



**ORDER NUMBER
G-151-24**

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

and

British Columbia Hydro and Power Authority
Establishment of the Electric Vehicle Rebate Regulatory Account

BEFORE:

E. B. Lockhart, Commissioner

on May 29, 2024

ORDER

WHEREAS:

- A. On March 7, 2024, British Columbia Hydro and Power Authority (BC Hydro) filed an application (Application) with the British Columbia Utilities Commission (BCUC) seeking approval for the establishment of the Electric Vehicle Rebate Regulatory Account pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA);
- B. On May 19, 2023, by Order in Council No. (OIC) 309, the Government of British Columbia (BC) amended the Greenhouse Gas Reduction (Clean Energy) Regulation (GGRR) and introduced section 5.2 related to zero-emission vehicle grants as a prescribed undertaking for public utilities;
- C. In June 2023, pursuant to an agreement between the Government of BC, BC Hydro and the New Car Dealers Association of BC dated May 17, 2023, BC Hydro undertook the CleanBC Go Electric Passenger Vehicle Rebate Program (EV Rebate Program) to provide rebates to individuals who purchase or lease a new zero-emissions vehicle in BC;
- D. BC Hydro submits that, for the purposes of section 18 of the *Clean Energy Act*, the EV Rebate Program is a prescribed undertaking pursuant to section 5.2(2) of the GGRR;
- E. In the Application, BC Hydro also seeks approval of the following:
 - 1. To defer to the Electric Vehicle Rebate Regulatory Account, beginning in fiscal 2024 and on an ongoing basis, the variance between forecast and actual revenues from the sale of the Specified Low Carbon Fuel Standard credits, the electric vehicle rebate costs, and the EV Rebate Program administration and marketing costs (collectively, Net Costs of the EV Rebate Program);
 - 2. To apply interest to the balance of the account based on BC Hydro's current weighted average cost of debt;

3. To recover the forecast account balance at the end of a test period related to the EV Rebate Program administration and marketing costs and interest applied to the account over the next test period, starting in fiscal 2026 and on an ongoing basis; and
 4. To amend the scope of the Low Carbon Fuel Credits Regulatory Account from “capture, on an ongoing basis, the difference between forecast and actual miscellaneous revenue from low carbon fuel credits” to “capture, on an ongoing basis, the difference between forecast and actual miscellaneous revenue from low carbon fuel credits, excluding revenue from low carbon fuel credits required to be captured in other regulatory accounts”;
- F. By Order G-82-24 dated March 20, 2024, the BCUC established the regulatory timetable for a written process to review the Application, which consisted of one round of BCUC information requests, letters of comment, and BC Hydro’s final argument and reply to the letters of comment;
- G. On April 8, 2024, the GGRR was amended by OIC 170. By letter dated April 17, 2024, the BCUC requested that BC Hydro consider the amendments to the GGRR in its responses to information requests. By letter dated May 2, 2024, BC Hydro submitted that the amendments set out in OIC 170 are administrative in nature and do not change or impact BC Hydro’s requests;
- H. On May 8, 2024, BC Sustainable Energy Association and Vancouver Electric Vehicle Association filed a joint letter of comment expressing support for BC Hydro's Application; and
- I. The BCUC has reviewed the Application and the submissions received and makes the following determinations.

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

1. BC Hydro is approved to establish the Electric Vehicle Rebate Regulatory Account.
2. BC Hydro is approved to defer to the Electric Vehicle Rebate Regulatory Account, beginning in fiscal 2024 and on an ongoing basis, the variance between forecast and actual Net Costs of the EV Rebate Program, which includes each of the following:
 - i. Revenue BC Hydro recognizes from the sale of the Specified Low Carbon Fuel Standard credits;
 - ii. EV rebate costs; and
 - iii. EV Rebate Program administration and marketing costs, subject to a maximum deferral of \$2.5 million less the forecast amount, in each fiscal year.
3. The balance of the Electric Vehicle Rebate Regulatory Account will attract interest based on BC Hydro’s current weighted average cost of debt.
4. BC Hydro is approved to recover, beginning in fiscal 2026 and on an ongoing basis, the forecast account balance at the end of a test period related to the EV Rebate Program administration and marketing costs and interest applied to the account over the next test period.
5. BC Hydro’s request to amend the scope of the Low Carbon Fuel Credits Regulatory Account to exclude revenue from low carbon fuel credits required to be captured in other regulatory accounts is approved.

DATED at the City of Vancouver, in the Province of British Columbia, this 29th day of May 2024.

BY ORDER

Original signed by:

E. B. Lockhart
Commissioner