



**ORDER NUMBER
G-140-23**

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

and

British Columbia Hydro and Power Authority
Fiscal 2024 Residential Inclining Block Rate Pricing Principles Application

BEFORE:

T. A. Loski, Panel Chair
A. K. Fung, KC, Commissioner
D. M. Morton, Commissioner

on June 13, 2023

ORDER

WHEREAS:

- A. On March 8, 2023, British Columbia Hydro and Power Authority (BC Hydro) filed with the British Columbia Utilities Commission (BCUC) an application for approval of pricing principles that would apply to the residential service inclining block rate under Rate Schedule 1101, 1121 (collectively, RS 1101) for fiscal 2024 (Application);
- B. In the Application, BC Hydro proposes to apply any fiscal 2024 general rate increase (F2024 RRA Rate Increase) approved in the separate, ongoing proceeding to review BC Hydro's Fiscal 2023 to Fiscal 2025 Revenue Requirements Application (F2023 to F2025 RRA) equally to all three components of the RS 1101 charges, which are: the Basic Charge, Step 1 Energy Charge and Step 2 Energy Charge (Proposed Residential Service Pricing Principles);
- C. By Order G-59-23 dated March 23, 2023, the BCUC approved the Proposed Residential Service Pricing Principles on an interim basis, effective April 1, 2023. Order G-59-23 also established the regulatory timetable for the review of the Application, which included one round of BCUC Information Requests to BC Hydro, letters of comment, and BC Hydro's final argument and reply to letters of comment;
- D. On April 21, 2023, by Decision and Order G-91-23, the BCUC issued its decision on BC Hydro's F2024 RRA Rate Increase, approving on an interim basis, among other matters, a general rate increase of 0.97 percent and deferral account rate rider decrease of (1.0) percent for fiscal 2024, effective April 1, 2023, subject to final adjustments. Order G-91-23 also directed BC Hydro to re-calculate its revenue requirements and file a revised Appendix A to the application and updated rate schedules, reflecting the corrections to the Application identified in the errata filed in the proceeding, the terms of Order G-91-23, the determinations and directions issues in the decision issued concurrently, and any future BCUC determinations and directives issued in the proceeding; and

- E. The BCUC has reviewed the Application, evidence, letters of comment, and BC Hydro's final argument and reply to letters of comment and makes the following determinations.

NOW THEREFORE pursuant to sections 59 to 61 of the *Utilities Commission Act*, for the reasons stated in the decision issued concurrently with this order, the BCUC orders as follows:

1. The Proposed Residential Service Pricing Principles as set forth in the Application, are denied.
2. BC Hydro is directed to apply any F2024 RRA Rate Increase as follows, on a permanent basis, effective April 1, 2023:
 - Basic Charge: apply the F2024 RRA Rate Increase;
 - Step 2 Energy Charge: hold the Step 2 Energy Charge constant at its current level of 14.08 cents 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 fiscal 2024 from its RS 1101 customers as if the F2024 RRA Rate Increase had been applied equally to all three charges of RS 1101.
3. BC Hydro is directed to refund or recover, as the case may be, the difference between the interim pricing principles approved by Order G-59-23 and the residential service pricing principles approved on a permanent basis in the decision issued concurrently with this order to or from residential customers as necessary. The refund or recovery is to be made in conjunction with any final adjustments arising from the BCUC's final decision on the permanent F2024 RRA Rate Increase as determined in the BC Hydro F2023 to F2025 RRA proceeding.
4. BC Hydro is directed to file for endorsement with the BCUC an updated RS 1101 reflecting the approved residential service pricing principles and the permanent rate change for fiscal 2024 as directed in the BC Hydro F2023 to F2025 RRA proceeding, pursuant to any final orders made by the BCUC in that proceeding.
5. BC Hydro is directed to file, by June 30, 2024, an application for changes to the current RS 1101 rate design as determined in the decision issued concurrently with this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 13th day of June 2023.

BY ORDER

Original signed by:

T. A. Loski
Commissioner