



May 7, 2021

## **INFORMATION RELEASE – BCUC Announces Future of BC Hydro’s Customer Crisis Fund Pilot Program**

VANCOUVER – Today, per [Order G-144-21](#), the British Columbia Utilities Commission (BCUC) finds that continuing the (CCF) Pilot Program cannot be justified on an economic basis. This is consistent with BC Hydro’s conclusions in their Year Two Evaluation Report, which was submitted to the BCUC on July 31, 2020. The BCUC also found that continuing the CCF Pilot cannot be justified based on any other factors the BCUC considered during its review. As a result, the CCF Pilot Program will end effective May 31, 2021.

The BCUC’s review for economic justification considered whether the program, while assisting customers through a crisis, could reduce BC Hydro’s costs, for example the cost of disconnections / reconnections, credit collection processes and bad debts for BC Hydro.

[Order G-144-21](#), does not change the CCF Rate Rider of \$0.13 per month, charged to all BC Hydro residential customers. The BC government ordered the BCUC to not change or cancel the CCF Rate Rider, except on application by BC Hydro, and to allow the funds to be used for COVID relief, by [Order in Council No. 159](#).

The BCUC conducted an open and transparent public proceeding to review BC Hydro’s [Year One](#) and [Year Two](#) Evaluation Reports for the program. The proceeding included input and feedback from seven Registered Interveners, 130 Letters of Comment from members of the public and 17 Letters of Comment from Interested Parties.

BC Hydro’s Evaluation Reports provide an overview of the first two years of the CCF Pilot Program, including its set-up and operations costs, a summary of customer experiences and opinions regarding the program and an initial evaluation of participant and non-participant impacts, such as the number of customers who have received funding from the program to date.

Based on the Evaluation Reports and the evidence presented, the BCUC found that the CCF Pilot Program cannot be justified on an economic or cost of service basis. There is insufficient evidence that there are any other approaches or matters that justify the continuation of the CCF Pilot Program or that the program, as designed, will create a desirable impact over the longer term.

More information about the proceeding can be found on the [BC Hydro CCF Pilot – Evaluation Reports](#) proceeding page.

### **Background**

In January 2017, the BCUC approved the establishment of a crisis intervention fund as a pilot program, after an extensive public review of [BC Hydro’s 2015 Rate Design Application](#). The evidence in the proceeding indicated that a crisis fund may reduce from BC Hydro’s bad debts due to disconnection of their BC Hydro service and offset the cost of the fund to ratepayers. In November 2017, the BCUC approved the CCF Pilot Program per [Order G-166-17](#), for a period of three years ending May 31, 2021, to allow time to assess whether there is an economic or cost of service justification for the establishment of a permanent program.

Given concerns raised by ratepayers, the BCUC ordered BC Hydro to provide a Report of the CCF Pilot Program after the first year so the BCUC could gain an earlier understanding of the CCF Pilot Program's actual results and to assess if the program could be reviewed earlier. It was determined that more data was required before a review of the program could effectively be conducted, and thus the BCUC completed its review of the CCF Pilot Program after receiving the Year Two Evaluation Report.

### **About the BCUC**

The BCUC is an independent regulatory body, responsible for regulating BC's energy utilities, as well as its compulsory automobile insurance rates, and intra-provincial pipelines rates. The BCUC is also responsible for administering BC's *Fuel Price Transparency Act*. It is the BCUC's role to balance the interests of customers with the interests of the businesses it regulates. The BCUC carries out fair and transparent reviews of matters within its jurisdiction and considers public input where public interest is impacted.

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