhibit B-6. The Panel invites interveners to include in their submissions, the following:

1. Whether you or your organization represent substantially similar interests as the other interveners in this proceeding.
2. Whether you or your organization are willing and able to coordinate with the other interveners with respect to any remaining regulatory process in this proceeding. If not, please explain why not.
3. Whether the Intervener IR No. 2 date in the regulatory timetable is sufficient for interveners to collaborate and coordinate their IRs to form one joint IR No. 2 submission to Nelson Hydro. If not, please propose a date for a joint IR No. 2 submission and explain how that date was determined.