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ORDER NUMBER G-209-23

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

and

British Columbia Hydro and Power Authority Request to Cease Reporting Requirements for the Consecutive Estimates Reduction Plan Reports

BEFORE:

B. A. Magnan, Commissioner

on August 8, 2023

ORDER

WHEREAS:

- A. On April 14, 2023, British Columbia Hydro and Power Authority (BC Hydro) requested under section 99 of the Utilities Commission Act (UCA), that the British Columbia Utilities Commission (BCUC) rescind the quarterly reporting requirements regarding consecutive estimates as set out in BCUC Letters L-58-12 dated October 15, 2012, and L-58-14 dated November 13, 2014 (Application);
- B. Following a series of complaints, by Letter L-58-12, the BCUC requested BC Hydro to file quarterly reports on its Consecutive Estimates Reduction Program (Summary Report) for a 12-month period starting January 2013;
- C. By Letter L-58-14, the BCUC requested BC Hydro continue filing the Summary Report, along with additional information including a table with the total number of System Applications and Products in Data Processing estimates and data on the causes of the estimates, until the BCUC determined they were no longer needed;
- D. On July 29, 2016, BC Hydro requested the Summary Report be discontinued or amended to annual reporting given the improvement in meter reading performance. Following discussions with BCUC Staff, BC Hydro withdrew its request and instead agreed to file a simplified report also containing quarterly summary reporting of customer complaints (Combined Report);
- E. BC Hydro has applied to rescind the reporting requirements for consecutive estimates due to a significant decline in the volume of consecutive estimates since July 2013; and, apart from the early period of the COVID-19 pandemic, the number of consecutive estimates remaining relatively steady since September 2018; and
- F. The BCUC has reviewed the Application and considers that the following determinations are warranted.

NOW THEREFORE pursuant to section 99 of the UCA, the BCUC orders as follows:

- 1. BC Hydro's Application to rescind the quarterly reporting requirements as set out in BCUC Letters L-58-12 and L-58-14 is denied for reasons attached as Appendix A of this order.
- 2. BC Hydro is directed to continue filing its Combined Report until the BCUC determines otherwise.

DATED at the City of Vancouver, in the Province of British Columbia, this 8th day of August 2023.

BY ORDER

Original signed by:

B. A. Magnan Commissioner

Attachment

British Columbia Hydro and Power Authority Request to Cease Reporting Requirements for the Consecutive Estimates Reduction Plan Reports

REASONS FOR DECISION

1.0 Introduction

By letter dated April 14, 2023, British Columbia Hydro and Power Authority (BC Hydro) requests under section 99 of the *Utilities Commission Act* (UCA), that the British Columbia Utilities Commission (BCUC) rescind the quarterly reporting requirements regarding consecutive estimates as set out in BCUC Letters L-58-12 dated October 15, 2012, and L-58-14 dated November 13, 2014.

The quarterly report summarizes:

- a) Customer complaints statistics including response time to customer complaints, complaints by source, and complaints by category.
- b) Consecutive estimates including sources of meter reads for invoices issued.
- c) Assessment of meter reading performance, including consecutive estimates by meter reading category and causes of missed reads by number of estimates.

2.0 Background

What are Consecutive Estimates?

BC Hydro typically bills its customers for service based on the consumption registered on their electric meter. Consecutive estimates refers to the practice of billing on the basis of an estimated reading for more than one billing cycle. This practice permits BC Hydro to maintain revenue collection where a meter reading cannot be obtained, while also ensuring timely delivery of bills to customers.

History of Reporting

Following a customer complaint filed with the BCUC on February 23, 2010 concerning adjusted billing received after a number of consecutive estimates, the BCUC directed BC Hydro to file a report on any processes identified as contributing to the complaint¹. On July 28, 2011, BC Hydro filed a review of its processes and outlined actions taken to reduce the number of consecutive estimates.

¹ BCUC Order <u>G-83-11</u> dated May 9, 2011.

By letter dated August 7, 2012², the BCUC raised concerns regarding further customer complaints related to consecutive estimates and requested more information from BC Hydro in regard to its current processes and policies. BC Hydro responded to the BCUC's request on September 6, 2012 and included discussion regarding the launch of its Consecutive Estimates Reduction Program in April 2012. By letter dated October 15, 2012³, the BCUC requested BC Hydro to file quarterly reports on its Consecutive Estimates Reduction Program (Summary Report) for a 12-month period starting January 2013. By letter dated November 13, 2014⁴, the BCUC requested BC Hydro continue filing the Summary Report, along with additional information including a table with the total number of System Applications and Products in Data Processing estimates and data on the causes of the estimates, until the BCUC determined this information was no longer required.

BC Hydro has requested to discontinue quarterly reporting for the Summary Report before. On July 29, 2016, BC Hydro filed Report No. 12 of its Summary Report for the period April 1 to June 30, 2016, and requested the Summary Report be discontinued or amended to annual reporting given the improvement in meter reading performance. In its letter dated October 28, 2016⁵, BCUC staff requested additional information about the data BC Hydro provided in its Summary Reports 1 and 12 in order to assess BC Hydro's request, which BC Hydro submitted on January 6, 2017. BCUC staff discussed the discontinuance request with BC Hydro and suggested that the report be simplified and combined with the quarterly summary reporting of customer complaints (Combined Reports). BC Hydro agreed with this suggestion and withdrew its request and started filing the Combined Report every quarter.

3.0 Legislative Authority

Section 99 of the UCA provides that "the commission, on application or on its own motion, may reconsider a decision, an order, a rule or a regulation of the commission and may confirm, vary or rescind the decision, order, rule or regulation."[6]

4.0 BC Hydro's Position

In the Application, BC Hydro outlines its reasons for the discontinuance of the Combined Report, noting that there has been a significant decline in consecutive estimates due to process improvements by BC Hydro⁶.

BC Hydro states that since June 2018, it has achieved a steady-state of 99.5% of scheduled meter readings billed based on actual readings (not estimated)⁷. Further, BC Hydro states that since 2017 its reporting has consistently shown that the majority (approximately 80%) of meters with 6+ consecutive estimates are meters that are deenergized (disconnected or customer-side power outages) or vacant accounts⁸. Further, BC Hydro submits that the quarterly Summary Reports were requested by the BCUC in response to complaints it received⁹.

² Attachment 1 <u>2023-04-14-BCH-ConsecutiveEstimatesReport-L-58-12-L-58-14-Rescindment-Request.pdf.</u>

³ BCUC Letter <u>L-58-12</u> dated October 15, 2012.

⁴ BCUC Letter <u>L-58-14</u> dated November 13, 2014.

⁵ Attachment 2 <u>2023-04-14-BCH-ConsecutiveEstimatesReport-L-58-12-L-58-14-Rescindment-Request.pdf.</u>

⁶ Application, page 1 <u>2023-04-14-BCH-ConsecutiveEstimatesReport-L-58-12-L-58-14-Rescindment-Request.pdf.</u> ⁷ Ibid.

⁸ Application, page 5 <u>2023-04-14-BCH-ConsecutiveEstimatesReport-L-58-12-L-58-14-Rescindment-Request.pdf.</u>

⁹ Application, page 6 <u>2023-04-14-BCH-ConsecutiveEstimatesReport-L-58-12-L-58-14-Rescindment-Request.pdf.</u>

5.0 Panel Determination

Pursuant to section 99 of the UCA, the BCUC denies BC Hydro's request.

The Panel directs BC Hydro continue to file the Combined Report until the BCUC determines that the reports are no longer needed.

While the Panel acknowledges that the majority of consecutive estimates have been reduced, the Panel remains concerned with the overall number of consecutive estimates. The Panel notes, in the Q4 F2023 Summary Report, the number of consecutive estimates increased to 9,088 compared to 7,608 in the previous quarter. For March 2023, 99.0% of bills were issued based on actual reads, which is a 0.5% decrease compared with December 2022. Even though consecutives estimates make up a small percentage of overall customer reads, they tend to be more complex and difficult to manage, which can lead to a significant number of complaints. The Panel notes that the Combined Report provides key information to the BCUC regarding BC Hydro's metering activities. For regulators, such reports are an essential tool by which it stays informed about areas in which it has regulatory oversight. The Panel also notes that the BCUC continues to receive complaints regarding consecutive estimates, therefore maintaining regulatory oversight into on-going issues and areas that evolve into complaints remains a matter of importance to the BCUC.