

December 12, 2008

Ms. Erica M. Hamilton  
Commission Secretary  
British Columbia Utilities Commission  
Sixth Floor – 900 Howe Street  
Vancouver, BC V6Z 2N3

Dear Ms. Hamilton:

**RE: Project No. 3698455**  
**British Columbia Utilities Commission (BCUC)**  
**British Columbia Hydro and Power Authority (BC Hydro)**  
**BC Hydro 2007 Rate Design Application (2007 RDA)**  
**BCUC Order No. G-10-08 Compliance Filing**

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Pursuant to BCUC Directive No. 2 of the 2007 RDA Decision, BC Hydro is submitting an updated Fully Allocated Cost of Service (FACOS) study reflecting F2008 actual results as Appendix A.

This compliance filing incorporates the directives in BCUC Order Nos. G-111-07 and G-10-08 and uses the same methodology as the FACOS study submitted in the January 30, 2008 compliance filing with one minor change. In the previously filed studies, net transfers to the Heritage, Non-Heritage, Trade Income, and BCTC deferral accounts were relatively minor in total and for simplicity had been assigned directly to the generation function. In this update the net transfers to the BCTC deferral account (\$10.9 million) were directly assigned to the transmission function, with the net transfers to the Heritage, Non-Heritage and Trade Income deferral accounts (\$107.4 million) unchanged in their assignment to the generation function.

Revenue-to-cost ratios for all rate classes as compared to the January 30, 2008 compliance filing are as summarized below:

<b>Revenue to Cost Ratios</b>			
<b>Rate Class</b>	<b>F08 Forecast (January 2008) (%)</b>	<b>F08 Actual (December 2008) (%)</b>	<b>Change (%)</b>
Residential	90.1	91.8	1.7
GS < 35 kW	123.3	123.8	0.5
GS > 35 kW	106.8	106.2	-0.6
Irrigation	83.2	83.4	0.2
Street Lighting	124.9	125.0	0.1
Transmission	102.5	100.1	-2.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	



December 16, 2008  
Ms. Erica M. Hamilton  
Commission Secretary  
British Columbia Utilities Commission  
BC Hydro 2007 Rate Design Application (2007 RDA)  
BCUC Order No. G-10-08 Compliance Filing

**BChydro** 

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For further information, please contact Guy Leroux at 604-623-3696.

Yours sincerely,



Joanna Sofield  
Chief Regulatory Officer

Enclosure (1)

c. BCUC Project No. 3698455 (2007 RDA) Registered Intervenor Distribution List.

F2008 Cost of Service - Actual Cost  
Actual F2008 in Compliance with Order G-111-07 and G-10-08

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Note: All costs are in \$ X 1 million unless otherwise noted.

## Functionalization Summary - F08 Actual Costs

Cost of Energy		F2008 Revenue Requirement	Generation	Transmission	Distribution	Customer Care
Revenue Requirement Schedule (F08 Actual, Exhibit B-64 F09 F10 RRA)						
Sched 4, L 11	IPPs and Long-term Purchases commitment	480.0	480.0	-	-	-
Sched 4, L 14	Domestic Transmission	75.7	-	75.7	-	-
Sched 4, L 12	NIA Generation	21.7	21.7	-	-	-
Sched 4, L 13	Gas Transportation	11.5	11.5	-	-	-
Sched 4, L 1	Water Rentals	315.0	315.0	-	-	-
Sched 4, L 3	Market Purchases	153.3	153.3	-	-	-
Sched 4, L 5	Natural gas for thermal generation	49.1	49.1	-	-	-
Sched 4, L 6	Domestic Transmission	15.7	4.8	10.9	-	-
Sched 4, L 7, 8	Other, and Surplus Sales	(25.9)	(25.9)	-	-	-
	Cost of Energy	1,096.0	1,009.4	86.6	-	-
<b>O M &amp; A Expenses</b>						
Sched 3.2, L 2 + Sched 3.4 L 33	Generation	131.7	131.7	-	-	-
Sched 3.4, L 2 - Sched 3.4 L 33	Transmission	89.3	-	89.3	-	-
Sched 3.3, L 2, Sched 3.5, L 2	Distribution	237.4	-	-	132.9	104.5
Sched 3.1, L 2	Corp Service	98.3	28.2	19.1	28.5	22.4
	O M & A	556.7	159.9	108.4	161.4	126.9
<b>Depreciation &amp; Amortization</b>						
Sched 7, L 46	Generation	145.6	145.6	-	-	-
	DSM Adjustment for Depreciation	-	-	-	-	-
Sched 7, L 48	Transmission	99.1	-	99.1	-	-
Sched 7, L 49, L 47	Distribution	84.6	-	-	93.3	(8.8)
	Engineering	-	-	-	-	-
	Field Services	-	-	-	-	-
Sched 7, L 45	Corporate Services	44.2	28.0	-	17.9	(1.7)
	Amortization	373.4	173.5	99.1	111.2	(10.5)
<b>Taxes</b>						
Sched 6, L 6	Generation	33.9	33.9	-	-	-
Sched 6, L 12	Transmission	94.4	-	94.4	-	-
Sched 6, L 15	Distribution	22.2	-	-	22.2	-
Sched 6, L 9	Customer Care	-	-	-	-	-
Sched 6, L 3	Corporate	8.1	4.9	-	3.2	-
	Taxes	158.6	38.8	94.4	25.4	-
<b>Finance Charges</b>						
Sched 8, L 67	Generation	209.1	209.1	-	-	-
Sched 8, L 69	Transmission	121.8	-	121.8	-	-
Sched 8, L 70	Distribution	128.1	-	-	128.1	-
Sched 8, L 68	Customer Care	0.5	-	-	-	0.5
	Finance Charges	459.4	209.1	121.8	128.1	0.5
<b>Allowed Net Income</b>						
Sched 9, L 44	Generation	167.9	167.9	-	-	-
Sched 9, L 46	Transmission	97.8	-	97.8	-	-
Sched 9, L 47	Distribution	102.9	-	-	102.9	-
Sched 9, L 45	Customer Care	0.4	-	-	-	0.4
	Allowed Net Income	369.0	167.9	97.8	102.9	0.4
<b>Miscellaneous Revenues</b>						
Sched 15, L 8, 17, 18, 13	Non Tariff Revenue (Functionalized)	(26.7)	(3.0)	(12.0)	(2.0)	(9.7)
Sched 15, L 4	Corporate Miscellaneous Revenue	(4.7)	(1.0)	-	(0.6)	(3.1)
	Miscellaneous Revenues	(31.4)	(4.0)	(12.0)	(2.6)	(12.8)
<b>Deferral Accounts, Revenue Offsets and Other</b>						
Sched 1, L 19	Subsidiary Net Income	(83.2)	(83.2)	-	-	-
Sched 2.1	Def Account Additions	96.3	107.2	(10.9)	-	-
Sched 2.2, L 78, 79, 80	Def Account Net Recovery	0.2	0.2	-	-	-
Sched 14, L 17	Other Utility Revenue	(15.4)	(15.4)	-	-	-
Sched 3, L 24	Intersegment revenues	(194.4)	(140.0)	(54.4)	-	-
Sched 3.4, L 11 (L9, L10)	Internal Allocations (GRTA, SDA)	-	37.9	(62.8)	24.9	-
	Def Accounts, Offsets and Other	(196.4)	(93.2)	(128.0)	24.9	-
	<b>Total Revenue Requirement</b>	<b>2,785.5</b>	<b>1,661.5</b>	<b>468.1</b>	<b>551.3</b>	<b>104.6</b>

Classification of the Generation Function - F08 Actual

Cost of Energy	Total Gen	Demand	Energy	Demand	Energy	Comments
IPPs and Long-term Purchases commitment	479.97	0.00%	100.00%	-	479.97	
Domestic Transmission	-	0.00%	100.00%	-	-	
NIA Generation	21.68	0.00%	100.00%	-	21.68	
Gas Transportation	11.46	0.00%	100.00%	-	11.46	
Water Rentals	315.00	10.00%	90.00%	31.50	283.50	Based on Water Rental Rate
Market Purchases	153.34	0.00%	100.00%	-	153.34	
Natural gas for thermal generation	49.10	0.00%	100.00%	-	49.10	
Domestic Transmission	4.80	100.00%	0.00%	4.80	-	
Other, and Surplus Sales	(25.90)	0.00%	100.00%	-	(25.90)	
Cost of Energy	1,009.44			36.30	973.14	
<b>O M &amp; A Expenses</b>						
Generation	131.70	57.90%	42.10%	76.26	55.44	Generation Gross Plant in Service
Transmission	-	0.00%	0.00%	-	-	
Distribution	-	0.00%	0.00%	-	-	
Corp Service	28.24	57.90%	42.10%	16.35	11.89	
O M & A	159.94			92.61	67.33	
<b>Depreciation &amp; Amortization</b>						
Generation	145.56	57.90%	42.10%	84.28	61.28	Generation Gross Plant in Service
Transmission	-	0.00%	0.00%	-	-	
Distribution	-	0.00%	0.00%	-	-	
Engineering	-	57.90%	42.10%	-	-	
Field Services	-	57.90%	42.10%	-	-	
Corporate Services	27.96	57.90%	42.10%	16.19	11.77	
Amortization	173.52			100.47	73.05	
<b>Taxes</b>						
Generation	33.92	57.90%	42.10%	19.64	14.28	Generation Gross Plant in Service
Transmission	-	0.00%	0.00%	-	-	
Distribution	-	0.00%	0.00%	-	-	
Customer Care	-	57.90%	42.10%	-	-	
Corporate	4.89	57.90%	42.10%	2.83	2.06	
Taxes	38.81			22.47	16.34	
<b>Finance Charges</b>						
Generation	209.08	56.70%	43.30%	118.54	90.54	Generation Net Plant in Service
Transmission	-	0.00%	0.00%	-	-	
Distribution	-	0.00%	0.00%	-	-	
Customer Care	-	56.70%	43.30%	-	-	
Finance Charges	209.08			118.54	90.54	
<b>Allowed Net Income</b>						
Generation	167.94	56.70%	43.30%	95.22	72.72	Generation Net Plant in Service
Transmission	-	0.00%	0.00%	-	-	
Distribution	-	0.00%	0.00%	-	-	
Customer Care	-	0.00%	0.00%	-	-	
Allowed Net Income	167.94			95.22	72.72	
<b>Miscellaneous Revenues</b>						
Non Tariff Revenue (Functionalized)	(3.00)	57.90%	42.10%	(1.74)	(1.26)	Generation Gross Plant in Service
Corporate Miscellaneous Revenue	(0.96)	57.90%	42.10%	(0.56)	(0.40)	
Miscellaneous Revenues	(3.96)			(2.29)	(1.67)	
<b>Deferral Accounts, Revenue Offsets and Other</b>						
Subsidiary Net Income	(83.20)	26.22%	73.78%	(21.82)	(61.38)	
Def Account Additions	107.20	57.90%	42.10%	62.07	45.13	Generation Gross Plant in Service
Def Account Net Recovery	0.20	57.90%	42.10%	0.12	0.08	
Other Utility Revenue	(15.35)	57.90%	42.10%	(8.89)	(6.46)	
Intersegment revenues	(139.98)	57.90%	42.10%	(81.05)	(58.93)	
Internal Allocations (GRTA, SDA)	37.90	57.90%	42.10%	21.94	15.96	
Def Accounts, Offsets and Other	(93.23)			(27.63)	(65.61)	
<b>Generation Revenue Requirement</b>	<b>1,661.54</b>			<b>435.69</b>	<b>1,225.85</b>	
				<b>26.22%</b>	<b>73.78%</b>	

## Classification of the Transmission Function - F08 Actual

Cost of Energy	Total Trans	Demand	Meter	Demand	Meter	Comments
IPPs and Long-term Purchases commitment	-	0.00%	0.00%	-	-	
Domestic Transmission	75.70	99.99%	0.01%	75.69	0.01	Transmission Gross Plant in Service
NIA Generation	-	0.00%	0.00%	-	-	
Gas Transportation	-	0.00%	0.00%	-	-	
Water Rentals	-	0.00%	0.00%	-	-	
Market Purchases	-	0.00%	0.00%	-	-	
Natural gas for thermal generation	-	0.00%	0.00%	-	-	
Domestic Transmission	10.90	99.99%	0.01%	10.90	0.00	
Other, and Surplus Sales	-	0.00%	0.00%	-	-	
Cost of Energy	86.60			86.59	0.01	
<b>O M &amp; A Expenses</b>						
Generation	-	0.00%	0.00%	-	-	
Transmission	89.30	99.99%	0.01%	89.29	0.01	Transmission Gross Plant in Service
Distribution	-	99.99%	0.01%	-	-	
Corp Service	19.15	99.99%	0.01%	19.15	0.00	
O M & A	108.45			108.43	0.01	
<b>Depreciation &amp; Amortization</b>						
Generation	-	0.00%	0.00%	-	-	
Transmission	99.13	99.99%	0.01%	99.11	0.01	Transmission Gross Plant in Service
Distribution	-	0.00%	0.00%	-	-	
Engineering	-	0.00%	0.00%	-	-	
Field Services	-	0.00%	0.00%	-	-	
Corporate Services	-	0.00%	0.00%	-	-	
Amortization	99.13			99.11	0.01	
<b>Taxes</b>						
Generation	-	0.00%	0.00%	-	-	
Transmission	94.37	99.99%	0.01%	94.36	0.01	Transmission Gross Plant in Service
Distribution	-	0.00%	0.00%	-	-	
Customer Care	-	0.00%	0.00%	-	-	
Corporate	-	0.00%	0.00%	-	-	
Taxes	94.37			94.36	0.01	
<b>Finance Charges</b>						
Generation	-	0.00%	0.00%	-	-	
Transmission	121.75	99.98%	0.02%	121.73	0.02	Transmission Net Plant in Service
Distribution	-	0.00%	0.00%	-	-	
Customer Care	-	0.00%	0.00%	-	-	
Finance Charges	121.75			121.73	0.02	
<b>Allowed Net Income</b>						
Generation	-	0.00%	0.00%	-	-	
Transmission	97.80	99.98%	0.02%	97.78	0.02	Transmission Net Plant in Service
Distribution	-	0.00%	0.00%	-	-	
Allowed Net Income	97.80			97.78	0.02	
<b>Miscellaneous Revenues</b>						
Non Tariff Revenue (Functionalized)	(12.00)	99.99%	0.01%	(12.00)	(0.00)	Transmission Gross Plant in Service
Corporate Miscellaneous Revenue	-	99.99%	0.01%	-	-	
Miscellaneous Revenues	(12.00)			(12.00)	(0.00)	
<b>Deferral Accounts, Revenue Offsets and Other</b>						
Subsidiary Net Income	-	99.99%	0.01%	-	-	Transmission Gross Plant in Service
Def Account Additions	(10.85)	99.99%	0.01%	(10.85)	(0.00)	
Def Account Net Recovery	-	99.99%	0.01%	-	-	
Other Utility Revenue	-	99.99%	0.01%	-	-	
Intersegment revenues	(54.37)	99.99%	0.01%	(54.36)	(0.01)	
Internal Allocations (GRTA, SDA)	(62.80)	99.99%	0.01%	(62.79)	(0.01)	
Def Accounts, Offsets and Other	(128.02)			(128.00)	(0.02)	
<b>Transmission Revenue Requirement</b>	<b>468.07</b>			<b>468.00</b>	<b>0.07</b>	

Removal of the Direct Assign (Street Lights) Costs from Distribution Function - F08 Actual

	Total Distribution Costs	Direct Assign Street Lighting Costs	Distribution Costs for Classific	Street Lighting Demand Related	Street Lighting Cust Related	Street Lighting Demand Related Costs	Street Lighting Cust Related Costs
<b>Cost of Energy</b>							
IPPs and Long-term Purchases commitment	-	-	-	65%	35%	-	-
Domestic Transmission	-	-	-	65%	35%	-	-
NIA Generation	-	-	-	65%	35%	-	-
Gas Transportation	-	-	-	65%	35%	-	-
Water Rentals	-	-	-	65%	35%	-	-
Market Purchases	-	-	-	65%	35%	-	-
Natural gas for thermal generation	-	-	-	65%	35%	-	-
Domestic Transmission	-	-	-	65%	35%	-	-
Other, and Surplus Sales	-	-	-	65%	35%	-	-
Cost of Energy	-	-	-				
<b>O M &amp; A Expenses</b>							
Generation	-	-	-	65%	35%	-	-
Transmission	-	-	-	65%	35%	-	-
Distribution	132.90	3.00	129.90	65%	35%	1.95	1.05
Corp Service	28.50	0.28	28.22	65%	35%	0.18	0.10
O M & A	161.40	3.28	158.12			2.13	1.15
<b>Depreciation &amp; Amortization</b>							
Generation	-	-	-	65%	35%	-	-
DSM Adjustment for Depreciation	-	-	-	65%	35%	-	-
Transmission	-	-	-	65%	35%	-	-
Distribution	93.32	0.79	92.53	65%	35%	0.51	0.28
Engineering	-	-	-	65%	35%	-	-
Field Services	-	-	-	65%	35%	-	-
Corporate Services	17.92	-	17.92	65%	35%	-	-
Amortization	111.24	0.79	110.45			0.51	0.28
<b>Taxes</b>							
Generation	-	-	-	65%	35%	-	-
Transmission	-	-	-	65%	35%	-	-
Distribution	22.20	0.12	22.07	65%	35%	0.08	0.04
Customer Care	-	-	-	65%	35%	-	-
Corporate	3.20	-	3.20	65%	35%	-	-
Taxes	25.39	0.12	25.27			0.08	0.04
<b>Finance Charges</b>							
Generation	-	-	-	65%	35%	-	-
Transmission	-	-	-	65%	35%	-	-
Distribution	128.10	0.73	127.37	65%	35%	0.47	0.25
Customer Care	-	-	-	65%	35%	-	-
Finance Charges	128.10	0.73	127.37			0.47	0.25
<b>Allowed Net Income</b>							
Generation	-	-	-	65%	35%	-	-
Transmission	-	-	-	65%	35%	-	-
Distribution	102.89	0.64	102.25	65%	35%	0.42	0.22
Customer Care	-	-	-	65%	35%	-	-
Allowed Net Income	102.89	0.64	102.25			0.42	0.22
<b>Miscellaneous Revenues</b>							
Non Tariff Revenue (Functionalized)	(2.00)	-	(2.00)	65%	35%	-	-
Corporate Miscellaneous Revenue	(0.64)	-	(0.64)	65%	35%	-	-
Miscellaneous Revenues	(2.64)	-	(2.64)			-	-
<b>Deferral Accounts, Revenue Offsets and Other</b>							
Subsidiary Net Income	-	-	-	65%	35%	-	-
Def Account Additions	-	-	-	65%	35%	-	-
Def Account Net Recovery	-	-	-	65%	35%	-	-
Other Utility Revenue	-	-	-	65%	35%	-	-
Intersegment revenues	-	-	-	65%	35%	-	-
Internal Allocations (GRTA, SDA)	24.90	-	24.90	65%	35%	-	-
Def Accounts, Offsets and Other	24.90	-	24.9			-	-
<b>Distribution Revenue Requirement</b>	<b>551.29</b>	<b>5.56</b>	<b>545.73</b>			<b>3.61</b>	<b>1.95</b>

Classification of the Distribution Function (with out Direct Assign) - F08 Actual

Cost of Energy	Dist Costs	Distribution Demand Related	Distribution Customer Related	Distribution Demand Related	Distribution Customer Related
IPPs and Long-term Purchases commitment	-	65%	35%	-	-
Domestic Transmission	-	65%	35%	-	-
NIA Generation	-	65%	35%	-	-
Gas Transportation	-	65%	35%	-	-
Water Rentals	-	65%	35%	-	-
Market Purchases	-	65%	35%	-	-
Natural gas for thermal generation	-	65%	35%	-	-
Domestic Transmission	-	65%	35%	-	-
Other, and Surplus Sales	-	65%	35%	-	-
Cost of Energy	-	-	-	-	-
<b>O M &amp; A Expenses</b>					
Generation	-	65%	35%	-	-
Transmission	-	65%	35%	-	-
Distribution	129.90	65%	35%	84.44	45.47
Corp Service	28.22	65%	35%	18.34	9.88
O M & A	158.12			102.78	55.34
<b>Depreciation &amp; Amortization</b>					
Generation	-	65%	35%	-	-
DSM Adjustment for Depreciation	-	65%	35%	-	-
Transmission	-	65%	35%	-	-
Distribution	92.53	65%	35%	60.14	32.39
Engineering	-	65%	35%	-	-
Field Services	-	65%	35%	-	-
Corporate Services	17.92	65%	35%	11.65	6.27
Amortization	110.45			71.79	38.66
<b>Taxes</b>					
Generation	-	65%	35%	-	-
Transmission	-	65%	35%	-	-
Distribution	22.07	65%	35%	14.35	7.73
Customer Care	-	65%	35%	-	-
Corporate	3.20	65%	35%	2.08	1.12
Taxes	25.27			16.42	8.84
<b>Finance Charges</b>					
Generation	-	65%	35%	-	-
Transmission	-	65%	35%	-	-
Distribution	127.37	65%	35%	82.79	44.58
Customer Care	-	65%	35%	-	-
Finance Charges	127.37			82.79	44.58
<b>Allowed Net Income</b>					
Generation	-	65%	35%	-	-
Transmission	-	65%	35%	-	-
Distribution	102.25	65%	35%	66.47	35.79
Customer Care	-	65%	35%	-	-
Allowed Net Income	102.25			66.47	35.79
<b>Miscellaneous Revenues</b>					
Non Tariff Revenue (Functionalized)	(2.00)	65%	35%	(1.30)	(0.70)
Corporate Miscellaneous Revenue	(0.64)	65%	35%	(0.42)	(0.22)
Miscellaneous Revenues	(2.64)			(1.72)	(0.92)
<b>Deferral Accounts, Revenue Offsets and Other</b>					
Subsidiary Net Income	-	65%	35%	-	-
Def Account Additions	-	65%	35%	-	-
Def Account Net Recovery	-	65%	35%	-	-
Other Utility Revenue	-	65%	35%	-	-
Intersegment revenues	-	65%	35%	-	-
Internal Allocations (GRTA, SDA)	24.90	65%	35%	16.19	8.72
Def Accounts, Offsets and Other	24.90			16.19	8.72
<b>Total Revenue Requirement</b>	<b>545.73</b>			<b>354.72</b>	<b>191.01</b>



Classification of the Customer Care Function - F08 Actual

	Customer Care	Customer Demand Related	Cust - Customer Related	Demand Related Costs	Customer Related Costs
<b>Cost of Energy</b>					
IPPs and Long-term Purchases commitment	-	65%	35%	-	-
Domestic Transmission	-	65%	35%	-	-
NIA Generation	-	65%	35%	-	-
Gas Transportation	-	65%	35%	-	-
Water Rentals	-	65%	35%	-	-
Market Purchases	-	65%	35%	-	-
Natural gas for thermal generation	-	65%	35%	-	-
Domestic Transmission	-	65%	35%	-	-
Other, and Surplus Sales	-	65%	35%	-	-
Cost of Energy	-			-	-
<b>O M &amp; A Expenses</b>					
Generation	-	65%	35%	-	-
Transmission	-	65%	35%	-	-
Distribution	104.50	65%	35%	67.93	36.58
Corp Service	22.41	65%	35%	14.57	7.84
O M & A	126.91			82.49	44.42
<b>Depreciation &amp; Amortization</b>					
Generation	-	65%	35%	-	-
Transmission	-	65%	35%	-	-
Distribution	(8.77)	65%	35%	(5.70)	(3.07)
Engineering	-	65%	35%	-	-
Field Services	-	65%	35%	-	-
Corporate Services	(1.68)	65%	35%	(1.09)	(0.59)
Amortization	(10.45)			(6.79)	(3.66)
<b>Taxes</b>					
Generation	-	65%	35%	-	-
Transmission	-	65%	35%	-	-
Distribution	-	65%	35%	-	-
Customer Care	-	65%	35%	-	-
Corporate	-	65%	35%	-	-
Taxes	-			-	-
<b>Finance Charges</b>					
Generation	-	65%	35%	-	-
Transmission	-	65%	35%	-	-
Distribution	-	65%	35%	-	-
Customer Care	0.51	65%	35%	0.33	0.18
Finance Charges	0.51			0.33	0.18
<b>Allowed Net Income</b>					
Generation	-	65%	35%	-	-
Distribution	-	65%	35%	-	-
Customer Care	0.41	65%	35%	0.27	0.14
Allowed Net Income	0.41			0.27	0.14
<b>Miscellaneous Revenues</b>					
Non Tariff Revenue (Functionalized)	(9.70)	65%	35%	(6.31)	(3.40)
Corporate Miscellaneous Revenue	(3.10)	65%	35%	(2.02)	(1.09)
Miscellaneous Revenues	(12.80)			(8.32)	(4.48)
<b>Deferral Accounts, Revenue Offsets and Other</b>					
Subsidiary Net Income	-	65%	35%	-	-
Other Utility Revenue	-	65%	35%	-	-
Intersegment revenues	-	65%	35%	-	-
Internal Allocations (GRTA, SDA)	-	65%	35%	-	-
Def Accounts, Offsets and Other	-			-	-
<b>Customer Care Revenue Requirement</b>	<b>104.58</b>			<b>67.98</b>	<b>36.60</b>

**Allocation of Classified Generation Costs to Rate Classes - F08 Actual**

<b>Total BC Hydro - F08</b>				
Function	<b>Generation</b>			
Cost Classes	Generation Demand	Generation Demand Related Costs (Sched 2.0)	Generation Energy	Generation Energy Related Costs (Sched 2.0)
Allocation Basis	4 CP (Schedule 5.1)	435.69	F08 Forecast Energy Including Loss (Sched 5.0)	1,225.85
Residential	44.63%	194.45	33.85%	414.95
GS<35	7.61%	33.16	7.72%	94.67
GS>35	24.97%	108.81	27.46%	336.56
Irrigation	0.00%	0.00	0.14%	1.76
Street Lighting	0.44%	1.90	0.41%	4.99
Transmission	22.35%	97.37	30.42%	372.91
<b>Total</b>	<b>100.0%</b>	<b>435.69</b>	<b>100.0%</b>	<b>1,225.85</b>

**Allocation of Classified Transmission Costs to Rate Classes - F08 Actual**

<b>Total BC Hydro - F08</b>				
Function	<b>Transmission</b>			
Cost Classes	Transmission Demand	Demand Related Costs (Sched 2.1)	Transmission Meter	Transmission Meter Related Costs (Sched 2.1)
Allocation Basis	4 CP demand including losses (Sched 5.1)	468.00	Transmission Meter (Sched 5.3)	0.07
Residential	44.63%	208.87	0.00%	0.00
GS<35	7.61%	35.61	0.00%	0.00
GS>35	24.97%	116.88	14.85%	0.01
Irrigation	0.00%	0.00	0.00%	0.00
Street Lighting	0.44%	2.04	0.00%	0.00
Transmission	22.35%	104.59	85.15%	0.06
<b>Total</b>	100.0%	468.00	100.0%	0.07

Allocation of Classified Distribution and Customer Care Costs to Rate Classes - F08 Actual

Total BC Hydro - F08														
Function Cost Classes	Distribution (including Directly Assigned Street Lighting and Customer Care)													
	Distribution Demand Related (Sched 2.2a)	Distribution Customer Related (Sched 2.2a)	Distribution Customer Related (Sched 2.2a)	Street Light Demand Related	Street Light Customer Related	Street Light Demand Related Costs	Street Light Customer Related Costs	Street Light Demand Related	Street Light Customer Related	Street Light Demand Related	Street Light Customer Related	Customer Care Demand	Customer Care Demand Related Costs	Customer Care Customer Related Costs (Sched 2.3)
Residential	55.29%	196.14	88.27%	0.00%	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00	55.29%	37.59	36.60
GS-35	10.71%	37.99	9.67%	0.00%	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00	10.71%	7.28	3.51
GS-35	32.91%	116.75	1.31%	0.00%	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00	32.91%	22.37	1.83
Irrigation	0.44%	1.56	0.19%	0.00%	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00	0.44%	0.30	0.02
Street Lighting	0.64%	2.27	0.56%	100.00%	100.00%	3.61	100.00%	3.61	100.00%	1.95	1.95	0.64%	0.44	0.40
Transmission	0.00%	0.00	0.00%	0.00%	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00	0.00%	0.00	0.76
<b>Total</b>	<b>100.0%</b>	<b>354.72</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>3.61</b>	<b>100.0%</b>	<b>3.61</b>	<b>100.0%</b>	<b>1.95</b>	<b>1.95</b>	<b>100.0%</b>	<b>67.98</b>	<b>36.60</b>

**Summary of Costs by Function by Rate Class - F08 Actual**

<b>Total BC Hydro - F08</b>							
<b>Summary of Costs by Function (\$ X million) - All BCUC Directives Incorporated</b>							
<b>Rate Class</b>	<b>Generation Costs</b>	<b>Transmission Costs</b>	<b>Distribution Costs</b>	<b>F08 Total Cost (\$ million)</b>	<b>F08 Actual Revenue (\$ million)</b>	<b>Revenue - Cost (\$ million)</b>	<b>Rev/Cost Ratio</b>
<b>Residential</b>	609.4	208.9	432.4	1,250.7	1,147.9	-102.8	91.8%
<b>GS&lt;35</b>	127.8	35.6	67.2	230.7	285.5	54.8	123.8%
<b>GS&gt;35</b>	445.4	116.9	143.5	705.7	749.3	43.6	106.2%
<b>Irrigation</b>	1.8	0.0	2.3	4.0	3.3	-0.7	83.4%
<b>Street Lighting</b>	6.9	2.0	9.7	18.7	23.3	4.7	125.0%
<b>Transmission</b>	470.3	104.7	0.8	575.7	576.1	0.4	100.1%
<b>Total Classes</b>	1,661.5	468.1	655.9	2,785.5	2,785.5	0.1	100.0%

**Summary of Classified Costs by Function by Rate Class - F08 Actual**

<b>Total BC Hydro - F08</b>							
Cost Classes	Summary of Costs by Classification						
	Energy Related Costs	Generation Demand Related Costs	Transmission Demand Related Costs	Distribution Demand Related Costs	Total Demand Related Costs	Customer Related Costs	Total
Residential	415.0	194.5	208.9	233.7	637.1	198.7	1,250.7
GS<35	94.7	33.2	35.6	45.3	114.0	22.0	230.7
GS>35	336.6	108.8	116.9	139.1	364.8	4.3	705.7
Irrigation	1.8	0.0	0.0	1.9	1.9	0.4	4.0
Street Lighting	5.0	1.9	2.0	6.3	10.3	3.4	18.7
Transmission	372.9	97.4	104.6	0.0	202.0	0.8	575.7
<b>Total Classes</b>	<b>1,225.8</b>	<b>435.7</b>	<b>468.0</b>	<b>426.3</b>	<b>1,330.0</b>	<b>229.6</b>	<b>2,785.5</b>

**Energy Allocators for Cost Allocation to Rate Classes - F08 Actual**

<b>F08 Actual</b>	<b>Energy @ Customer Meter</b>	<b>Distribution Loss Factor</b>	<b>Energy @ Transmission Interface</b>	<b>Transmission Loss Factor</b>	<b>Energy @ Generation Interface</b>
	(MWh)		(MWh)		(MWh)
Residential	17,553,273	6.00%	18,606,469	6.00%	19,722,858
GS Under 35 kW	4,004,810	6.00%	4,245,099	6.00%	4,499,805
GS Over 35 kW Secondary	6,692,564	6.00%	7,094,118	6.00%	7,519,765
GS Over 35 kW Primary	7,731,066	3.44%	7,997,014	6.00%	8,476,835
Irrigation	74,597	6.00%	79,073	6.00%	83,817
Street Lighting	211,149	6.00%	223,818	6.00%	237,247
Transmission	<u>16,720,980</u>	0.00%	<u>16,720,980</u>	6.00%	<u>17,724,239</u>
<b>Total</b>	<b>52,988,439</b>		<b>54,966,571</b>		<b>58,264,566</b>

  

<b>Rate Class</b>	<b>Energy by Rate Class</b>	<b>Energy at Generator Allocation Factor</b>
	(MWh)	
Residential	19,722,858	33.85%
GS Under 35 kW	4,499,805	7.72%
GS Over 35 kW	15,996,600	27.46%
Irrigation	83,817	0.14%
Street Lighting	237,247	0.41%
Transmission	<u>17,724,239</u>	30.42%
	<b>58,264,566</b>	<b>100.00%</b>

**Demand Allocators - F08 Actual**

<b>Rate Classes</b>	<b>4 CP</b>	<b>NCP w/o T</b>
Residential	44.63%	55.29%
GS<35	7.61%	10.71%
GS>35	24.97%	32.91%
Irrigation	0.00%	0.44%
Street Lighting	0.44%	0.64%
Transmission	<u>22.35%</u>	0.00%
Total Integrated Area	100.00%	100.00%



**Customer Allocators - F08 Actual**

Rate Class	Actual Number of Accounts F08	# of bills sent per account each year	# of bills sent to rate class each year	# of Bills Allocator
Residential	1,567,350	6	9,404,100	86.74%
GS Under 35 kW	171,673	6	1,030,038	9.50%
GS Over 35 kW	23,210	12	278,520	2.57%
Irrigation	3,303	2	6,606	0.06%
Street Lighting	10,015	12	120,180	1.11%
Transmission	153	12	1,836	0.02%
<b>TOTAL</b>	<b>1,775,704</b>		<b>10,841,280</b>	<b>100.00%</b>

Rate Class	Actual Customer Count F08	Distribution Customer Count	Distribution Customer Allocator
Residential	1,567,350	1,567,350	88.27%
GS<35	171,673	171,673	9.67%
GS>35	23,210	23,177	1.31%
Irrigation	3,303	3,354	0.19%
Street Lighting	10,015	10,015	0.56%
Transmission	153	-	0.00%
<b>TOTAL</b>	<b>1,775,704</b>	<b>1,775,569</b>	<b>100.00%</b>

Rate Class	Actual Revenue F08	Revenue Allocator
Residential	1,147.9	41.21%
GS<35	285.5	10.25%
GS>35	749.3	26.90%
Irrigation	3.3	0.12%
Street Lighting	23.3	0.84%
Transmission	576.1	20.68%
<b>TOTAL</b>	<b>2,785.5</b>	<b>100.00%</b>

Rate Class	Weighting of # of Bills Allocator	Weighting of Revenue Allocator	Blended Customer Care Allocator
	90%	10%	
Residential	78.1%	4.1%	82.19%
GS<35	8.6%	1.0%	9.58%
GS>35	2.3%	2.7%	5.00%
Irrigation	0.1%	0.0%	0.07%
Street Lights	1.0%	0.1%	1.08%
Transmission	0.0%	2.1%	2.08%
<b>TOTAL</b>			<b>100.00%</b>

**Metering Allocator**

<b>Rate Class</b>	<b>Transmission Meter Replacement Cost</b>	<b>Transmission Meter Cost Allocator</b>
Residential	-	0.00%
GS Under 35 kW	-	0.00%
GS Over 35 kW	2,081,600	14.85%
Irrigation	-	0.00%
Street Lighting	-	0.00%
Transmission	<u>11,931,354</u>	<u>85.15%</u>
<b>TOTAL</b>	<b>14,012,954</b>	<b>100.00%</b>