

**BRITISH COLUMBIA UTILITIES COMMISSION**  
**IN THE MATTER OF THE UTILITIES COMMISSION ACT**  
**R.S.B.C. 1996, CHAPTER 473**

and

**British Columbia Hydro and Power Authority**  
**Covid-19 Customer Relief Program Application**

**Vancouver, B.C.**  
**April 6<sup>th</sup>, 2020**

---

**PROCEEDINGS**

---

**BEFORE:**

<b>D. Morton,</b>	<b>Panel Chair/Commission Chair</b>
<b>A. Fung, Q.C.,</b>	<b>Commissioner/Deputy Chair</b>
<b>R. Mason,</b>	<b>Commissioner</b>
<b>T. Loski,</b>	<b>Commissioner</b>

**VOLUME 1**

## **APPEARANCES**

L. BUSSOLI,

Commission Counsel

### PARTICIPANTS:

#### BC HYDRO STAFF:

Alice Ferreira  
Amanda Ward  
Daren Sanders  
Keith Anderson,  
Laura Knezevic  
Ryan Layton  
David Keir  
Fred James  
Anthea Jubb, Manager, Tariffs

#### BCUC Staff:

Leon Cheung  
Yolanda Domingo  
Peter Goldberg  
Tanya Lai

	<u>INDEX</u>		<u>PAGE</u>
OPENING STATEMENT BY MR. JAMES .....		8	
<b>KEITH ANDERSON, Affirmed:</b>			
<b>ANTHEA JUBB, Affirmed:</b>			
<b>AMANDA WARD, Affirmed:</b>			
<b>RYAN LAYTON, Affirmed:</b>			
<b>DAVID KEIR, Affirmed:</b>			
<b>DAREN SANDERS, Affirmed:</b>			
<b>FRED JAMES, Affirmed:</b>			
Questions by Staff .....		10	
Affirmed .....		17	
Questions by Commission Panel .....		48	

#### INDEX OF EXHIBITS

<u>NO.</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
A-2	BCUC STAFF IR QUESTIONS .....	47

## **VANCOUVER, B.C.**

April 6<sup>th</sup>, 2020

(PROCEEDINGS COMMENCED AT 1:07 P.M.)

4 THE CHAIRPERSON: I'll call the meeting to order then,  
5 and thank everyone for coming, much appreciated. And  
6 again I'll just stress that -- I will ask everyone to  
7 mute their mics, please.

First of all, thank you very much not only  
for coming under short notice, but joining this  
somewhat unusual form of regulatory proceeding. I  
understand at least from someone in Enbridge I've been  
told, that this may be the first online regulatory  
hearing that has been held in Canada. If that's true,  
I'm not going to call us guinea pigs, I'm going to  
call us trailblazers, and say congratulations to  
everyone. But as you can see, there are some  
glitches, and while I would like this to go as  
smoothly as possible, I appreciate that that may not  
happen. And I'd ask us all to bear with us here, and  
we'll do the best we can.

21                   In a worst case scenario, I will call the  
22 meeting and we will terminate it and we will try and  
23 regroup and sort out where to go from there. But I am  
24 hopeful that we won't get to that, and I'm hopeful  
25 that we will be able to accomplish what we're trying  
26 to do here, which is allow our staff and the panel to

1 ask some clarifying questions and give BC Hydro the  
2 opportunity to make any final submissions or closing  
3 submissions that they wish to make.

4 I'm going to go around the room and give  
5 everyone a chance to introduce themselves in a moment.  
6 Before we do that though, a couple of things. First  
7 of all this is being transcribed, and Keith is  
8 transcribing, and also we are independently recording  
9 in Teams. So there will be a Teams video and audio  
10 recording of this in addition.

11 If anything confidential does come up, if  
12 BC Hydro wishes to answer anything on a confidential  
13 basis, I'd be happy to move all of that to the end,  
14 and adjourn this portion of the meeting and hold a  
15 confidential portion. Although that said, while we  
16 will treat any confidential information you give us in  
17 that venue the same way we normally would treat  
18 confidential information, there are some things that  
19 you should be aware of.

20 **Proceeding Time 1:09 p.m. T2**

21 One is that while it is my understanding,  
22 based on my IT department, my understanding that Teams  
23 itself is confidential, no one can be attending this  
24 session that we are not aware of, that we can all see,  
25 and in addition, the streaming video as it goes across  
26 the internet is encrypted, so therefore is safe from

1           intrusion. However, I can't absolutely guarantee  
2           that. And of course I can't guarantee who isn't  
3           standing beside someone who is participating in this  
4           conversation, whether it's a spouse or a friend. We  
5           can't make any of those guarantees, so just be warned  
6           that any confidential information provided in this  
7           venue, we cannot absolutely guaranteed its  
8           confidentially, so you may want to make alternate  
9           arrangements if that arises.

10           Secondly, we are not going to attempt to  
11           test out the document sharing features at this point.  
12           And if there are documents that you wish to enter as  
13           exhibits, you're free to e-mail them around to  
14           everyone, certainly e-mail them to Hal, and they will  
15           get posted, and then the panel and staff can look at  
16           them after we've adjourned or after we've finished  
17           this meeting.

18           As I said, we'll go through a Q&A -- first  
19           of all we'll have introductions, and then a question  
20           and answer session. I'm going to let Staff, BCUC  
21           Staff ask question first, and then after that the  
22           Panel will ask any questions they may still have, and  
23           then after that BC Hydro, you'll have an opportunity  
24           to make a final submission.

25           And then I would again like to stress, keep  
26           your microphone muted so that if you do want to talk,

1 you'll have to consciously unmute your mic and I would  
2 -- in the interests of keeping this meeting efficient,  
3 I will moderate. I will give permission to people to  
4 speak. And the reason for that is so that Keith is  
5 able to keep up with the translation and that we don't  
6 get an awful lot of people talking at once -- sorry,  
7 the transcription. We don't get a lot of people  
8 talking at once. If a lot of people talk at once it's  
9 impossible to transcribe it.

10 So if you have something to say, one way to  
11 do it would be to go to the -- again, if you show the  
12 little bar at the bottom of your screen, you can --  
13 there's an icon that looks like a little, a text  
14 caption and it's "show conversation".

**Proceeding Time 1:11 p.m. T3**

16 And if you show the conversation, then what you can do  
17 is you can type a message in there and say -- you  
18 know, "put your hand up," essentially. If you do  
19 that, then I will see you and I can recognize you.  
20 People on the phone won't be able to do that, so you  
21 would have to unmute your mic and speak. And if you  
22 have trouble with the meeting chat, please simply  
23 unmute your mic and ask for permission to speak.

24 So, on that note, hopefully we can make  
25 this all work, and perhaps what I'll do for the  
26 introductions, I will go down the list and I will say

1 your name and then you can come on, confirm that  
2 you're there, give your full name so that it can be  
3 transcribed and that will be your appearance so to  
4 speak. So I will just go down the list.

5 Alice?

6 MS. FERREIRA: Yes.

7 THE CHAIRPERSON: So if you could state your full name  
8 please?

9 MS. FERREIRA: Alice Ferreira.

10 THE CHAIRPERSON: Sorry, what was that?

11 MS. FERREIRA: Alice Ferreira.

12 THE CHAIRPERSON: Okay, good, we've got that, thank  
13 you, and you're from BC Hydro and where you're from,  
14 thank you Alice.

15 | Amanda?

16 MS. WARD: Amanda Ward, BC Hydro.

17 THE CHAIRPERSON: Okay. Anthea? Anthea Jubb, are you  
18 there? Is your mic unmuted? Anthea? Okay, let's go  
19 back to Anthea later.

Leon?

21 MR. CHEUNG: Leon Cheung, BCUC staff.

22 THE CHAIRPERSON: Thank you. Daren?

22 MR. SANDERS: Yes, Daren Sanders, BC Hydro.

THE CHATPERSON: Thank you, Yolanda?

MS. DOMINGO: Yolanda Domingo, BCUC staff.

THE CHAIRPERSON: Thank you, Anna? Commissioner Fung?

1 COMMISSIONER FUNG: Sorry, my microphone was muted.  
2 Anna Fung, Commissioner, and a member of the Panel.  
3 THE CHAIRPERSON: Thank you. Peter?  
4 MR. GOLDBERG: Peter Goldberg, BCUC Staff.  
5 THE CHAIRPERSON: Okay. Hal?  
6 MR. BEMISTER: Hal Bemister, Allwest Staff. Keith  
7 here.  
8 THE CHAIRPERSON: And Keith, I think that is Keith  
9 Anderson we've got there? Yeah.  
10 MR. ANDERSON: Keith Anderson, BC Hydro.  
11 THE CHAIRPERSON: Thank you. Tanya?  
12 MS. LAI: Tanya Lai, BCUC Staff.  
13 THE CHAIRPERSON: Thank you. Laura?  
14 MS. KNEZEVIC: Laura Knezevic, BC Hydro.  
15 THE CHAIRPERSON: Thank you. Lino?  
16 MR. BUSSOLI: Lino Bussoli, Commission counsel, with  
17 Bridgehouse Law LLP.  
18 THE CHAIRPERSON: Thank you. Commissioner Loski?  
19 COMMISSIONER LOSKI: Tom Loski, Commissioner.  
20 THE CHAIRPERSON: Okay. And Commissioner Mason?  
21 COMMISSIONER MASON: Richard Mason, Commissioner.  
22 THE CHAIRPERSON: Ryan?  
23 MR. LAYTON: Ryan Layton, BC Hydro.  
24 THE CHAIRPERSON: Thank you. And Daren?  
25 MR. SANDERS: Daren Sanders, BC Hydro. Although I w  
26 already on your list, so there are two Darens are

1                   here?

2 THE CHAIRPERSON:       Okay. David?

3 MR. KEIR:       Yes, David Keir, BC Hydro thank you.

4 THE CHAIRPERSON:       And Laura, is that the same Laura  
5                   that was also on my list, on the phone?

6 MS. KNEZEVIC:       Yes, it is.

7 THE CHAIRPERSON:       Okay. And Fred? I think you are  
8                   still here are you?

9 MR. JAMES:       Yes, Fred James, BC Hydro and I just got a  
10                  text from Anthea, she is going to be calling in  
11                  momentarily.

12 THE CHAIRPERSON:       Okay, she dropped off then I guess.  
13                  It's interesting, she is still on the attendee list,  
14                  even though she has dropped off.

15 MR. JAMES:       She was having some microphone issues, but  
16                  she thinks she has got it working now.

17 THE CHAIRPERSON:       Okay. So, Anthea, are you there?  
18                  Anthea?

19                  Fred, should we go ahead, or what should we  
20                  do about Anthea?

21 MR. JAMES:       Yes, I think we should go ahead, and Anthea  
22                  was tagged with responding to some of the questions  
23                  that we got, and if she is not on by that time, then  
24                  certainly I can respond to those.

25 THE CHAIRPERSON:       Okay. And I'm sorry, I didn't  
26                  introduce myself, I'm Dave Morton, I'm the Commission

1                   Chair, and I'm also the Chair of this Panel too.

2                   So, before we dive into questions, does BC  
3                   Hydro, do you have any opening remarks that you'd like  
4                   to make?

5    MR. JAMES:     Yeah, I had a few, David, just brief  
6                   remarks I'd like to say. First of all, can I start  
7                   now?

8    THE CHAIRPERSON:     Please, yeah.

9    **OPENING STATEMENT BY MR. JAMES:**

10   MR. JAMES:     Thank you. First of all, thank you for  
11                   this opportunity to provide you with more clarity on  
12                   your application. We understand BC Hydro and the  
13                   Commission, we are finding ourselves in some  
14                   unprecedented time. The first online hearing  
15                   apparently. We have developed over a very short  
16                   period of time, our COVID Relief program that will  
17                   provide bill relief to those of our customers who are  
18                   in financial trouble due to the COVID pandemic and  
19                   need some assistance.

20                   **Proceeding Time 1:17 p.m. T4**

21                   In order to expedite the regulatory process  
22                   we worked with the government to draft an OIC that  
23                   requires the Commission to approve our tariffs and  
24                   tariff supplements as filed. However, I'm not  
25                   surprised that the Commission Panel and Staff may have  
26                   some questions regarding our program and the

1                    directives under the OIC and we're here today to  
2                    answer your questions and have prepared responses to  
3                    the questions that were prefilled by Staff yesterday  
4                    afternoon.

5 THE CHAIRPERSON:        Thank you. Thank you for that.

6 MR. JAMES:            And I hear that Anthea has joined us.

7 THE CHAIRPERSON:        I've heard that. Anthea, thank you.  
8                    We've got you know, thanks. We're just getting  
9                    started, Anthea.

10 MS. JUBB:            My apologies for that. Am I loud and clear  
11                    now?

12 THE CHAIRPERSON:        You are.

13 MS. JUBB:            Okay, great. Thank you.

14 THE CHAIRPERSON:        Thank you.

15                    Okay. Fred, is there anything further?

16 MR. JAMES:            No. We're ready to go, David.

17 THE CHAIRPERSON:        Okay, wonderful. Okay, so I'm going  
18                    to then turn to Commission Staff. I'm going to start  
19                    with Leon.

20                    Leon, do you have any additional questions  
21                    for BC Hydro?

22                    I guess one of the questions is have you  
23                    provided the responses to the questions that we've  
24                    asked? Have you provided those to us, Fred?

25 MR. JAMES:            We have not. We have not.

26 THE CHAIRPERSON:        Okay. So, Leon, do you want to go

1           through your questions, then I should rephrase it  
2           then, it's not additional questions that we're looking  
3           for, can you go through the questions that you had of  
4           Hydro, please? Leon?

5    MR. CHEUNG:     Yes, I -- hello, can you hear me?

6    THE CHAIRPERSON:     Yes, we can.

7    **QUESTIONS BY STAFF:**

8    MR. CHEUNG:     Okay. Maybe Tanya, do you want to start  
9           with the first one? Or how does BC Hydro want to  
10          proceed whit this? Do you want us to repeat the  
11          questions and then you provide the response or --

12    MR. JAMES:     Yeah, I think it would be probably most  
13          efficient if we went through the questions in the  
14          order that they were provided to us. So I'm not sure,  
15          you know, which staff member provided which question,  
16          but, for example, you know, Question 1.1.1, we can  
17          start with that and we can go through the list, and  
18          then at the end of the prefilled questions if you have  
19          any further questions, we can answer those.

20    MR. CHEUNG:     Okay, sure.

21                   Tanya, would you like to start then?

22    MS. LAI:     Yes, I can start. Okay, so Question 1, how  
23          will BC Hydro determine that the residential customer  
24          lost his or her job or can't work due to COVID?

25    MR. ANDERSON:     All right, so Keith Anderson here.  
26                   Yeah, I'll speak to this.

1                   So really there's a couple of paths that  
2 we're looking at. So as part of their application  
3 process residential customers will have to prove their  
4 eligibility. And they can do that through showing us  
5 some sort of loss of employment record, whether it's a  
6 letter from their employee or some other form that  
7 clearly demonstrates that they've lost employment.

8                   The other path is that we're hoping to rely  
9 on, you know, the federal and provincial programs. So  
10 that's Employment Insurance, the Canada Emergency  
11 Response Benefit, or B.C.'s Emergency Response Benefit  
12 for Workers program. So we're hoping that -- or what  
13 we're planning to do is rely on an applicant if deemed  
14 successful in the application for one of those  
15 programs, then submitting it to ours and that will  
16 make our review of their eligibility quite straight  
17 forward.

18 MS. LAI:        Okay. And will there be an audit process  
19 similar to what is done for the Customer Crisis Fund  
20 program?

21 MR. ANDERSON:   Again, two tier. So, no, we're not  
22 planning that. Again, just given the eligibility  
23 process that I just walked through, we don't believe  
24 that's necessary. So we will be, again, examining a  
25 customer's application. We'll see directly that  
26 they've had some sort of loss of employment or that

1       they have been successfully -- or they've successfully  
2       applied to Employment Insurance, Canada Emergency  
3       Response Benefit or the B.C. Emergency Response  
4       Benefit for workers.

**Proceeding Time 1:22 p.m. T5**

6                   So, with that, we'll have a greater degree  
7                   of confidence right up front in the application  
8                   process, than was the case with the customer crisis  
9                   fund.

MS. LAI: Okay, thank you. The next question, in the application you mentioned that residential customers who have consumption above 2500 kilowatt hours per month will not be eligible for this program. Can you speak to where in the tariff it mentions this?

15 MS. JUBB: This is Anthea Jubb, I'll speak to that  
16 question. I don't see my name come up on the screen,  
17 but am I good to go?

18 MS. LAI: Yes, we can hear you.

19 MS. JUBB: Okay, thank you very much. Okay, so we've  
20 modelled the residential COVID relief fund very much  
21 after our customer crisis fund. And similar to the  
22 customer crisis fund, the specific eligibility  
23 criteria are not specified in the electric tariff. We  
24 discussed that at the streamline review for the  
25 customer crisis fund back in 2017 and the benefits of  
26 providing some flexibility in how BC Hydro administers

1           the program. We see those same benefits applying to  
2           this COVID relief fund, and as a result we've used a  
3           similar approach as for customer crisis fund, which is  
4           that we are requesting broad approval, and the  
5           specific eligibility will be specified on our website  
6           and in our business practices, not in the electric  
7           tariffs.

8                         I will refer you to the electric tariff  
9           that are proposed for the COVID relief fund, and those  
10           amendments describe the program as being available to  
11           qualifying residential service customers at BC Hydro's  
12           discretion.

13 MS. LAI:        Okay, thank you. And can you please discuss  
14           show BC Hydro will make a distinction for customers  
15           who have had previous bills in arrears and/or who have  
16           been disconnected prior to April 1<sup>st</sup> for reasons other  
17           than COVID-19 related impacts?

18 MR. ANDERSON:    Keith Anderson, again I'll take this  
19           one. So, a customer's account balance, or whether  
20           they are disconnected won't factor into their  
21           eligibility to receive a COVID-19 relief fund grant.  
22           Effectively any customer that qualifies and meets  
23           application eligibility requirements will be able to  
24           receive that grant. If they were in arrears before,  
25           that grant will go towards their arrears, and even if  
26           they are still in arrears after the application of the

1                   grant, they are still responsible for that remaining  
2                   amount. If they are still in a state of  
3                   disconnection, then we will need to work through that  
4                   process on the terms that we currently give today.

5   MS. LAI:       Okay, thank you. The next set of questions  
6                   are related to the small commercial customers. Can  
7                   you please clarify how BC Hydro will determine whether  
8                   a small business has been forced to close due to  
9                   COVID-19? Is there a definition or eligibility  
10                  criteria as such in the electric tariff?

11   MR. ANDERSON:   So again, Keith Anderson here. I'll  
12                  take the start, and then I think Anthea will take the  
13                  second part.

14                   So, with respect to a small business, we  
15                  are looking for, as part of their application, for  
16                  them to prove their small business has been forced to  
17                  close due to COVID-19. Again, really we're thinking  
18                  kind of two distinct paths in this case as well. So,  
19                  some small businesses will have been required to close  
20                  as part of a provincial requirements. So that's  
21                  fairly straightforward. As part of the application  
22                  process they point to that requirement. They provide  
23                  proof of the type of business that they are. So for  
24                  example, a hair salon, and that application will be  
25                  quite straightforward.

26                   **Proceeding Time 1:27 p.m. T6**

1                   For those that haven't been forced to close  
2                   due to provincial requirements but have still needed  
3                   to close their business as a result of  
4                   Covid-19, we will still require them to show some sort  
5                   of proof that their business is closed. So that could  
6                   be as simple as a notice to their employees indicating  
7                   a closure, some sort of notice to their customers  
8                   indicating that closure, and then to provide that  
9                   information with their application form.

10                  And -- I beg your pardon.

11 MS. JUBB: This is Anthea Jubb. With respect to the  
12 electric tariff treatment, how we model the  
13 residential COVID relief fund and our customer prices  
14 fund, we use an existing proven program for this model  
15 business relief fund, and that was the relief we  
16 provided to customers impacted by evacuations in 2017  
17 and 2018. We had business customers in those wildfire  
18 seasons that were evacuated and we applied to the BCUC  
19 for broad consent for a waiver of charges with the  
20 implementation left to the business practices and  
21 administration with BC Hydro.

22                  Similar to the 2007 wildfire evacuation  
23 relief applications, the specifics of eligibility are  
24 not specified in the tariff, nor are the details  
25 included in the order for which we are requesting  
26 consent.

1 MS. LAI: Okay, thank you. So based on your previous  
2 answer, I guess the electric tariff is not required to  
3 define the criteria to exclude certain small general  
4 service accounts from the COVID relief, is that  
5 correct?

6 MS. JUBB: That's correct.

7 MS. LAI: Okay. And is there anywhere in the B.C.  
8 government's news release or in the OIC that provides  
9 that certain small general service account such as the  
10 customers as BC Hydro described in their application  
11 will be excluded from the COVID-19 relief? I believe  
12 in the application BC Hydro stated that government  
13 agencies, public and private schools, including post  
14 secondary, large retail and national companies, strata  
15 corps and unmetered services will be excluded.

16 MS. WARD: Hi there. This is Amanda Ward with B.C.  
17 Hydro. Sorry, Anthea, do you want to go ahead.

18 MS. JUBB: I was just going to pass out to you, Amanda.  
19 Thank you.

20 MR. BUSSOLI: Amanda. Sorry, Mr. Chair. Mr. Chair.  
21 This is Commission Council Lino Bussoli speaking.  
22 Could we just have the two witnesses that have  
23 provided some answers, I think that was Mr. Anderson  
24 and Ms. Anthea, Could we get them sworn by the hearing  
25 --

26 THE CHAIRPERSON: Oh, yes, please. We should have the

1                   witnesses all sworn. That was my omission. Let's  
2                   take a pause then and Mr. Bemister, if you could look  
3                   after that, please.

4 THE HEARING OFFICER: Can you guys hear us right now?

5 THE CHAIRPERSON: Yes.

6 THE HEARING OFFICER: So we'll start with Mr. Anderson.

7                   **KEITH ANDERSON, Affirmed:**

8                   **ANTHEA JUBB, Affirmed:**

9                   **AMANDA WARD, Affirmed:**

10 THE CHAIRPERSON: We should also be affirming anyone  
11                   else that's going to be answer questions.

12 THE HEARING OFFICER: So I'll just go down the list that  
13                   we were sent.

14                   **RYAN LAYTON, Affirmed:**

15                   **DAVID KEIR, Affirmed:**

16                   **DAREN SANDERS, Affirmed:**

17                   **FRED JAMES, Affirmed:**

18 THE HEARING OFFICER: Ms. Ferriera, I do not believe  
19                   you'll be giving evidence, are you?

20 MS. FERRIERA: No, I will not.

21 THE HEARING OFFICER: And then Ms. ---

22 MR. BYSTROM: -- Knezevic will not be either.

23 THE HEARING OFFICER: Okay so then that is it for this,  
24                   thank you.

25 THE CHAIRPERSON: Thank you, Mr. Bemister and everyone  
26                   else.

Please continue, Tanya

2 MS. LAI: Okay, so I believe BC Hydro is going to answer  
3 the last question that I asked.

4 MS. WARD: Right. This is Amanda Ward. I'm answering 1,  
5 2, 3. So neither the government's news release nor  
6 the OIC specify how BC Hydro's application for the  
7 Section 63 waiver needs to be framed. It's given a  
8 really broad direction with the intention that BC  
9 Hydro would put in place practices that would  
10 implement government policy. So we believe we have  
11 the discretion how to best effect the government's  
12 intention, which is to help small businesses. And  
13 this term is not defined in our electric tariffs so we  
14 are taking a more common-sense approach to this.

15 MS. LAI: Okay, thank you. My next set of questions is  
16 with regard to tariff supplement number 90. My  
17 specific questions are with respect to the balance  
18 transfers to tariff supplements (inaudible). So  
19 Section 1.1(a) of that tariff supplement defines  
20 account balance. I want to just read out that  
21 formula. It's  $TSA + I + T - (TAA + A)$  and the "T"  
22 means if applicable any mining customer's balance of  
23 payments owing, transferred in accordance with tariff  
24 supplement number 99.7

Proceeding Time 1:35 p.m. T7

26 Could you please explain why only customer

1           balances from TS99 can be transferred to tariff  
2           supplement 90? And why not the customer balances from  
3           tariff supplement 97 and tariff supplement 98?

4        MR. ANDERSON:     Yes, it's Keith Anderson. So the copper  
5           mining customers in TS90 already have the benefit of  
6           the existing mining customer payment plan. And so as  
7           such, at the end of the three month deferral  
8           opportunity in tariff supplement 99 it makes sense for  
9           those copper mining customers to be able to transfer  
10          their balance into TS90, into a new payment plan under  
11          TS90, which gives them the continued right to defer  
12          payments pursuant to the terms of TS90 through to  
13          March 2021. And so again, that makes sense as those  
14          copper mining customers already have that benefit of  
15          that added deferral timeframe through the existing  
16          tariff supplement 90.

17           For TS97, which is customers, transmission  
18          voltage served under rate schedule 1823, or 1828, it  
19          really is just a three-month deferral opportunity for  
20          those customers. And at the end of that three-month  
21          opportunity they need to pay back any deferral in  
22          full, or enter into the prescribed repayment plan  
23          that's in the supplement.

24           TS98 is a little bit different. It's for  
25          those eligible mines, are the two copper mines served  
26          at distribution voltage, and effectively they have the

1           same opportunity as the copper mines under TS99. They  
2           can defer for a three-month period at 50 percent at  
3           the lower interest rate. And at that time, instead of  
4           transferring a balance into TS90, effectively they  
5           just get the same opportunity which is continued  
6           deferral in accordance with that tariff supplement 98  
7           and commodity prices. And that opportunity to defer  
8           through the period to March 2021, at which time the  
9           balance is payable in full for the prescribed payment  
10          plan.

11       MS. LAI:     Okay, so it sounds like only TS97 is only the  
12          one that has a three month period? That 99 and 98 can  
13          be deferred for a longer period, is that correct?

14       MR. ANDERSON:   That's correct, and again, that's -- the  
15          reason for the copper and coal mines is that again  
16          they have an underlying right already with TS90  
17          through that program.

18       MS. LAI:     Okay. And I guess since TS98 has that  
19          ability to extend further than three months, why isn't  
20          that ability given to TS97 as well?

21       MR. ANDERSON:   Yeah, it's a good question. The  
22          rationale for that is, initially when government was  
23          looking at this it was to add three new mines to TS90,  
24          and two of them were served under distribution  
25          voltage. So you will see in the amendment to TS90  
26          there is one additional mine added, and instead of

1 just adding these two additional mines, because of the  
2 complexities of distribution voltage customers served  
3 on a different tariff, rather than add them onto TS90,  
4 we needed to create their own supplement. But we  
5 needed to ensure that their treatment was as close as  
6 possible to those in TS90, so that they have the  
7 ability -- mining customers have the ability to defer  
8 for the three months at 50 percent and then go back  
9 and do a subsequent program of deferral through to  
10 March. And so in the cases of those circuit  
11 transmission, those mines would go to TS90, and the  
12 two distribution mines stay in TS98 but with the same  
13 effective provisions to be able to defer through March  
14 2021.

15 **Proceeding Time 1:40 p.m. T8**

16 MS. LAI: Okay, thank you. Now, section 3-3(c) of the  
17 OCI [sic] requires BC Hydro to seek approval to defer  
18 to the mining customer payment plan regulatory  
19 account, any of all amounts that are payable to BC  
20 Hydro by those eligible industrial customers if those  
21 amounts are impaired and my question is: What are the  
22 balances of these impairment amounts as of March 31<sup>st</sup>,  
23 2020?

24 MR. LAYTON: This is Ryan Layton, and I'll take that  
25 question. So our fiscal year just ended on March 31<sup>st</sup>,  
26 and so it's not yet possible for us to say or

1           determine whether there are any impaired amounts at  
2           that time. What I can tell you though is that since  
3           the mining customer payment plan program started all  
4           the way back in 2016, we have had no impaired amounts  
5           deferred into the mining customer payment plan  
6           regulatory account.

7           We recently had one customer come to us and  
8           indicate that they expected to be unable to pay a  
9           recent invoice. However we understand that they are  
10          going to find a way to do so in order to be able to  
11          participate in the program.

12          In respect of industrial customers  
13          generally what I can tell you is that we typically  
14          have very few industrial customers in arrears and very  
15          limited unpaid overdue amounts. So obviously COVID-19  
16          could change that experience with these customers, but  
17          it's too early to speculate at this point to what  
18          extent.

19          MS. LAI: Okay, thank you. So the next set of question I  
20          will pass it onto Leon.

21          MR. CHEUNG: Great, thanks, Tanya. Can everybody hear  
22          me?

23          THE CHAIRPERSON: We can hear you fine, Leon. Please  
24          go ahead.

25          MR. CHEUNG: Okay. My next set of question is related  
26          to tariff supplement 97 which relates to rate

1                   schedules 1823 and 1828 customer payment plans.

2                   The first question I have is question 2.1,  
3                   enrollment deadline. In session 1.1(f) the closing  
4                   date is June 21<sup>st</sup>, 2020 and in the same section,  
5                   Section D, says that the application period ends of  
6                   the closing date or such earlier date on which the  
7                   payment plan agreement for the participating customer  
8                   is terminated. A couple of questions.

9                   The first one is, when does a customer have  
10                  to enter into the payment plan agreement? Is it by  
11                  June 21<sup>st</sup>, 2020?

12                  MR. ANDERSON: Yes, Keith Anderson here. So under  
13                  Section 2.1 of tariff supplement 97 it sets out when a  
14                  customer needs to enter into the payment plan  
15                  agreements and it's by April 30<sup>th</sup>, 2020.

16                  MR. CHEUNG: Okay.

17                  MR. ANDERSON: Yeah, it's 2.1 I just looked at  
18                  2.1(a)(i) for reference.

19                  MR. CHEUNG: Okay, so what is this closing date of June  
20                  21<sup>st</sup>, 2020?

21                  MR. ANDERSON: So the closing date of June 21<sup>st</sup>, 2020 is  
22                  just the last date under which those particular -- or  
23                  the eligible customers are able to defer their bills.  
24                  So effectively the program starts, as we said, March  
25                  22<sup>nd</sup>, 2020 and goes through the closing date and that  
26                  will allow them to defer three bills during that

1           period.

2    MR. CHEUNG:    Okay, then I'll make my second question  
3           more general then. Let's say a customer under 1823 or  
4           1828 does not pay their bill in full during this  
5           period, do they automatically get enrolled into TS97?  
6           Or do they have to apply still?

7    MR. ANDERSON:   No, they still have to apply. So a  
8           customer needs to have applied by April 30<sup>th</sup>, and as  
9           part of the eligibility requirement as well they can  
10          have no overdue or unpaid bills at the time of  
11          application. So it isn't automatic that a customer  
12          goes onto this plan. They have to submit the  
13          application with a signed payment plan agreement and  
14          meet the eligibility requirement laid out in the  
15          supplement.

16    MR. CHEUNG:    Okay, thank you. The next set of questions  
17          I have is still within tariff supplement 97 and your  
18          response could also apply to 98 and 99 as well, just  
19          let us know. It's about interest rates. In the  
20          tariff supplement BC Hydro and the OIC sited flowing  
21          interest rate of prime plus 2.5 percent for one  
22          period. For another period it's prime plus 5 percent  
23          for any deferred payments. Can you tell us where  
24          these premiums come from and what's the rationale  
25          behind them?

26    MR. LAYTON:    Sure, Leon. This is Ryan. I'll take this

1 question and thank you for your preamble there because  
2 indeed the answer here will apply to the other tariff  
3 supplements because the interest rate are the same in  
4 all. So in terms of where they are determined, they  
5 are simply determined in the OIC itself.

6 **Proceeding Time 1:46 p.m. T9**

7 In terms of the other question in your  
8 prefilled, are they consistent with other provisions  
9 and I'll mention two instances where they were indeed  
10 consistent. The first one is under tariff supplement  
11 5, our general practice is that after 30 days overdue  
12 amounts become -- attract prime plus five, so it's  
13 consistent there.

14 The second instance I'll mention is the  
15 Mining Customer Payment Plan Program, which also had  
16 the same prescribed interest rate of prime plus five  
17 percent for all except for one eligible mine in that  
18 program and hence the rate after the initial three  
19 month period aligns with both of those things. Indeed  
20 the rate in the near term is lower and we know that  
21 customers have indicated to us that they're having  
22 cash flow challenges and, therefore, we hope that that  
23 lower rate will help them during this time. And we  
24 also think that all ratepayers will benefit if some of  
25 these customers are able to stay operating during this  
26 period.

1                   I'll note just for reference as well, that  
2                   the prime today is about two and a half percent, and  
3                   so prime plus two and a half is five percent, so  
4                   that's what will apply during the three-month duration  
5                   of the bill payment deferral period, and then it'll be  
6                   seven and a half percent approximately thereafter.

7    MR. CHEUNG:    Thank you. With respect to the deferred  
8                   bill payments the tariff supplement says that eligible  
9                   customers may only defer up to 50 percent of their  
10                  bill to pay at a future date, the customer can also  
11                  make early payments if they wish and my understanding  
12                  is that there won't be any interest penalties. Does  
13                  BC Hydro have a sense of what's the minimum, maximum  
14                  and average amounts to be deferred? I'm looking for  
15                  more of a sensitivity scenario analysis.

16    MR. ANDERSON:   Yeah, Keith Anderson. So I'll take this  
17                  one. So we've done an estimate of what the maximum  
18                  amount of deferral would be across all of the  
19                  supplements together, so that would be TS90, TS97,  
20                  TS98 and TS99 through the three month period, and so  
21                  that maximum is 125 million. So that's if all of the  
22                  applicable -- or, sorry, if all of the eligible  
23                  customers under each of those supplements were to  
24                  defer the maximum amount and the consumption over the  
25                  three month period were similar to their previous  
26                  year's consumption, then we would land at an amount as

1           I indicated at around 125 million. We've not  
2           calculated kind of an average or median and of course  
3           a minimum amount would be none of them taking use of  
4           that ability to defer.

5    MR. CHEUNG:    Great, thank you. And with this -- well,  
6           I guess if there's no average amount, let's say based  
7           on the maximum amount does BC Hydro have any cashflow  
8           concerns and is BC Hydro going to make additional  
9           financial arrangements to match this bigger \$125  
10          million deferral amount?

11    MR. LAYTON:    So thanks, Leon. This is Ryan Layton.  
12           I'll take this question. What I'll start with saying  
13           is that BC Hydro is not currently encountering  
14           problems in terms of financing our operations or our  
15           capital expenditures. So what are we doing around  
16           this program and other impacts of COVID-19? What  
17           we're doing is a number of cash flow forecasts  
18           considering things like broad COVID-19 impacts, which  
19           will include things like lower customer load, it will  
20           also include lower cash received by BC Hydro as a  
21           result of these COVID-19 relief programs. And so  
22           we're generally forecasting at the very highest amount  
23           that it could be, like Keith was just talking about.

24           So then with those cash flow forecasts we  
25           work with the debt management branch of the province  
26           to make sure that they understand our needs and our

1 projections and that, therefore, we continue to have  
2 access to the funds we need to run our business. At  
3 present we have about \$1.8 billion available through  
4 commercial (inaudible), which is short term borrowings  
5 that we can use and we benefit from the province's AAA  
6 credit rating and so doing to access liquidity in  
7 financial markets.

8 MR. CHEUNG: Thanks, Ryan. Did you say 1.4 billion?

9 MR. LAYTON: 1.8 billion.

10 MR. CHEUNG: Oh, 1.8 billion. Okay, thank you.

**Proceeding Time 1:51 p.m. T10**

20 MS. WARD: Sure, this is Amanda Ward. The expectation  
21 around this provision is that a customer would need to  
22 pay their account balance and this agreement  
23 terminated as a precondition of a sale. If you look  
24 at section 6.1 of the tariff, it says that the payment  
25 plan agreement can't be assigned or transferred. So,  
26 even if the customer proposed to sell the plant, they

1           still couldn't assign that agreement, and as a result,  
2           the agreement wouldn't be terminated and they would  
3           remain liable for the debt.

4    MR. CHEUNG:    Okay, and does BC Hydro have a threshold  
5           in the meaning of what's substantially all, or  
6           substantial? Because I noticed that in another  
7           section in 3.2, it talks about 50 percent. I think  
8           that is section 4. Is that 50 percent in the session  
9           2? Or is that something else?

10   MS. WARD:      Right. So again, Amanda Ward. So  
11          "substantially all" is term that is defined. So  
12          section 3.22 is relating to sales by the customer of  
13          its assets. And the determination of what  
14          "substantially all" means would be fact specific, such  
15          that BC Hydro would have discretion to ensure that the  
16          assets don't get transferred such that that customer's  
17          ability to pay amounts due and owing to BC Hydro  
18          becomes less likely. Contrast that to 3.24, similar  
19          in concept, but it's specifically capturing the  
20          takeover of a company through a share sale. So, in  
21          that instance, the 50 percent makes more sense,  
22          because it becomes a change of control at that point.

23    MR. CHEUNG:    Great, thank you. So, I am finished with  
24          tariff supplement 97 and moving on to 98. Tariff  
25          supplement 98 relates to coal mining customer payment  
26          plans. The first question I have is in section

1           2.1(a)(i) in tariff supplement 98, it says that the  
2           customer must request BC Hydro to enter into a payment  
3           plan agreement by April 30<sup>th</sup>, 2020, or by a later date  
4           as agreed to by BC Hydro. And from what Staff noted  
5           we -- I think I saw a difference between this rate  
6           schedule compared to 1823 and 1828. So why is rate  
7           schedule 1611 different than the treatment of rates  
8           schedule 1823 or 1828 where those timelines appear to  
9           be June 21<sup>st</sup>, 2020? And this might relate to the same  
10          question that I asked for TS97.

11         MR. ANDERSON: Yes, Keith Anderson here. So I think  
12          that is the same -- effectively the same question. So  
13          with respect to the treatment for customers under TS97  
14          and those under TS98, both have the need to enter into  
15          a payment plan by April 30<sup>th</sup>, 2020. It will note that  
16          in those two supplements, that the closing date is  
17          different, and I think you have a question later on  
18          where I can go into more detail on that.

19         MR. CHEUNG: Okay. I will skip the interest rate  
20          question, because Ryan already addressed that, thank  
21          you. I will go to the rationale for the adjusted  
22          amount formula. In section 2.3 there is a formula in  
23          the tariff supplement where it says adjusted amount is  
24          equal to SA + (SA x AP). What does "SA" and "April"  
25          stand for? What do they stand for?

26         MR. ANDERSON: Sure, so it's Keith Anderson. So, just

1 pursuant to the supplements, SA shows that it's what  
2 the customer would have paid pursuant to 1823, so  
3 pursuant to their standard rate in the case of three  
4 of the supplements, anyways, 1823. Where AP is the  
5 formula for adjustment in accordance with the  
6 underlying commodity price.

**Proceeding Time 1:56 p.m. T11**

17 MR. CHEUNG: So the two acronyms, they don't stand for a  
18 specific term, is that -- is my understanding correct?

19 MR. ANDERSON: That's correct. They are defined in the  
20 way they are in the supplement and that's just saying  
21 that SA is shown in section, I will have to -- 2.3  
22 says it's what the customer would have paid under the  
23 underlying tariff but for the application of the  
24 supplement. And AP just sets out the formula.

25 MR. CHEUNG: Okay, thank you. Now, AP as you  
26 mentioned, it relates to the commodity set-up and

1           price and I'll read out the formula that I stated in  
2           the tariff. The settlement price minus 134 (times 5  
3           divided by 100). This is for coal, I believe.

4           MR. ANDERSON: That's right.

5           MR. CHEUNG: What's the rationale behind this formula  
6           and how did this formula come about?

7           MR. ANDERSON: Sure. Keith Anderson again. So as you  
8           stated, this is the formula for coal price to adjust  
9           the amount that a customer would pay based on that  
10          underlying commodity price. These were the formulas  
11          that were initially set out in TS90 and still are in  
12          TS90, so the existing mining customer payment plan.  
13          And my understanding is that those were established by  
14          government at the time. And effectively what it does  
15          is it set a threshold, so in this case 134, and then  
16          it sets the slope of the curve to what price needs to  
17          be before you get to a point where you hit your  
18          maximum amount that you're able to defer. And the  
19          other end of the curve, which sets the price the  
20          underlying commodity price needs to be at before you  
21          hit your maximum repayment amount, both of which are  
22          75 percent deferral or 75 percent repayment.

23          MR. CHEUNG: Okay. Okay, the rest of those questions  
24          that are prefilled relates to deferral of bill  
25          payments, asking for less than minimum and maximum  
26          amounts and then the remaining was about termination.

I won't ask those questions because I think BC Hydro  
has addressed that in the previous set of questions.  
Unless BC Hydro has any other comments to make for  
those in relation to TS98?

5 MR. ANDERSON: No.

6 MR. CHEUNG: Okay, right. So moving onto tariff  
7 supplement 99, which these questions relate to the  
8 copper mining customer payment plan. I want to  
9 double-check a reference. In section 1.1(r) of -- the  
10 OIC as well as the BC Hydro application, it says that  
11 the payment plan agreement means a payment plan  
12 agreement attached as appendix 1 to tariff supplement  
13 97. I want to confirm that the reference in tariff  
14 supplement 97 that appeared in tariff supplement 99,  
15 is that a correct reference?

**Proceeding Time 2:01 p.m. T12**

17 MR. ANDERSON: Yes. Keith Anderson again. So, yes,  
18 the reference is correct. You're not the first one to  
19 point that out. A few of us going through it the  
20 first time as we wrote them had the same thought, but  
21 it is a correct reference. And it's there because  
22 ultimately it's used later on in the supplement to say  
23 that a customer can only take part in one payment plan  
24 at a time. So a customer taking service under TS99  
25 cannot also be on either of TS97 or TS90 at the same  
26 time, and so that's why the references were in that

1                   particular supplement.

2    MR. CHEUNG:    Okay. The next two questions I believe,  
3                   the next two questions relate to roaming data and also  
4                   the interest rates. I believe BC Hydro has addressed  
5                   them. With respect to the adjusted formula in section  
6                   2.2 of tariff supplement 99, is the AP formula where  
7                   the settlement price -- sorry. Is the AP formula  
8                   which is equal to settlement price minus 3.40 (times  
9                   208 divided by 100), is that the same explanation as  
10                  you have indicated for the coal mining customers with  
11                  respect to the maximum and -- or the switchover  
12                  between deferral payments?

13    MR. ANDERSON:   That's correct. So with copper, the  
14                  threshold that you see in the formula is three forty,  
15                  and so basically when commodity prices are less than  
16                  three forty Canadian dollars per pound, the customer  
17                  has an ability to defer a certain percentage of their  
18                  payment all the way to the point where the floor in  
19                  that formula would be -- subject to -- I stand to be  
20                  corrected, but I believe is \$3.03. So if you put  
21                  \$3.03 into that formula, you'll come out with a 75  
22                  percent deferral. And the ceiling would be at three  
23                  seventy-seven. So if you put copper prices in at  
24                  three seventy-seven, you'll end up with a ceiling that  
25                  says up to 75 percent repayment on a particular bill.

26    MR. CHEUNG:    Okay. So this is not -- I have a follow-

1 up question and this is not in the prefilled questions.  
2 The 125 million maximum deferred amount estimate, is  
3 that based on an assumption that these coal mining and  
4 copper mining customers are deferring 50 percent or  
5 the maximum which they could defer, which could be --  
6 from these settlement formulas seems like they could  
7 defer more than 50 percent?

8 MR. ANDERSON: That's correct. So it's looking at the  
9 full deferral opportunity that is available to those  
10 copper mining customers who have the ability to either  
11 defer 50 percent automatically through the three-month  
12 period or if copper prices indicate, they can defer  
13 the maximum amount of up to 75 percent. So the 125 is  
14 looking at full deferral in accordance with the  
15 underlying supplement. So meaning that, again, they  
16 could defer up to 75 percent during that three-month  
17 period.

18 MR. CHEUNG: Okay, thank you. So the rest of the  
19 questions that were in tariff supplement 99 with  
20 respect to deferred bill payments and termination, I  
21 believe we've covered that in our previous  
22 conversation, unless BC Hydro has more things to add?

23 MR. ANDERSON: No.

24 MR. CHEUNG: Okay, great. Moving on to other  
25 questions, and for those that are looking at the  
26 prefilled question, is a set of question 6. The first

1                   question is 6.1, that's with respect to all the  
2                   effective dates for the tariff pages.

3                   **Proceeding Time 2:06 p.m. T13**

4                   In BC Hydro's draft order in directives 1  
5                   through 5, BC Hydro is seeking an effective date for  
6                   April 8<sup>th</sup>, 2020. Can you explain why BC Hydro is  
7                   requesting the April 8<sup>th</sup>, 2020 effective date for the  
8                   tariff amendments? Why would it not be another date,  
9                   for example April 2<sup>nd</sup>, which is when the last OIC was  
10                  issued and approved? Or April 3<sup>rd</sup>, which is the date  
11                  of BC Hydro's application?

12                  MS. JUBB:       This is Anthea Jubb. The April 8<sup>th</sup> date was  
13                  used for convenience. This allows for the full five  
14                  days for the BCUC to approve the direction as spelled  
15                  out in the OIC. And it's BC Hydro's view that the  
16                  effective date should be no earlier than the date of  
17                  the Commission Order.

18                  MR. CHEUNG:     Okay. Thank you. 6.2 talks about demand  
19                  charge relief. Staff looked at the B.C. government  
20                  news release that is in the application as well as  
21                  online. And in the news release I think in the  
22                  background, or part of the news release, it says or  
23                  speaks to demand charges in how BC Hydro is committed  
24                  to lower the demand charge by using the average use  
25                  during the billing period instead of using the highest  
26                  point during the billing period. Is this relief part

1           of the application? And if it is, can you specify  
2           where it is?

3   MS. JUBB:     This is Anthea Jubb. That relief is not  
4           included in our application, as it is already  
5           allowable under tariff supplement 5, under section  
6           18(h). In this section of tariff supplement 5, BC  
7           Hydro has the discretion to grant other billing  
8           adjustments so as to decrease bills for a customer's  
9           plant to reflect unusual or unanticipated conditions  
10           at the plant. BC Hydro is relying on this provision  
11           to enable the alternative demand formula for customers  
12           during this time.

13   MR. CHEUNG:    Okay, so if I understand this correctly,  
14           BC Hydro's tariff already allows this flexibility to  
15           be enabled, and it does not need a start and end date?

16   MS. JUBB:     That is correct.

17   MR. CHEUNG:    Okay. And with that, I will pass it back  
18           to Tanya. Thank you.

19   MS. LAI:       Thank you, Leon.

20                  My next set of questions is with respect to  
21           the industrial customer relief program. In the B.C.  
22           government news release, it states that eligible  
23           industrial customers with accounts in BC Hydro's  
24           transmission service rate category, rate schedules  
25           1823 and 1828, will have the opportunity to defer 50  
26           percent of their electricity bill payments for the

1                   period of March 2020 to May 2020 billing period.

2                   In the tariff supplements, the application  
3                   period and the closing period respectively is as  
4                   follows. In TS97 it's March 22<sup>nd</sup>, 2020 and June 21<sup>st</sup>,  
5                   2020; in TS98 it's April 2<sup>nd</sup>, 2020 and June 30<sup>th</sup>, 2020  
6                   as the closing date one, and March 14<sup>th</sup>, 2021 as  
7                   closing date two. And in TS99, it is March 22<sup>nd</sup>, 2020  
8                   and June 21<sup>st</sup>, 2020.

9                   So, my question is, I just want to  
10                  understand why the March 2020 to May 2020 date stated  
11                  in the B.C. Government's news release, why it does not  
12                  match the application period and closing period in the  
13                  tariff supplements?

14                  MR. ANDERSON:     Keith Anderson here. So the differences  
15                  have to do with the underlying voltage customers are  
16                  served at, and their respective billing periods. So,  
17                  for industrial customers served a transmission  
18                  voltage, which are those contained or those captured  
19                  for TS90, TS97 and TS99, the March to May billing  
20                  periods reflect bills that are paid by those customers  
21                  in April, May and June. So again, it's March to May  
22                  billing periods, but those bills are paid April, May,  
23                  June.

24                  So to capture this period that the  
25                  government request or wanted, the application period  
26                  needed to start on the first day of billing for

transmission customers. So we bill our transmission  
customers on the 22<sup>nd</sup>, 27<sup>th</sup>, or the 1<sup>st</sup>. And so that's a  
period needed to start in March 22<sup>nd</sup> made sure that we  
could capture that March bill paid in June. And  
that's the same again for all of the industrial  
customers, so TS90, 97 and 99.

Proceeding Time 1:12 p.m. T14

TS98 is a little bit different. So those  
are customers served at distribution voltage and they  
are billed monthly. And so to ensure that we captured  
their billing period correctly we needed to have a  
start date in April and a close right at the end of  
June. So with the April 2<sup>nd</sup> start we will be able to  
catch the April, May and June billing periods. Or the  
April, May and June bills paid for those distribution  
customers and also ensure that they only get to defer  
three bills.

18 MS. LAI: Okay, my next question is with respect to the  
19 COVID-19 customer assistance program. On page 1 of  
20 the Government of B.C.'s news release it states that  
21 on March 13<sup>th</sup>, 2020 BC Hydro introduced its COVID-19  
22 customer assistance program to provide residential and  
23 commercial customers with the option to defer payment  
24 or arrange for a full payment plan to help pay their  
25 BC Hydro bills.

On page 4 of that same government release

1           it states that businesses with accounts in BC Hydro  
2           medium and large general service rate categories will  
3           still be able to defer their electricity bills without  
4           incurring late payment fees under BC Hydro's existing  
5           COVID-19 customer assistance program.

6           I just want to clarify, are the tariff  
7           supplements required to enable the changes noted  
8           regarding the COVID-19 assistance program and if  
9           tariff amendments are required, is this relief in the  
10          tariff amendments in this application?

11          MS. JUBB: This is Anthea Jubb. Tariff amendments are  
12          not required in order to implement the relief  
13          described, because the flexibility is already provided  
14          under the existing electric tariff. For example,  
15          Section 5.3 of the tariff notes that BC Hydro and the  
16          customer are able to enter in the payment plan as  
17          agreed to by both parties. Likewise Section 6.3 of  
18          electric tariff allows BC Hydro in its discretion to  
19          waive late payment charges.

20          MS. LAI: Okay, thank you. And my next question is  
21          related to the tariff (inaudible) for BCUC  
22          endorsement. On page 2 and 3 of the application, it  
23          states that tariff supplements 90, 97, 98 and 99, that  
24          the source documents is attached to the electronic  
25          version of the application. I noticed when I was  
26          going through the attachment that there's only the

1 Word version of the draft order attached. Could you  
2 please confirm where I could find the tariff pages for  
3 BCUC endorsement?

4 MS. JUBB: This is Anthea Jubb. We know it was an  
5 oversite to have not included the Word document for  
6 tariff document 90, 97, 98 and 99 for Commission  
7 endorsement. We plan to file them later today  
8 (inaudible) by the Commission and return to BC Hydro.

9 MS. LAI: Okay, thank you. I just have a few more  
10 questions. They are not part of the prefilled  
11 questions but they are related to the recovery of the  
12 balances for the COVID relief programs.

13 So section 4(a) of the OCI [sic] states  
14 that the BCUC must allow BC Hydro to defer from all  
15 different ratepayers the balance of the customer  
16 crises fund regulatory account, and despite Section 33  
17 of the OCI allow BC Hydro to recover the balance of  
18 the mining customer payment regulatory account. And  
19 then Section 33(b) of OCI states that the regulatory  
20 account for the -- sorry, the CCF regulatory account  
21 was reduced by funds collected under the CCF rate  
22 rider.

23 Could you please confirm that the CCF rate  
24 rider is currently only charged to residential  
25 customers, and if so, can you explain how the CCF  
26 regulatory account would be recovered from all of BC

1 Hydro's ratepayers as stated in Section 4(a) of the  
2 OCM?

Proceeding Time 2:17 p.m. T15

4 MR. JAMES: Fred James, I can take that.

5 MR. ANDERSON: Go ahead, Fred.

6 MR. JAMES: Okay, thanks, Keith.

7 So the first question was around the rate  
8 rider and if you could just repeat that again, please?

9 MS. LAI: Yes. So can you please confirm that the  
10 customer crises fund rate rider is only charged to  
11 residential customers?

12 MR. JAMES: Correct.

MS. LAI: Okay, so then can you then explain how that regulatory account would be recovered from all of BC Hydro's ratepayers as stated in Section 4(a) of the OCM? Or the OAC?

17 MR. JAMES: We haven't determined yet how we will be  
18 recovering -- like what the process or mechanism is  
19 going to be for recovering the balance of that account  
20 from all of our customers. That is something we would  
21 be determining at a future date and applying to the  
22 Commission for approval of in terms of what the  
23 mechanism will be in terms of recovering those amounts  
24 from all of our customers.

35 MS. LAI: Okay.

26 THE CHAIRPERSON: Fred, can I just ask a follow-up

1                   question to that, please?

2 MR. JAMES:       Yes.

3 THE CHAIRPERSON:     So as I understand it then, there's  
4                   relief being provided to all three customer classes.  
5                   You know, as of a few days from now there will be  
6                   relief provided to all customer classes, yet the  
7                   residential class will be charged a rate rider for the  
8                   cost of some of that relief but neither of the other  
9                   two classes will be charged a rate rider? Or  
10                  anything.

11 MR. JAMES:       So the rate rider is actually in place to  
12                  fund the customer crises fund which is in effect a  
13                  separate program that's going to be continuing to run  
14                  after the three-month period for the COVID relief fund  
15                  winds up. So I see that as quite different in terms  
16                  of what the rider is for the customer crises fund as  
17                  opposed to the amounts that are going to be deferred  
18                  under the COVID relief program.

19 THE CHAIRPERSON:     But perhaps I'm mistaken, Fred, but  
20                  it's my understanding that the COVID relief for  
21                  residential customers is going into the CCF deferral  
22                  account and that there's something like 5 million in  
23                  there now, and some of that will be used for COVID  
24                  relief. And if that's correct, then the rate rider  
25                  will be covering not just the pre-existing crises  
26                  fund, but it will be also covering some of the COVID

1           relief. Or am I mistaken about that?

2 MR. JAMES: I think you are --

3 MR. SANDERS: Daren Sanders.

4 MR. JAMES: I'm going to ask Ryan to see. Ryan, are we  
5           tracking those separately?

6 MR. SANDERS: Yeah, it's Daren, Daren Sanders here. Yes,  
7           what we are setting up is different codes so that  
8           we'll be able to distinguish the costs that are going  
9           through the normal customer crises fund separately  
10          from what is the relief related to the COVID  
11          residential relief.

12 THE CHAIRPERSON: So is it also -- are you also then  
13           tracking what's recovered through the rate rider to  
14           ensure that that only reduces the customer crises fund  
15           portion of that deferral account and not the COVID  
16           portion?

17           In other words, any funds -- all of the  
18           amounts that's paid out under the COVID portion of the  
19           fund, none of that will be reduced by the rate rider  
20           during the next, whatever, three-month period or four-  
21           month period of whatever. Is that a fair statement?  
22           Is that true?

23 MR. SANDERS: I'll ask Mr. Layton to confirm what I'm  
24           about to say here. But what I would say is that the  
25           math would be there to be able to separate the two so  
26           that they could be segregated that way.

1       THE CHAIRPERSON:     Why not just have a separate deferral  
2                          account?

3       MR. LAYTON:    This is Ryan Layton. I think the decision  
4                          was made here, as we essentially view it as an  
5                          expansion of the customer crises fund. I hear the  
6                          concern you're raising, Commissioner. I think at the  
7                          end of the customer crises fund pilot, I think that  
8                          becomes an interesting question because if there were  
9                          a surplus as it were, if I can use the phrase, in  
10                          there at the end of the pilot period, it would serve  
11                          effectively to reduce the balance from the rest of the  
12                          new program and so I do hear from that concern. I  
13                          think what you heard from Mr. Sanders that we're going  
14                          to do our best to track those as separately as we can,  
15                          but I think that at the end it could be that any  
16                          remaining surplus could indeed be used to offset the  
17                          rest of the balance in that account, which would be  
18                          related to the new COVID program.

19                          I think the reason why we -- well, in the  
20                          short run we're not sure whether there will be more  
21                          uptake in the regular customer crisis fund related to  
22                          COVID.

23                          **Proceeding Time 2:23 p.m. T16**  
24                          It's possible that there could be. We expect there  
25                          probably will be and, therefore, it may well be that  
26                          that surplus is gone by the end of the pilot program

1           depending on the uptake here through COVID.

2 THE CHAIRPERSON:       Thank you.  Do you expect that there  
3           will be uptake on the crisis fund during the COVID?  
4           How would you determine what -- presumably if somebody  
5           runs into a crisis and they haven't lost their job  
6           because of COVID, then that would be a regular CCF?

7 MR. ANDERSON:       That's correct.  Keith Anderson.  That's  
8           correct.  And we do anticipate some uptick in this for  
9           sure.  I mean definitely during the three month  
10          period, you know, it's predominantly, you know, going  
11          to be those that lost their job we think, and that  
12          will move not this new program.  But there will be  
13          others that are just, you know, haven't lost their  
14          job, but have other financial pressures related to  
15          COVID that this could qualify them into CCF.

16 THE CHAIRPERSON:       Okay, thank you.  Thank you all.

17                        Okay, so is that -- staff, Yolanda, do you  
18          have anything to add or is there any additional staff  
19          questions?

20 MR. BUSSOLI:       Mr. Chair, it's Commission Counsel here.  
21                       I just want to have those Staff questions that were  
22          asked on the document marked as an exhibit before we  
23          move further onto additional questions.  So if we  
24          could have that marked as Exhibit A-2.  And that would  
25          be the document --

26 THE CHAIRPERSON:       You're talking about the Staff IR?

1           Is that what you're talking about?

2   MR. BUSSOLI:       That would be the documents, yeah, the  
3           information requests.

4   THE CHAIRPERSON:     Thank you.

5   MR. BUSSOLI:        Thanks.

6   THE CHAIRPERSON:     So marked.

7           (BCUC STAFF IR QUESTIONS MARKED EXHIBIT A-2)

8   THE CHAIRPERSON:     All right. Are there any further  
9           staff questions then?

10   MR. CHEUNG:        I don't have any further questions, thank  
11           you.

12   THE CHAIRPERSON:     Tanya Lai?

13   MS. LAI:           This is Tanya. I have just one last question.  
14           Fred mentioned that they're going to be filing an  
15           application regarding how they're going to recover the  
16           balances in these two deferral accounts from all  
17           ratepayers. Do we have a timeline yet on when you  
18           expect to file that?

19   MR. JAMES:          It's Fred here, Fred James. I would  
20           imagine we would probably file that as part of our  
21           next revenue requirements application. I don't think  
22           we'd necessarily be filing a separate application, but  
23           that remains to be determined by us.

24   MS. LAI:            Okay. Thank you. I have no further  
25           questions. Thank you.

26   THE CHAIRPERSON:     Okay. Yolonda, do you have any

1           questions?

2 MS. DOMINGO:       I do not, Mr. Chair. Thank you.

3 THE CHAIRPERSON:     Okay. All right, so let's move over  
4           then to commissioners. Commissioner Fung, do you have  
5           any questions?

6 COMMISSIONER FUNG:    I just have one clarification  
7           question for Ms. Jubb and that's with respect to the  
8           effective date of these tariff supplements. You had  
9           indicated you proposed a date of April 8<sup>th</sup> on the  
10          assumption that that would give us five days to  
11          process the order and that the supplements should not  
12          be effective until the order is made. And I accept  
13          that. That's very good planning on the part of BC  
14          Hydro.

15           But assuming we're able to turn this  
16          around, let's say by tomorrow, would you then propose  
17          that the effective date be April 7<sup>th</sup> instead? Or would  
18          you prefer that we keep the April 8<sup>th</sup> date just to  
19          avoid having to run another set of tariff supplements?

20 MS. JUBB:       This is Anthea Jubb. I think we'd be  
21          amenable to an April 7<sup>th</sup> date or perhaps even filing  
22          the pages that we've committed to file today with the  
23          date blank.

24 COMMISSIONER FUNG:    Okay, thank you very much.

25           Chair Morton, those are my questions.

26 THE CHAIRPERSON:     Thank you. Commissioner Loski, do

1           you have any questions?

2   COMMISSIONER LOSKI:       I have no further questions, thank  
3            you.

4   THE CHAIRPERSON:       Thank you. Commissioner Mason?

5   COMMISSIONER MASON:       Thank you. I just have one  
6            question and I believe it's for Ms. Jubb. I believe  
7            BC Hydro responded to the question about the  
8            qualification for commercial customers and made an  
9            analogy to previous wildfire related relief that BC  
10           Hydro has offered. It's my recollection, correct me  
11           if I'm wrong, that that relief was offered to  
12           commercial customers whose operations were closed down  
13           as a result of an evacuation order issued by another  
14           branch of government.

15           Firstly if you could confirm whether or not  
16           that was true in the case of BC Hydro, and secondly  
17           could you confirm whether or not BC Hydro is using  
18           that level of criteria such as a public health order  
19           for looking at the closing down of a business in this  
20           COVID pandemic? Thank you.

21   MS. JUBB:       This is Anthea Jubb. I can confirm that in  
22           the case of the wildfire evacuation, the eligibility  
23           criteria was based on a announcement of a state of  
24           emergency and an evacuation order and that information  
25           was available from provincial governmental agencies.

26           With respect to the relief provided for

1 small business customers due to COVID-19, that is  
2 going to operate slightly differently and I'd like to  
3 pass that to Keith Anderson if he wouldn't mind  
4 speaking to that.

Proceeding Time 2:23 p.m. T17

6 MR. ANDERSON: Thanks, Anthea. So as I looked to set  
7 out in the some of the staff questions, really we see  
8 two paths to the small general service customers or  
9 small business customers being able to submit their  
10 eligibility requirements or their application for  
11 eligibility. (Inaudible) requirement. Sorry. And  
12 one of them I think ties quite strongly into your  
13 question and the reference to wildfires, and that is  
14 that if a business has been told to close as a result  
15 of a provincial requirement, then again they just have  
16 to prove that they are one of those small businesses.  
17 And at that point they will have met our eligibility  
18 requirement.

We are trying to be a little bit more  
flexible than that, and responsive to government's  
direction here to be able to provide relief for small  
businesses that have closed. So we are going beyond  
those that have had to close due to just a provincial  
requirement and looking to reach those that have had  
to close due to COVID-19 issues generally.

26 COMMISSIONER MASON: Okay, thank you. One final

1                   question, I believe it was for Mr. Layton, who I  
2                   believe you mentioned that BC Hydro has just closed  
3                   its books for the period ending March 31<sup>st</sup>, and thus  
4                   doesn't know the nature of any balances of  
5                   collectibles that it feels are impaired.

6                   May I ask, Mr. Layton, when you do expect  
7                   to know the balances as of March 31<sup>st</sup> for any balances  
8                   that might be impaired? I believe we were talking  
9                   about industrial customers at that point?

10                  MR. LAYTON:       Yes, I think there is no clear answer to  
11                   that, Commissioner. I think it depends on the book  
12                   closing process, which itself is fairly arduous and in  
13                   these COVID times I think we expect to have more  
14                   unique conversations with our auditors for something  
15                   like receivables for example, than we've had in the  
16                   past. And so I'm afraid I can't give you a specific  
17                   date. We do go to our audit committee, or we plan to  
18                   at the end of May, and so that's when we would get  
19                   approval for the financial statements. So that's our  
20                   working assumption. I think we are all open to the  
21                   idea that COVID may move timelines if we can't get  
22                   through the audit quickly, and there is a ton of extra  
23                   work for the auditors to do in the COVID situation.  
24                   But hopefully that gives you some sense that by the  
25                   end of May we should have approved, internally  
26                   approved financial statements that are still subject

1           to provincial review and the audit by the auditor  
2           general of the provinces' books. But that hopefully  
3           will be able to give you some sense of what we're  
4           looking at.

5   COMMISSIONER MASON:       Thank you very much. No further  
6           questions, Mr. Chair.

7   THE CHAIRPERSON:       Great, thank you.

8                             So that brings us to the end of the Q&A  
9                             portion of our meeting. Mr. James, do you have any  
10                          closing statement, or do you or any other BC Hydro  
11                          person have any closing statement or argument that you  
12                          would care to make?

13   MR. JAMES:       Thank you. Thanks, Chairman Morton. I  
14                          think again, just wanted to thank all the hard work  
15                          that went in by the Commission Staff over the weekend,  
16                          once we filed our application. I know we spent a lot  
17                          of work pulling it together the previous weekend, and  
18                          so appreciate the efforts that went in over this  
19                          weekend. Again, I hope the responses we've provided  
20                          you today are going to help you out in terms of your  
21                          regulatory process.

22                             As I mentioned earlier, we did sort of  
23                          pulled this application and the program together  
24                          fairly quickly, and recognizing that the OIC provides  
25                          you with only five days to turn this around, we were  
26                          trying to hopefully expedite this regulatory process

1           with an OIC that was fairly direct in terms of what  
2           needed to be approved. So, with that, I want to thank  
3           you for your questions, and I don't think we have any  
4           follow up, nor I don't believe we have anything to  
5           file other than the updated tariff pages that we would  
6           be getting in to later today.

7 THE CHAIRPERSON:       Okay, great, thank you very much.  
8           And thank you also for the expedited application. And  
9           I would also like to echo those thanks to our Staff  
10          for working over the weekend to get the questions put  
11          together, thank you very much.

12           So on that note, then, Mr. Bussoli, unless  
13          there is anything else?

14 MR. BUSSOLI:       No, Mr. Chair, that's all from my end.

15 THE CHAIRPERSON:       Great. So that ends this historic  
16          regulatory proceeding then. Perhaps this recording  
17          should be put in the annals of Canadian regulation  
18          museum and be there for posterity.

19           Thank you very much everyone for joining  
20          us, and participating in this somewhat unique  
21          streamlined process. And we will endeavor to get this  
22          order out as soon as possible. And I will say good  
23          bye to everyone, stay safe, and have a good remainder  
24          of the day. Thank you very much, everyone.

25           **(PROCEEDINGS ADJOURNED AT 2:35 P.M.)**

26

I HEREBY CERTIFY THAT THE FORGOING  
is a true and accurate transcript  
of the proceedings herein, to the  
best of my skill and ability.



A.B. Lanigan, Court Reporter

April 6<sup>th</sup>, 2020

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26