



ORDER NUMBER
G-62-24

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

and

British Columbia Hydro and Power Authority
Remote Community Electrification Repayment Regulatory Account

BEFORE:

C. M. Brewer, Panel Chair
M. Jaccard, Commissioner
T. A. Loski, Commissioner

on March 8, 2024

ORDER

WHEREAS:

- A. On December 22, 2023, British Columbia Hydro and Power Authority (BC Hydro) filed an application (Application) with the British Columbia Utilities Commission (BCUC) seeking approval, pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA), of the following:
1. To establish a new Remote Communities Electrification (RCE) Repayment Regulatory Account to capture costs in fiscal 2024 being incurred to refund the amounts paid (Annual Charges) by the Gitga'at (GFN), Kwadacha, Tsay Keh Dene, Uchucklesaht and Dease River First Nations (First Nations) under Electricity Servicing Agreements (ESA) with BC Hydro as part of the RCE program;
 2. To defer the refund of the Annual Charges paid by BC Hydro to the First Nations to the RCE Repayment Regulatory Account commencing in fiscal 2024;
 3. To apply interest to the balance of the RCE Repayment Regulatory Account based on BC Hydro's current weighted average cost of debt;
 4. To amortize the forecast of the refund of the Annual Charges paid balance in the RCE Repayment Regulatory Account over the next test period commencing in fiscal 2026;
 5. To amortize into rates over the next test period effective fiscal 2026, the forecast annual interest costs and the difference between forecast and actual interest for the preceding test period; and
 6. To close the RCE Repayment Regulatory Account at the end of the next test period, which will start in fiscal 2026, and transfer any remaining interest balance in the account to the Total Finance Charges Regulatory Account;
- B. The Application follows a complaint filed by GFN, where, after a review process, the BCUC issued Decision and Order G-247-23 directing BC Hydro to refund the Annual Charges paid by GFN, plus interest;

- C. By Order G-18-24 dated January 22, 2024, the BCUC established a public hearing process and invited the First Nations to submit letters of comment regarding the Application and the accuracy of the Annual Charges. The BCUC received no letters of comment; and
- D. The BCUC has reviewed the Application and considers the following determinations are warranted.

NOW THEREFORE pursuant to sections 59 to 61 of the UCA, the BCUC orders as follows:

- 1. BC Hydro is approved to establish an RCE Repayment Regulatory Account, attracting interest at BC Hydro's weighted average cost of debt, to record the refund of Annual Charges in fiscal 2024.
- 2. BC Hydro is approved to recover the balance of the RCE Repayment Regulatory Account as follows:
 - i. Amortize over the test period that commences in fiscal 2026, the forecast of the refund of the Annual Charges in the RCE Repayment Regulatory Account.
 - ii. Amortize over the test period that commences in fiscal 2026, the forecast annual interest costs and the difference between forecast and actual annual interest for the preceding test period.
- 3. BC Hydro is approved to close the RCE Repayment Regulatory Account at the end of the test period that commences in fiscal 2026, with any remaining interest balance in the account transferred to BC Hydro's Total Finance Charges Regulatory Account.

DATED at the City of Vancouver, in the Province of British Columbia, this 8th day of March 2024.

BY ORDER

Original signed by:

C. M. Brewer
Commissioner