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June 30, 2020

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

Dear Mr. Wruck:

**RE: British Columbia Utilities Commission (BCUC or Commission)
British Columbia Hydro and Power Authority (BC Hydro)
COVID-19 Customer Relief Program Application
Report No. 3 – May 2020**

BC Hydro writes in compliance with BCUC Order Nos. G-79-20 and G-139-20, which directed BC Hydro to, among other things:

1. Track the accruals in the Customer Crisis Fund (**CCF**) Regulatory Account resulting from the COVID-19 relief measures separately from those accruals to the account that were directed in BCUC Order No. G-166-17;¹ and
2. Report monthly to the BCUC, commencing May 1, 2020 and for a period of six months thereafter, on the activities captured by the CCF Regulatory Account as a result of the COVID-19 relief measures and the CCF program. The activities to be reported for the COVID-19 relief measures include:²
 - (a) Bill credits provided to customers under the COVID-19 relief fund for residential customers;
 - (b) BC Hydro costs for administering the COVID-19 relief measures for residential customers;
 - (c) Bill credits provided to residential renters who do not have a BC Hydro account in their name but pay for their electricity service through their rent;

¹ BCUC Order No. G-166-17 approved, among other things, the Customer Emergency Fund (**CEF**) Regulatory Account and Rate Schedule 1903, which established a CEF Rate Rider. The CEF Regulatory Account and CEF Rate Rider were renamed the Customer Crisis Fund (**CCF**) Regulatory Account and Customer Crisis Fund Rate Rider, by BC Hydro's Customer Emergency Fund Application - Compliance with Commission Order No. G-166-17 Directive 5, filed on April 30, 2018.

² BCUC Order No. G-79-20, item 13 and BCUC Order No. G-139-20, item 3.

- (d) BC Hydro costs for administering the COVID-19 relief measures for residential renters who do not have a BC Hydro account in their name but pay for their electricity service through their rent;
- (e) Interest costs recorded to the Customer Crisis Fund Regulatory Account related to the above; and
- (f) Amounts paid to BC Hydro pursuant to Rate Schedule 1903.³

In this report, BC Hydro is providing the information in compliance with these directives as at May 31, 2020. As BC Hydro will not have completed its internal reporting for June 2020 until mid-July 2020, the costs and revenues related to the CCF Pilot Program and the COVID-19 relief measures for June 2020 will be provided in the August 1, 2020 report, those related to July 2020 will be provided in the September 1, 2020 report, and so on. Interest is applied to the CCF Regulatory Account starting in April 2020 and is included in monthly reports thereafter.⁴

In late June 2020 it was determined that the residential renters program would not proceed due to administrative reasons. BC Hydro advised the BCUC that the program would not proceed in a letter dated June 29, 2020. No costs related to the program will be deferred to the CCF Regulatory Account, and any costs incurred related to the program will be expensed as operating costs.

[Table 1](#) below provides the information on the COVID-19 relief measures, including the bill credits for residential customers (line a), bill credits for renters (line e)⁵, BC Hydro's incremental costs to administer the COVID-19 relief measures (lines b and f), and interest costs (lines c and g), for the current month, the fiscal year to date total and the life to date amounts.⁶

³ CCF Rate Rider revenue, in accordance with BCUC Order Nos. G-166-17 and G-194-19.

⁴ Order in Council 159 and BCUC Order No. G-79-20 directed BC Hydro to apply interest to the CCF Regulatory Account balance.

⁵ BCUC Order No. G-139-20 approved BC Hydro's COVID-19 Residential Rate Relief for Renters Application. Items 2 and 3 of the Order directed BC Hydro to track the accruals related to the program in the CCF Regulatory Account, separately from the accruals from the COVID-19 residential relief measures approved by BCUC Order No. G-79-20.

⁶ As of May 31, 2020, BC Hydro received approximately 136,000 applications for the COVID-19 relief measures for residential customers, and approximately 90,500 applications had been approved, with actual credits of \$25.8 million. BC Hydro has used a forecast of the total expected applications for the COVID-19 relief measures for residential customers program over the three-month period of the program, to accrue the bill credit amount for May 2020. At May 31, 2020, BC Hydro recognized bill credits for the residential customers program based on two-thirds of the total forecast grants for the program over the period of April 2020 to June 2020.

Table 1 BC Hydro COVID-19 Relief Measures

\$ million (credit amounts appear in parentheses)	Current Month	Fiscal 2021	Life to Date
	May 2020	Year to Date	
a. Bill credits under the COVID-19 relief fund for residential customers	16.50	26.69	26.69
b. BC Hydro incremental costs for administering the COVID-19 relief measures for residential customers	0.49	0.59	0.59
c. Interest costs for COVID-19 relief measures for residential customers	0.06	0.08	0.08
d. Subtotal COVID-19 relief measures for residential customers (a+b+c)	17.05	27.36	27.36
e. Bill credits under the COVID-19 relief measures for residential renters	0.00	0.00	0.00
f. BC Hydro incremental costs for administering the COVID-19 relief measures for residential renters	0.00	0.00	0.00
g. Interest costs for COVID-19 relief measures for residential renters	0.00	0.00	0.00
h. Subtotal COVID-19 relief measures for residential renters (e+f+g)	0.00	0.00	0.00
i. Total COVID-19 relief measures (d+h)	17.05	27.36	27.36

[Table 2](#) below provides information on BC Hydro's incremental costs to administer (i.e., set-up and operating costs) the CCF Pilot Program (i.e., excluding costs related to the COVID-19 relief measures; lines k, l and m) as well as revenues paid to BC Hydro from the Rate Schedule 1903 CCF Rate Rider (line j) for the current month, the fiscal year to date total and the life to date amounts.

Table 2 BC Hydro - CCF Pilot Program

\$ million (credit amounts appear in parentheses)	Current Month	Fiscal 2021	Life to Date
	May 2020	Year to Date	
j. Amounts paid to BC Hydro pursuant to RS 1903 (CCF Rate Rider Revenues)	(0.24)	(0.47)	(8.94)
Total CCF Rate Rider Revenues	(0.24)	(0.47)	(8.94)
k. CCF Pilot Program grants	0.51	0.84	2.81
l. BC Hydro incremental costs for administering the CCF Pilot Program	0.09	0.14	1.35
m. Interest on net CCF costs	(0.02)	(0.03)	(0.03)
Total CCF Pilot Program Costs (k+l+m)	0.59	0.95	4.13
Net CCF Costs (CCF Rate Rider Revenues less CCF Pilot Program Costs)	0.35	0.48	(4.81)

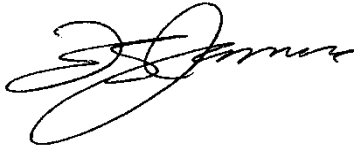
[Table 3](#) below provides a continuity schedule of the CCF Regulatory Account, including the prior month closing balance, current month additions to the regulatory account for the COVID-19 relief measures, the CCF Pilot Program costs (i.e., CCF grants and incremental costs to set-up and operate the CCF Pilot Program), and the CCF Rate Rider revenues, as well as the current month-end closing balance.

Table 3 BC Hydro – CCF Regulatory Account Additions and Balance

\$ million (credit amounts appear in parentheses)	
n. CCF Regulatory Account Balance as at April 30, 2020	5.15
o. Total COVID-19 Relief Measures - May 2020	17.05
p. CCF Pilot Program Costs - May 2020	0.59
q. CCF Rate Rider Revenues - May 2020	(0.24)
CCF Regulatory Account Balance as at May 31, 2020 (n+o+p+q)	22.55

For further information, please contact Chris Sandve at 604-974-4641 or by email at bchydroregulatorygroup@bchydro.com.

Yours sincerely,



Fred James
Chief Regulatory Officer

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