

October 28, 2020

Attn: Marija Tresoglavic
Acting Commission Secretary and Manager Regulatory Support
British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Mesdames/Sirs:

Re: Project No. 1599045
BCUC Review of BC Hydro's Performance Based Regulation Report

As per BCUC Order G-251-20 amending the regulatory timetable for the subject proceeding, please find herein Information Requests (IRs) of Ms. Edlira Gjoshe, who participates in this proceeding as an independent intervener representing unstructured interests of BC Hydro ratepayers at large.

All of which is respectfully submitted,

Edlira Gjoshe
evgconsulting@outlook.com
236-788-5293

In the Commission's decision on BC Hydro's F2020-F2021 Revenue Requirements Application (Decision and Order G-246-20 dated October 2, 2020), on page 132 of 204 in the second paragraph it is stated: "In response to McCandless, BC Hydro submits that "deferring variances between forecast and actual domestic revenue is a common regulatory practice, often referred to as "revenue decoupling" or "a decoupling mechanism" that is used at other BCUC regulated utilities, such as FBC and FortisBC Energy Inc. BC Hydro also submits that almost half of the North American utilities surveyed by S&P Global utilize some type of decoupling mechanism."

In the BCUC Staff Consultant Report (Pacific Economics Group Research LLC: – Performance-Based Regulation (PBR) Basic Features and Possible Applications to BC Hydro, dated February 28, 2020) filed as Exhibit A2-5, in Section 4/1, page 19, under "Revenue Decoupling" it is stated: "Most decoupling systems have two basic components: a revenue decoupling mechanism ("RDM") and a revenue adjustment mechanism. The RDM tracks variances between actual and allowed revenue and adjusts rates periodically to reduce them. A rate rider is commonly used to draw down these variances by raising or lowering rates."

GJOSHE IR1/1: Please confirm whether the "revenue decoupling" concept that is described by BC Hydro as quoted in Order G-246-20 above is the same as the Revenue Decoupling Mechanism ("RDM") that is explained in the BCUC Staff Consultant Report.

GJOSHE IR 1/2: As Revenue Decoupling appears to be a feature of Performance Based Regulation (PBR), please provide a list and brief description of all PBR elements that may have been used by the Commission over the last two decades, alongside BC Hydro's Cost-of-Service (COSR) regulation.

GJOSHE IR 1/3: Please discuss the extent to which these PBR elements have been used by the Commission alongside COSR principles in the regulation of BC Hydro over this timeframe, including when they were first introduced and how their use may have evolved over time.