

Holmwood, Jen PREM:EX

From: Sanderson, Melissa EMPR:EX
Sent: Friday, November 24, 2017 3:36 PM
To: Holmwood, Jen PREM:EX; Aaron, Sage PREM:EX
Subject: Rob Shaw - Rate Freeze (Attributable Quote)

Do you have any issues with the below quote (not sure I can even get it approved by MMM in time). If not, would be on background. I kind of want to keep just the first two quotes, and delete the third but want your opinion.

Reporter: Rob Shaw, Vancouver Sun

Deadline: 4 p.m. today.

Request: I'm going to do a column on the transcript from the BCUC rate review preliminary conference Thursday. It says that a decision won't be made until probably mid-late January, depending on the questions written to Hydro and so on. I'm wondering what the minister thinks of this timeline? Does that not run right up to the provincial budget? Are there no budget implications for Hydro or government in not knowing if the rate hike will be allowed until that late? And what is the backup plan if the BCUC does not allow it - anything? Is government considering a cabinet order to require the BCUC to approve it, and spare two months of written back and forth on the issue? Would prefer minister but if all there is a statement, I guess that will have to do.

Recommendation: Have GCPE provide a statement attributable to MMM by email.

Response:

"We respect the British Columbia Utilities Commission's role as the province's independent energy regulator, while following through on our commitment to freeze hydro rates and make life more affordable for British Columbians.

"BC Hydro has requested approval from the BCUC to change next year's rate increase from three per cent to zero per cent. The rate freeze will give government and BC Hydro the time necessary to undertake a comprehensive review of BC Hydro. That review will identify savings and changes we can make to keep rates low and predictable in the future while ensuring BC Hydro has the revenue it needs to provide safe, reliable and affordable electricity to British Columbians. We are confident that BC Hydro will identify savings and changes that will help to address BC Hydro's revenue gap.

"We are not predicting any changes to the fiscal plan if the BCUC approves the request. If the BCUC does not approve BC Hydro's request for a rate freeze, government and BC Hydro will look to other ways to effectively freeze BC Hydro rates effective April 1, 2018."