



March 1, 2018

NEWS RELEASE – BCUC Approves BC Hydro Rate Increases of 4% for F2017, 3.5% for F2018, and 3% for F2019

Vancouver – The British Columbia Utilities Commission (BCUC) has issued its final decision approving BC Hydro rate increases of 4% effective April 1, 2016, 3.5% effective April 1, 2017, and 3% effective April 1, 2018.

BC Hydro filed its Revenue Requirements Application on February 26, 2016 seeking, among other things, rate increases of 4% effective April 1, 2016, 3.5% effective April 1, 2017, and 3% effective April 1, 2018. The F2017 and F2018 increases were implemented as interim pending the BCUC’s public review process, and are now approved as final.

BC Hydro filed an amended application on November 8, 2017, reducing its requested rate increase for April 1, 2018 from 3% to 0% after receiving a Government Mandate Letter, in which the Minister of Energy, Mines and Petroleum Resources outlined an expectation that BC Hydro will work with the Ministry to “freeze BC Hydro rates...” (Government Mandate Letter, Attachment 1 to BC Hydro’s Amended Application, dated November 8, 2017, available [here](#)). The BCUC did not approve BC Hydro’s amended application for a 0% increase, effective April 1, 2018.

The BCUC Panel reviewing the matter acknowledged that these increases are significant, and are the maximum allowable under the Provincial Government’s Direction No. 7 to the BCUC. The Panel ultimately found there to be insufficient regulatory justification to warrant lower increases because even these increases do not fully recover BC Hydro’s forecast revenue requirement, which includes items such as operating costs, new capital expenditures, and carrying costs on capital expenditures.

In June 2016, after approving an interim rate of 4%, the Panel hosted five Community Input Sessions throughout the province to promote a public understanding of the scope of the review. The Panel also held two procedural conferences in 2016, and another in 2017 after receiving BC Hydro’s amended application. Seventeen registered interveners participated in the proceeding.

In addition to rate setting, the Panel reviewed a number of other matters relating to utility revenue requirements through an open and transparent public review in which input from members of the public was considered. These other matters included Load Forecast, Cost of Energy, Operating and Capital Costs, and Future Revenue Requirement reviews. Full details are available in the Panel’s decision dated March 1, 2018, or within the BCUC’s public evidentiary record, both available [here](#).

The BCUC is a regulatory agency responsible for oversight of energy utilities and compulsory auto insurance in the province of British Columbia. It is the BCUC’s role to balance the interests of customers with the interests of the businesses we regulate. The BCUC carries out fair and transparent reviews of matters within its jurisdiction and considers public input in its processes and decisions.

CONTACT INFORMATION:

Erica Hamilton
Director, Communications
Phone: 604.660.4727
Email: erica.hamilton@bcuc.com