

Workshop #1 - 8 May 2014  
Summary of Feedback and Consideration

## Purpose

This memo documents stakeholder feedback in relation to BC Hydro's proposed 2015 Rate Design Application (RDA) stakeholder engagement process as presented at the RDA 8 May 2014 Workshop #1 (Introduction and Scope). BC Hydro's consideration of this input is also detailed here.

The memo is structured as follows:

- **the main body** includes a summary of comments, grouped by theme, with BC Hydro's consideration;
  1. Out of scope issues
  2. 2015 RDA Modules
  3. Bonbright Rate Design Criteria
  4. Cost of Service (COS) - Range of Reasonableness
  5. COS – Non Integrated Area (NIA) and Fort Nelson
  6. COS – Independent Power Producer (IPP) Contribution to Network Upgrades
  7. Bill Impact Measurement (for Residential Inclining Block (RIB) rate)
  8. Transmission Voltage Service - Retail/Market Access
  9. Stakeholder Funding;
- **Attachment 1** includes the Workshop #1 notes which provide a more detailed description of issues (including questions and answers); and
- **Attachment 2** includes the feedback forms and written comments received during the written comment period.

## Background

The RDA Workshop #1 was held in Vancouver, B.C. Customers were also given an opportunity to participate remotely through a webinar. Copies of the workshop invitation and presentation slides can be found on the BC Hydro website at [bchydro.com/about/planning\\_regulatory/2015-rate-design.html](http://bchydro.com/about/planning_regulatory/2015-rate-design.html).

Stakeholder feedback was received during the workshop, and through feedback forms and written comments submitted during a subsequent 30 day comment period, which began with the posting of draft Workshop #1 notes on 16 May 2014.

### 1. Out of Scope Issues

There are two general categories of topics BC Hydro believes are out of scope for purposes of developing the 2015 RDA:

- (1) matters recently reviewed by the British Columbia Utilities Commission (BCUC); and
- (2) rate designs which are contrary to or the subject of B.C. Government policy or enactment, such as Mandatory Time of Use (TOU) for Residential or Commercial customers.

The term "out-of-scope" applies to development of BC Hydro's 2015 RDA, but not to the subsequent BCUC review of the 2015 RDA. BC Hydro recognizes that the BCUC has broad discretion with respect to the setting of the 2015 RDA review scope.

A separate specific category concerns Demand Side Management (DSM) program expenditures, which BC Hydro believes are out of scope because DSM programs are not rates<sup>1</sup> and will be addressed as part of any future section 44.2 *Utilities Commission Act* expenditure determination request. DSM program descriptions are in scope to provide context for conservation rate structures.

#### *Participant Comments*

Only two participants at Workshop #1 or as part of the subsequent 30 day comment period commented on category (1). Six participants commented on (2), although many participants supported (2) as a category.

Regarding (1) – matters recently reviewed by the BCUC:

**British Columbia Pensioners' and Seniors' Organization** (BCPSO) suggested Rate Schedule (RS) 3808 (the FortisBC Power Purchase Agreement) should be in scope for the COS study and therefore could be a candidate for rebalancing.

**BC Sustainable Energy Association** (BCSEA) believes Customer Baseline (CBL) determinations could impact further development of Transmission Service Rates (TSR) and therefore should be in scope despite the fact that CBLs had recently been reviewed by the BCUC and has been the subject of a number of BCUC decisions.

With respect to (2) – rate design contrary to Government policy:

**BCPSO** stated that the BCUC determines what issues are within the scope of the RDA. BCPSO questioned why Lifeline rates are out of scope. BCPSO indicated that the effectiveness of the Low Income DSM programs is in scope.

**BCSEA** interprets “out of scope” to mean not to be the subject of proposals to be addressed in the proceeding. It does not mean, “not relevant, cannot be discussed or the subject of IRs or evidence in the proceeding”.

**BCUC staff** asked that BC Hydro clarify whether optional TOU for Residential and/or Commercial customers may be considered in scope. BCUC staff indicated they believe the RDA will be more efficient if BC Hydro can reach consensus with workshop participants on out of scope issues and narrow the debate on scope issues, and gave the example of use of an embedded cost as opposed to marginal cost for the COS study.

**Lafarge Canada Inc.** disagreed that Mandatory TOU for Residential/Commercial customers is out of scope, but provided no further comment on the issue.

**CLEARresult Consultants** indicated that planned DSM expenditures should be considered by BC Hydro when looking at options for capacity reduction.

Finally, **BCSEA** listed two issues it believes are in scope: (i) Liquefied Natural Gas related tariffs; (ii) TOU should be considered as a potential alternative or additional conservation pricing mechanism, suggesting that BCSEA believes it should be in scope for the 2015 RDA. BCSEA also indicated that

<sup>1</sup> In 1990, the BCUC accepted that DSM programs generally are not rates to be filed as tariff sheets. The issue was raised again in the 2008 Long-Term Acquisition Plan proceeding with the same result. The definition of “demand-side measure” in section 1 of the *Clean Energy Act* reinforces this by referring separately to rates and programs, and thus differentiating them.

there is a need to look at setting DSM expenditure levels in the context of conservation rates and codes and standards, and therefore DSM expenditures should be in-scope.

### *BC Hydro Consideration*

#### Category (1)

BC Hydro agrees that while RS 3808 is out of scope for rate design purposes because of the recent (2013/2014) BCUC review, it will be included in COS. BC Hydro does not see value in revisiting CBL determination guidelines (Tariff Supplement (TS) No. 74) given the BCUC's numerous reviews of CBLs (five – refer to Slide #8 of the "Transmission Voltage Service Supply Rates" presentation), and notes the majority of participants commenting on this topic agreed TSR -related CBLs should be out of scope. BC Hydro will provide CBL description as context for its examination of TRS rates.

#### Category (2)

At Workshop #3 BC Hydro outlined the legal/jurisdictional issues related to Lifeline rates. With respect to a voluntary TOU rate, refer to the slide #83 of the presentation for Workshop #3 (RIB and other Residential rate issues, held 25 June 2014) where BC Hydro summarizes how a voluntary TOU for Residential customers compares to Bonbright rate design criteria. BC Hydro seeks stakeholder feedback on the reasons why BC Hydro would pursue voluntary TOU for Residential as part of the Workshop #3-related 45 day comment period, and will then liaise with the B.C. Government.

At Workshop #1 and Workshop #2 (COS Methodology, held 19 June 2014), BC Hydro referred to the BCUC's 2007 RDA decision, where the BCUC found there has been no widespread adoption of marginal COS methods and this continues to be the case; no jurisdiction has adopted marginal COS since the 2007 RDA decision. Almost all Canadian and U.S. Pacific Northwest utilities use embedded approaches. In these jurisdictions, marginal costs are used to inform rate design rather than allocation of embedded costs. With the exception of one participant, stakeholders who commented at or as part of the Workshop #1 written process or at Workshop #2 agreed with BC Hydro's suggestion to prepare an embedded COS, and BC Hydro will proceed on that basis.

BC Hydro will include Low Income DSM programs for context when considering RIB and alternatives to RIB, and other DSM program descriptions as appropriate. However, DSM programs are not rates, and therefore BC Hydro will not be seeking BCUC determinations concerning DSM program expenditures as part of the 2015 RDA.

## **2. 2015 RDA Modules**

### *Participant Comments*

**BCUC staff** commented that the proposed breadth of in-scope issues is large and that it may be worthwhile for BC Hydro to consider if certain issues could be treated as separate modules of the 2015 RDA and reviewed under separate proceedings that precede or are a subsequent phase of the RDA (i.e. Terms and Conditions, distribution system extension test, transmission system extension test).

**The Association of Major Power Consumers of British Columbia (AMPC)** suggested that transmission extension policy (TS No. 6) could be dealt with in a later module to allow the matter to be comprehensively examined without detracting from the progress of the RDA. AMPC also suggested that BC Hydro organize a separate workshop to identify transmission extension policy issues.

**Canadian Office & Professional Employees Union (COPE) 378** agreed that Distribution and

Transmission extension policies could be moved out to a later module.

#### *BC Hydro Consideration*

BC Hydro agrees that modules are useful concepts for a broad filing such as the 2015 RDA. BC Hydro is proposing two October 2014 workshops to address Transmission and Distribution extension policies, after which it will make a decision whether to move Distribution and Transmission extension policies out to a later module (i.e., to be filed after end of June 2015, the anticipated filing date for the bulk of the 2015 RDA).

### **3. Bonbright Rate Design Criteria Description**

BC Hydro asked for feedback in relation to descriptions and measurements for eight Bonbright criteria (slide #10 of the introductory presentation).

#### *Participant Comments*

**AMPC** provided a detailed discussion of the eight Bonbright criteria as part of its written response. AMPC stated, “the set of principles suggested by BC Hydro in the workshop differs significantly from the principles described by Bonbright. Some principles appear to have been emphasized or duplicated while others appear to be missing. As a key starting point for the RDA, AMPC suggests that BC Hydro replace the workshop version of Bonbright’s principles .... [T]o derive an acceptable set of new rates it is essential that the complete set of Bonbright principles are restored and addressed to find a balance”.

**BCPSO** indicated that there may be other applicable Bonbright criteria for the 2015 RDA but did not provide any specific examples.

**BC Rapid Transit** indicated that “beyond Bonbright”, “...through rate design there is an opportunity to foster other environmental, economic or social benefits in the region. In addition to energy efficiency, other benefits such as reduced greenhouse gas emissions also foster sustainability.”

**BCUC staff** indicated that the BCUC had reviewed, considered and accepted the Bonbright criteria in past regulatory proceedings and found them to be appropriate. However, staff was of the view that because other factors such as DSM measures which include behavioural modification measures, the value of service, etc. are changing the energy supply and cost of BC Hydro, new criteria and tests in addition to the Bonbright criteria may assist rate design. However, no suggestions were made as to what these new criteria and tests may be.

#### *BC Hydro Consideration*

BC Hydro has corresponded with AMPC, and modified its description of the eight Bonbright criteria by using the wording of the eight criteria found in the 1961 version of the Bonbright text (to be supplemented with 1988 text). Refer to Slide #20 of the Workshop #3 presentation. BC Hydro will continue to correspond with AMPC and present any proposed Bonbright criteria description revisions at relevant workshops.

BC Hydro grouped the criteria after reviewing other jurisdictions’ use of the Bonbright criteria (Efficiency, Fairness, Practicality and Stability).

The proposed measures will support BC Hydro’s evaluation of residential rate structures including inclining block rates. BC Hydro continues to seek feedback on this topic, and in particular will meet with AMPC to narrow or eliminate any differences that remain.

BC Hydro does not agree with BCUC staff's suggestion that a new conservation-related rate design criteria should be added given that the BCUC has already found the Bonbright efficiency criterion to be the appropriate criterion (among others) for purposes of examining conservation rate structures four times.

#### 4. COS – F2016 Revenue Requirement

BC Hydro stated for the purposes of the 2015 RDA COS, it proposes to use the F2016 Revenue Requirement (RR) given that F2016 will be the most current year for which a RR is approved pursuant to BCUC Order G-48-14.

##### *Participant Comments*

**BCPSO** indicated it is unclear why BC Hydro wants to use the F2016 RR as a historical year.

**BCSEA** indicated that BC Hydro should consider actual expenditures, even if not all are immediately recovered in rates, suggesting that regulatory account balances should be considered in the COS allocation modeling.

##### *BC Hydro Consideration*

BC Hydro's embedded COS for the 2015 RDA is prospective, not historic. Many utilities use a prospective COS (refer to Table A-1 of the consultant COS methodology assessment distributed to Workshop #2 participants as part of the workshop invitation). Both Manitoba Hydro and Hydro Quebec Distribution, for example, use prospective RR for their embedded COS.

With respect to including actual expenditures in the COS allocation model, even if the costs were not all immediately recovered in rates, BC Hydro does not think this is feasible because:

- There will be a mismatch between total costs incurred and revenues received from all customer classes;
- It is inappropriate to include costs that do not directly impact F2016 rates in the COS analysis when these same costs will likely impact the Revenue-to-Cost (R/C) ratios and ultimately indirectly affect rates if rebalancing occurs.

#### 5. COS Range of Reasonableness

BC Hydro proposed to use a 95% to 105% R/C ratio range of reasonableness on the basis that the BCUC directed this as part of the 2007 RDA, and many utilities use a 95% to 105% range of reasonableness.

In BC Hydro's view, unity is not appropriate given assumptions underpinning COS.

##### *Participant Comments*

Most participants providing written comments agreed with a 95% to 105% range of reasonableness.

**Commercial Energy Consumers Association of British Columbia** indicated that rate rebalancing is one of the most important issues facing its members, and suggested that rate rebalancing exercises should occur periodically as opposed to every seven years.

**AMPC** indicated that competitive considerations make it essential that the R/C ratio for Industrial

customers remains within a tight tolerance of 1%, or as close to 100% as the forecast rate design will allow.

**Progress Energy Canada Ltd.** indicated that the proposed rate rebalancing bands represent a significant ongoing transfer from Industrial customers to other customer classes, and suggested targeting a tighter R/C range.

**Canadian Association of Petroleum Producers (CAPP)** also suggested BC Hydro narrow the proposed R/C ration range, to +/- 2.5% of unity, and proposed that a review of the R/C ratios be conducted on a regular basis (e.g., 3 years).

**BCSEA** disagreed with BC Hydro's proposed range of reasonableness of 95% - 105%, but did not provide an alternative suggestion.

**CLEAResult Consulting** indicated there should be a commitment to addressing the R/C ratio of Small General Service (SGS) and Medium General Service (MGS) by the third quarter of 2016. In addition, BC Hydro should consider increasing the services provided to SGS/MGS customers, for example DSM direct install programs and energy management, training and campaigns.

#### *BC Hydro Consideration*

BC Hydro introduced additional jurisdictional evidence concerning R/C ratios and ranges of reasonableness as part of Workshop #2, and is seeking further feedback on the proposed 95% to 105% range of reasonableness.

BC Hydro agrees that it may make sense to have annual rebalancing proposals submitted to BCUC for 2-3 years after the 2015 RDA. These would then be followed by a new COS study and another set of annual rebalancing submissions – this could lead to regulatory efficiency rather than waiting for a large RDA submitted every 6-7 years.

### **6. COS - NIA and Fort Nelson Cost of Service**

CAPP and AMPC asked what the NIA (Zone II) COS and subsidy is, and asked that the costs related to NIA be shown separately in the COS so that they are properly identified and understood. AMPC also asked if R/C ratios could be provided for Fort Nelson service area.

#### *BC Hydro Consideration*

Zone II currently includes all Residential and Commercial customers in the Districts of Anahim Lake, Atlin, Bella Coola, Dease Lake, Eddontenajon, Elhlateese, Fort Ware, Haida Gwaii, Telegraph Creek, Toad River and Tsay Keh.

Zone II COS includes Cost of Energy, Operating, Maintenance and Administration costs plus Corporate allocations (Corporate Finance Charges, Depreciation, Return on Equity and Taxes) related to Zone II. In the aggregate, the F2014 R/C ratio for the NIA is about 25%. The Fort Nelson area R/C ratio is about **[30%]**.

Refined NIA and Fort Nelson area R/C ratios will be produced as part of the planned October COS workshop.



## 7. COS – IPP Contribution to Network Upgrades

Several workshop participants asked if an IPP class of customer be created to recover the cost of network upgrades directly from IPPs.

### *BC Hydro Consideration*

BC Hydro does not believe an IPP class is appropriate for the COS for the following two main reasons. First, IPPs are Open Access Transmission Tariff (OATT) customers, and charging them network upgrade costs would require amending the OATT.<sup>2</sup> Amending the OATT to provide for Network Upgrade costs to be passed to IPPs could not be done without redesigning BC Hydro's power acquisition processes and numerous elements of the OATT that are premised on the structure; refer to footnote 2. In the absence of any foreseeable sizable acquisition processes energy (i.e., no need as identified in BC Hydro's approved 2013 Integrated Resource Plan) and the extremely broad scope of the 2015 RDA, BC Hydro sees little utility in pursuing this course of action at this time.

Second, BC Hydro considers the cost of network upgrades as a bid evaluation adjustment when evaluating which IPPs are lowest cost. It is not feasible to amend 21 active F2006 Call electricity purchase agreements (EPAs) and 24 active 2009 Clean Power Call EPAs to attempt to pass on network upgrade costs. Putting network upgrade costs to IPPs directly on a going-forward basis would affect bids in a power acquisition process that in the end would increase the cost of energy, decrease demand costs and thus indirectly effect a cost-shift away from Residential customers (given that they bear a proportionately higher allocation of demand costs under the 4 Coincident Peak methodology).

BC Hydro provides bundled station service to IPPs under RS 1253 (Distribution voltage) and RS 1853 (Transmission voltage). Those rate schedules provide for interruptible service for black start and maintenance back-up purposes only on the basis of an energy-only market price (and a nominal monthly minimum). BC Hydro will consider whether this rate structure makes sense in the context of any other interruptible rate proposals it brings forward, and in the context of RS 1880 (standby and maintenance rate for TSR customers with self-generation), but would have a hard time justifying converting the service into a firm service with a demand charge in the face of IPP opposition.

## 8. Bill Impact Measurement (for RIB)

<sup>2</sup> In a competitive power acquisition process, Attachment M-2 of the OATT provides for BC Hydro in its capacity as Network Customer (BCH-NC) to notify BC Hydro qua Transmission Provider (BCH-TP) of an impending Competitive Electricity Acquisition Process (CEAP). When Attachment M-2 is engaged would-be suppliers to BCH-NC submit interconnection requests to BCH-TP (sections 4.4 and 4.5 of M-2). Upon being chosen in a CEAP BCH-NC applies to BCH-TP to have the new generating resources designated as Network Resources and to amend the Network Integration Transmission Service agreement (section 4.10). Despite these provisions, the IPP still receives interconnection service directly from BCH-TP, specifically, Network Resource Interconnection Service, sections 3.2 and 3.2.2 of Attachment M-1, and to that end is party to the Standard Generator Interconnection Agreement (SGIA) (Appendix 5 to Attachment M-1). Under 3.2.2.1 of Attachment M-1, "The Transmission Provider [BCH-TP] must conduct the necessary studies and construct the Network Upgrades needed to integrate the Generating Facility in the same manner as Network Resources...". Further, the IPP is the Interconnection Customer under the OATT, and under 11.3 of SGIA (SGIA, Appendix 5 to Attachment M-1) BCH-TP pays for Network Upgrades required to provide the interconnection service to the IPP. Section 11.5 of the SGIA provides for security to be posted by the Interconnection Customer, but that obligation is waived under section D(1)(a) of Attachment O to the OATT. The over-arching investment policy was established in the OATT proceeding in June 2006 (BCUC Order G-58-05) and confirmed in BCUC G-102-09.

BC Hydro proposed to maintain 2013 RIB customer bill impact approach as follows: maximum of 10% bill impact, representing all-in costs (consisting of RRA rate caps + changes to Deferral Account Rate Rider + rate changes due to rate rebalancing + rate changes due to rate design), to single most adversely impacted customer – to be used as a limit for modelling purposes.

#### *Participant Comments*

**BCPSO** indicated the BCUC has to determine what the maximum bill impact should be. BCPSO also indicated the RDA should examine exactly what purpose the Basic Charge service serves and whether it should be continued.

**CLEAResult Consulting** indicated BC Hydro should consider decoupling fixed cost revenue requirements from energy sales, and agreed with the proposal to consider decoupling minimum charges.

**BCSEA** indicated the 10% rate impact measure is important, but should be balanced with other criteria such as maximization of conservation effects. BCSEA recommend a review of the principles and priorities of the RIB and its intended role in the overall plan for conservation.

**BCUC staff** questioned how much room is available given the 10% maximum bill impact to accommodate the impact of rate design. BCUC staff stated, “When the 10% rate shock threshold was adopted the future revenue requirement increase was not considered firm or at least not capped. Is 10% still appropriate, with or without revenue requirement impacts, given Direction No. 7?” BCUC staff indicated that with respect to BC Hydro’s proposals for modeling basic and minimum charges, they believed that it would be useful to discuss how changes to basic and/or minimum charges will impact conservation and the efficient use of energy.

#### *BC Hydro Consideration*

While BC Hydro agrees with BCPSO that the BCUC will review what the maximum bill impact should be, BC Hydro requires a modelling assumption for measuring bill impact. The proposed 10% bill impact measure was discussed again at Workshop #3, where BCSEA indicated an alternative is to measure bill impact on the 95<sup>th</sup> percentile customer as opposed to the single most adversely impacted customer. BC Hydro agrees that modelling bill impacts around the 95<sup>th</sup> to 98<sup>th</sup> percentile by consumption is reasonable.

Refer to slide #18-#19 of the Workshop #3 presentation for a description of how BC Hydro considered the basic charge and other Residential rate design issues raised at Workshop #1.

### **9. Transmission Voltage Service – TOU/Interruptible**

With respect to considering TOU and/or interruptible rates for transmission customers, BC Hydro considered the TSR 3 Year Evaluation which among other things outlines the reasons why no TRS customer has chosen to take service under the existing TOU rate (RS 1825) and the Industrial Electricity Policy Review’s comments on both TOU and interruptible rates/load curtailment.

#### *Participant Comments*

**AMPC** indicated that load shaping options are needed by industrial customers who cannot afford to wait for approval of an RDA, “Options made available in a filing made mid 2015 would not be effective until 2016 after another round of rate increases which is too late. AMPC therefore proposes that the RDA be filed in three modules with an industrial (load shaping) option module filed by September 2014, that would have a reasonable prospect of approval by January 2015” and, “the main module of rate designs (including industrial rates other than options) could then continue as proposed for mid 2015.”

**Lafarge Canada Inc.** indicated that regional TOU rates may be beneficial, “...multiple zones of TOU



are important, with multiple options. Depending on the chosen option, the customer could either voluntarily curtail or, if the 'Direct Control' option was chosen BCH should entertain to provide financial subsidies to these customers to build necessary systems to support this type of control initiative, such as additional storage..." CAPP and PECL indicated that generally TOU or Interruptible rates would not benefit the oil and gas industry which requires facilities to run 24/7. CAPP encouraged BC Hydro to explore all methods for finding a portfolio of rates that can meet the needs of a broad range of industrial consumers.

**CLEARresult Consulting** indicated Large General Service customers are also interested in TOU, could be considered candidates for standby and interruptible rates, and should be considered in any engagement and analysis. BC Hydro should consider its experience with real-time pricing rates and TOU pilot program in the late 1990s.

#### *BC Hydro Consideration*

BC Hydro will develop a better definition of desired capacity products and assess customer capabilities through meetings with AMPC and/or individual TSR customer meetings.

BC Hydro met with AMPC concerning interruptible/load curtailment on 27 June 2014; the presentation and meeting minutes will be posted on the 2015 RDA page of BC Hydro's website.

### **10. Transmission Voltage Service – Retail/Market Access**

BC Hydro proposed that any consideration of Retail/Market Access should be limited to market-based pricing simulation as opposed to physical access due to among other things BCUC Order G-36-14 cancelling the Retail Access program and section 14 of Direction No. 7.

#### *Participant Comments*

**PECL** supports the development of a range of cost of service based rates including a market-based rate option. PECL supports the option for customers to obtain physical market access, rather than limiting to simulation only, on the condition that the full cost of providing the service is reflected in the applicable rates.

**CAPP** does not believe market-based pricing should be limited to simulation only.

**CLEARresult Consulting** indicated they believe retail/market access needs to be real and not based on market simulation. Offering rates that are market price surrogates does not capture the real market benefits or costs for those willing to participate.

#### *BC Hydro Consideration*

BC Hydro will consult with the B.C. Government on Retail/Market Access and will report back to stakeholders on this topic in Fall 2014.

### **11. Transmission Voltage Exemption for Re-Sellers**

Four BC Hydro customers are currently exempt from BC Hydro's 1823 stepped rate and take service under RS 1827: University of British Columbia, Simon Fraser University, City of New Westminster and Vancouver Airport Authority (YVR).

The rationale for the exemption was that these entities are not the end users of the electricity and

therefore unable to control the end-use of electricity

*Participant Comments*

Several participants asked whether the exemption for these customers still makes sense and whether it should be reconsidered.

*BC Hydro Consideration*

BC Hydro believes the appropriateness of the exemptions is within the scope of the 2015 RDA and plans to examine whether the original rationale for exemption still makes sense.

**12. Stakeholder Funding**

*Participant Comments*

**BCPSO** indicated that participant funding should be available for qualifying interveners who participate in the pre-application workshops and provide feedback on the workshops.

**BCSEA** also supported Participant Assistance Cost Award (PACA) funding, and indicated their ongoing participation in subsequent RDA engagement activities would be subject to obtaining funding.

*BC Hydro Consideration*

BC Hydro agrees that PACA funding is warranted for purposes of participating in 2015 RDA pre-application workshops.

By letter dated 29 May 2014 BC Hydro requested the BCUC confirm that pre-application workshops qualify for PACA funding. On 17 June 2014 the BCUC denied BC Hydro's request.

BC Hydro issued guidelines based on PACA for participant funding in its letter dated 26 June 2014 to participants of the 2015 RDA. A copy can be found on the BC Hydro website at: [bchydro.com/about/planning\\_regulatory/2015-rate-design.html](http://bchydro.com/about/planning_regulatory/2015-rate-design.html).

## SUMMARY

2014-05-08

8:30 AM TO 3:30 P.M.

<b>TYPE OF MEETING</b>	RDA Workshop No. 1, May 8, 2014
<b>FACILITATOR</b>	Anne Wilson, BC Hydro
<b>PARTICIPANTS</b>	Association of Major Power Customers of British Columbia (AMPC), ATCO Power, BC Rapid Transit Ltd., British Columbia Pensioners' and Senior's Organization (BCPSO), BC Sustainable Energy Association and Sierra Club of Canada (BCSEA), British Columbia Utilities Commission (BCUC) staff, Canfor Taylor Pulp, Catalyst Paper, Commercial Energy Consumers Association of British Columbia (CEC), City of New Westminster, Clear Energy B.C., Clear Result, Canadian Office and Professional Employees Local Union 378 (COPE 378), Current Solutions Inc., Erco World Wide, FortisBC, LaFarge Canada Inc., Metro Vancouver, Mining Assn. of B.C., Ministry of Energy & Mines, Progress Energy Canada Ltd., Weisberg Law Corp.
<b>BC HYDRO ATTENDEES</b>	Jane Christiansen, Gordon Doyle, Janet Fraser, Craig Godsoe, Rob Gorter, Bryan Hobkirk, David Keir, Kathy Lee, Rena Messerschmidt, Justin Miedema, Greg Simmons, Cindy Verschoor, Jeff Christian (external counsel).
<b>AGENDA</b>	<ol style="list-style-type: none"> <li>1. Welcome &amp; Introductions including review of draft agenda</li> <li>2. Presentation: Introduction to and Context for BC Hydro's 2015 Rate Design Application</li> <li>3. Presentation: Cost of Service Introduction and Scope</li> <li>4. Presentation: Rate Structures for Residential/LGS/MGS/SGS/Irrigation/Street Lighting</li> <li>5. Presentation: Rate Structures for Transmission Service</li> <li>6. Presentation: Transmission Extension Policy</li> <li>7. Presentation: Distribution Extension Policy</li> <li>8. Closing comments</li> <li>9. Workshop adjourned</li> </ol>

MEETING MINUTES																									
<b>COMMON ACRONYMS</b>	<table border="0"> <tr> <td>AMPC ..... Assn. of Major Power Consumers</td> <td>LMRC .... long-run marginal cost</td> </tr> <tr> <td>BCH ..... BC Hydro</td> <td>MGS ..... Medium General Service</td> </tr> <tr> <td>BCUC ..... BC Utilities Commission</td> <td>MWh ..... Megawatt</td> </tr> <tr> <td>BCPSO ... British Columbia Pensioner's and Senior's Organization</td> <td>N/A ..... Not applicable</td> </tr> <tr> <td>CEC ..... Commercial Energy Consumers Assn. of B.C.</td> <td>RDA ..... Rate Design Application</td> </tr> <tr> <td>COS ..... Cost of Service</td> <td>RFP ..... Request for Proposal</td> </tr> <tr> <td>DSM ..... Demand Side Management</td> <td>RRA ..... Revenue requirements application</td> </tr> <tr> <td>EE ..... Energy Efficiency</td> <td>SGS ..... Small General Service</td> </tr> <tr> <td>GWh ..... Gigawatt hour</td> <td>TBA ..... To be announced</td> </tr> <tr> <td>IPP ..... Independent Power Producer</td> <td>TBD ..... To be determined</td> </tr> <tr> <td>LGS ..... Large General Service</td> <td>TS ..... Tariff Supplement</td> </tr> <tr> <td></td> <td>TOU ..... Time of Use rate</td> </tr> </table>	AMPC ..... Assn. of Major Power Consumers	LMRC .... long-run marginal cost	BCH ..... BC Hydro	MGS ..... Medium General Service	BCUC ..... BC Utilities Commission	MWh ..... Megawatt	BCPSO ... British Columbia Pensioner's and Senior's Organization	N/A ..... Not applicable	CEC ..... Commercial Energy Consumers Assn. of B.C.	RDA ..... Rate Design Application	COS ..... Cost of Service	RFP ..... Request for Proposal	DSM ..... Demand Side Management	RRA ..... Revenue requirements application	EE ..... Energy Efficiency	SGS ..... Small General Service	GWh ..... Gigawatt hour	TBA ..... To be announced	IPP ..... Independent Power Producer	TBD ..... To be determined	LGS ..... Large General Service	TS ..... Tariff Supplement		TOU ..... Time of Use rate
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### 1. Welcome and Introductions SUMMARY

**Janet Fraser** opened the meeting by welcoming everyone and thanking participants for attending the kick-off of the 2015 RDA to be filed in June 2015. The scope of the RDA is broad, as BC Hydro has not filed an RDA since 2007. BC Hydro is looking forward to open and productive discussion. Introduced Anne Wilson, the workshop facilitator.

**Anne Wilson** introduced the workshop agenda and explained the purpose of the workshop, which was to provide an opportunity for feedback on the scope of the 2015 RDA and BC Hydro's proposed engagement process. Feedback can be provided in the following ways:

- feedback forms provided at the workshop
- by email or fax for three weeks following the workshop.

## SUMMARY

2014-05-08

8:30 AM TO 3:30 P.M.

<i>2. Presentation #1 - Introduction to and Context for BC Hydro's 2015 Rate Design Application</i>	
<p><b>Gordon Doyle</b> discussed what has informed the scope and that in many cases this will be the first time some rates have been reviewed since their original implementation. Some issues have been identified as out of scope. These include:</p> <ul style="list-style-type: none"> <li>• government policy related to Mandatory TOU for residential and commercial customers;</li> <li>• new regional rates;</li> <li>• Feed in Tariff;</li> <li>• Specific tariffs for the Northwest Transmission Line and Liquefied Natural Gas;</li> <li>• Rates, tariffs and charges recently reviewed by the BCUC;</li> <li>• Demand Side Management (<b>DSM</b>) program expenditure.</li> </ul> <p><b>Craig Godsoe</b> spoke about the legal context for the RDA including that the BCUC has discretion over the RDA and that the RRA has been set for F2015 and F2016.</p> <p><b>Gordon Doyle</b> introduced the Bonbright criteria BCH will use to evaluate rates: trade-offs will occur between criteria and BCH proposes limiting customer bill impact to a max. 10%. LMRC is also used for conservation rate structures.</p> <p><b>Gordon Doyle</b> closed with BCH's proposed engagement opportunities and timing.</p>	
FEEDBACK	BC HYDRO RESPONSE
<p>1. <b>COPE 378</b> Slide 5 - Concerned about defining out-of-scope issues on basis of Government policy; e.g., new regional rates are out-of-scope due to Government policy concerning postage stamp rates.</p> <p>Emphasized BCUC's broad discretion in rate design context.</p>	<p>Proposed out-of-scope issues are for purposes of putting together BCH's 2015 RDA. Once the 2015 RDA is filed, agreed the BCUC has broad discretion with respect to setting the scope for the 2015 RDA review.</p> <p>BCH questions the utility of reviewing a rate design that is not acceptable to the Government.</p>
<p>2. <b>CEC</b> Slide 7 - Does BCH have a position regarding rate rebalancing and the 2 percentage point increase limit set out in section 58.1 of the <i>Utilities Commission Act (UCA)</i>?</p>	<p>Refer to subsection 16(4) of Direction No. 7, which is clear that the rate caps for F017-F2019 are applicable to revenue requirement rate increases only and not to rate rebalancing or rate design increases.</p> <p>Maximum bill impact measure for rate increases/rate rebalancing/rate design will be described as part of the Bonbright rate design criteria.</p> <p>BCH will be communicating with Government regarding stakeholder positions on rebalancing within the section 58.1 <i>UCA</i> limit.</p>
<p>3. <b>COPE 378</b> Slide 8 – COS and Government limited revenue requirement that BC Hydro is able to collect/recover through rates.</p> <p>Will COS be on the basis of Direction Nos. 6 and 7 and limits on revenue requirement, or will BC Hydro be dividing up the 'real pie'.</p> <p>What Government permits BC Hydro to collect could skew COS rebalancing to different rate classes.</p>	<p>BCH proposes to use F2016 as the revenue requirement year for COS and so the 6% average rate increase set out in Direction No. 6 would be used.</p> <p>BCH will not be assuming an arbitrary additional revenue requirement amount for COS purposes rate increase set out in Direction No. 6.</p>

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4.	<p><b>AMPC</b> Slide 9 – Commented that they agree that Tariff Supplement No. 6 (<b>TS 6</b>) and Rate Schedule (<b>RS</b>) 1823 should be in scope even if there are legal issues resulting from section 3 of Direction No. 7.</p>	
5.	<p><b>AMPC</b> Slides 10/12 – need to revise the wording of the Bonbright criteria and the rate design consideration columns on Slide 10 – one example is there is too much emphasis on revenue stability.</p> <p>In addition, efficiency is broader than measuring conservation through the energy LRMC – need for dynamic efficiency to promote innovation in supply and demand. Efficient use of facilities is important.</p> <p>Agrees that BCH should move off its most recent call for tender acquisition process for LRMC purposes as there is too much time between these acquisition processes – BCH should consider Standing Offer Program pricing as part of LRMC.</p>	<p>Wording of eight Bonbright criteria is taken from the BCUC's decision concerning BCH's 2011 Residential Inclining Block (<b>RIB</b>) pricing application.</p> <p>BCH welcomes feed-back on wording of Bonbright criteria as well as proposed measurements column.</p>
6.	<p><b>AMPC</b> Commented that the use of a conservation stepped rate decision for Bonbright criteria wording may be an issue, e.g., Tier 2 pricing raises revenue stability issues and thus the focus on revenue stability.</p> <p>AMPC will provide comments as part of written comment period.</p>	
7.	<p><b>Catalyst</b> Slide 11 – Commented that they understand that BCH measures bill impact per-tax but customer looks at bill after tax due to the 7% Provincial Sales Tax on BCH's electricity bills to Transmission service customers (BC Hydro invoice vs. what customer actually pays).</p>	<p>Confirmed that to date bill impact analysis done on pre-tax basis.</p>
8.	<p><b>BCUC Staff/Consultants</b> Slide 15 - For the face-to face meeting stream of the proposed 2015 RDA customer engagement process, will BCH provide summaries of these meetings to other stakeholders?</p> <p>At a minimum any summary should identify why stakeholders hold a certain view.</p>	<p>Summaries of any face-to-face meetings will be provided; in addition, discussions from face-to-face meetings will feed into the topic-specific workshop steam.</p>
<p><i>3. Presentation #2 - Cost of Service Introduction and Scope</i></p>		
<p><b>Justin Miedema</b> explained the background of a COS – revenue requirement, functionalization and classification and allocation. He reviewed the 2007 RDA directives currently included in COS and 2007 RDA directives to be incorporated in the 2015 COS, along with key COS methodologies to be reviewed. Finally he discussed rate rebalancing.</p>		

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FEEDBACK		BC HYDRO RESPONSE
1.	<p><b>BCUC Staff/Consultants</b> Slide 6/7 – There was a lot of debate in the 2007 RDA concerning allocation between energy and demand, and customer and demand. Will BCH be using the same splits as directed by the BCUC in the 2007 RDA?</p> <p>Will BC Hydro be doing any sensitivity analysis?</p>	<p>To date, COS annual updates submitted as compliance filings to the BCUC use the 2007 RDA directed allocation splits with updated costs.</p> <p>The starting point will be the 2007 RDA directed allocation splits but the methodology will be looked (i.e., consider changes to allocations) and sensitivities will be used to inform any such proposed changes.</p>
2.	<p><b>AMPC</b> Will BCH be taking a comprehensive look at all allocators (as there are more than is shown in the slides)?</p>	<p>Yes.</p>
3.	<p><b>AMPC</b> BCH should consider allocating system related transmission costs to independent power producers (<b>IPPs</b>) – wind farms in the Northeast triggering system reinforcement costs Commented that it's important to look at; more of an issue as IPPs/wind grows (e.g., issue in Alberta market).</p>	<p>Hasn't been contemplated in the past but something BCH can consider.</p>
4.	<p><b>BCUC Staff/Consultants</b> Slides 9/10 - Is BCH taking the 2007 RDA directives as 'givens' for the 2015 RDA or is BCH considering differences (e.g., 3 Coincident Peaking (<b>CP</b>) vs. directed 4 CP)?</p> <p>BCH should set out different approaches so stakeholders can see the impacts.</p>	<p>BCH will use the 2007 RDA directives as a starting point.</p> <p>BCH will look at different methods and set out impacts of different methods, arrive at a leading proposal, and then review with customers for input.</p>
5.	<p><b>COPE 378</b> Slide 11 - Is BCH against a marginal cost based approach to COS?</p>	<p>Marginal cost based COS is hardly used; most utilities use embedded costs for COS.</p> <p>The issue was debated in the 2007 RDA and the BCUC concluded at that time that there was not widespread use of marginal cost based approach.</p> <p>BCH will show in a table format the utilities using embedded vs. marginal cost based COS approaches in its 19 June COS workshop.</p>
6.	<p><b>AMPC/Catalyst</b> Slide 14 - Sought confirmation that section 58.1 of the <i>UCA</i>'s 2 percentage point annual change was for an increase only.</p> <p>There appears to be no legislative restriction in a decrease for Transmission service customers of more than 2 percentage points annually.</p>	<p>Confirmed that wording in section 58.1 of the <i>UCA</i>: "increases by more than 2 percentage points per year ..."</p>



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7.	<p><b>AMPC</b> Slide 16 – The R/C ratios seem volatile Transmission service customers are at 104 or 105 R/C ratio – is this a sign of unstable customers or because rate rebalancing hasn't been done for a while?</p> <p>Rebalancing should be done more frequently – most utilities tend to rate rebalance every 2-3 years.</p>	<p>R/C ratios on a year-to-year basis do not change much – about 1%, with smaller rate classes perhaps changing a bit more.</p> <p>However over a 6 year period (since 2007 RDA) there have been bigger movements.</p>
8.	<p><b>CEC</b> Slide 17 - Key issue for some time is over-recovery of costs from Medium General Service (<b>MGS</b>) and Small General Service (<b>SGS</b>) customer categories. Will BCH commit to address this as part of the 2015 RDA?</p> <p>BCH has not done 2 percentage point adjustment for a number of years. Will rebalancing be ongoing vs. one-time with the 2015 RDA?</p>	<p>No upfront position at this time as to the amount of rebalancing within <i>UCA</i> confines – but rebalancing is in scope.</p> <p>It may make sense to have annual rebalancing proposals submitted to BCUC for 2-3 years after 2015 RDA and then a new COS is done which drives another set of annual rebalancing submissions – this could lead to regulatory efficiency - rather than waiting for a large RDA submitted every 6-7 years.</p>
9.	<p><b>COPE 378</b> Commented that the BCUC ruled on rate rebalancing as part of the 2007 RDA but then <i>UCA</i> amendments came through before the provincial election; noted that the next election is in 2017 with BCUC 2015 RDA decision expected sometime in 2016.</p>	
10.	<p><b>Catalyst</b> Slides 16-17 – What is driving demand-related costs? BCH stated that Residential demand is getting peakier.</p> <p>A Revenue/Cost (<b>R/C</b>) of 105% for Transmission customers is more than moderate.</p>	<p>Over a 5 year period share of demand cost to Residential has increased, while the share to Transmission customers has decreased.</p>
<p><i>4. Presentation #3 - Rate Structures for Residential/Large General Service (LGS) / MGS / SGS / Irrigation / Street Lighting</i></p>		
<p><b>Rob Gorter</b> discussed background and RDA scope for:</p> <ul style="list-style-type: none"> <li>• the residential RIB rate – including rate impacts on low-income customers and secondary suites;</li> <li>• large, medium and small general service rates;</li> <li>• E-Plus service;</li> <li>• Non-integrated area (<b>NIA</b>) rates;</li> <li>• Farm and irrigation rates.</li> </ul>		

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FEEDBACK	BC HYDRO RESPONSE
<p>1. <b>COPE 378</b> Slide 5 - Is there data looking back at the performance of RIB and impact of conservation and other elements, e.g. load factor?</p>	<p>The RIB evaluation for F2009-F2013 was submitted to the BCUC as part of BCH's 2013 RIB pricing application to the BCUC; the evaluation looked at conservation, elasticity for Residential, customer awareness, etc.</p> <p>The evaluation found that RIB is meeting objective of conservation.</p> <p>Updated RIB evaluation for F2013-F2016 won't be available to inform 2015 RDA.</p>
<p>2. <b>CEC</b> Slide 5 - Has BCH done a RIB evaluation as if rates were recovering the full COS (Residential at R/C ratio of 100% and not 90%)? Could it be done? Logically speaking wouldn't there be more conservation?</p>	<p>BCH could evaluate this but would need to consider not just conservation but other Bonbright criteria such as bill impacts in the overall trade-off analysis.</p>
<p>3. <b>COPE 378</b> How much does RDA rate design really matter vs. impact of general rate increases? With rates increasing by such a large percentage over the next few years, how much impact would rate design tweaks have on conservation?</p>	<p>Rate increases are part of Bonbright bill impact measure</p> <p>BCH examining impact of rate design on low income – for example separating out a Residential Minimum Charge with adjustments to Tier 1 pricing to ensure RIB is revenue neutral could assist low income customers.</p>
<p>4. <b>BCSEA</b> RIB designs should be considered to maximize conservation.  Is RIB Tier 2 pricing appropriately linked to LRMC or will BCH consider different Tier 2 pricing resulting in greater conservation?</p>	<p>RIB alternatives are being looked at – and setting Tier 2 above LRMC is not the only method to potentially achieve greater conservation (RIB Tier 1/Tier 2 threshold will be reviewed)</p> <p>BCH will need to evaluate all rate designs against Bonbright criteria.</p>
<p>5. <b>BCUC Staff/Consultants</b> Slide 7 - Could BCH explain why it would not include a capacity value in LRMC?</p>	<p>The issue of including a capacity value in the energy LRMC first arose in the 2013 RIB proceeding. The advanced basis was that since Residential does not have a demand charge, adding a capacity value into the energy LRMC should be done.</p> <p>Capacity value would add about \$15 per megawatt hour (/MWh) to the \$100/MWh upper end of the energy LRMC.</p> <p>BCH does not agree that a demand charge signals capacity value – it is more related to fixed cost recovery – and BCH is not sure if there is a capacity value signal in a situation where such value is signaled every hour of the year through an energy LRMC.</p> <p>BCH will be reviewing this issue in greater detail at the 25 June 2014 workshop on the RIB.</p>

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6.	<p><b>Catalyst</b> Slide 11 - Applicability of threshold for secondary suites. Is the issue that if someone has a suite, an additional Tier 1 amount would be given?</p> <p>As an industrial customer, and in the context of an absence of rate rebalancing for a long period of time and the breadth of the 2015 RDA, at some point the issues should be prioritized, i.e., address the key issues – and this is not a key issue. How a landlord charges a tenant shouldn't be a part of rate design</p>	<p>Yes.</p> <p>This issue has been raised by Residential customers; BCH seeks feedback on the relative importance of the issue, in particular given its view, as noted in the discussion of end use rates, that BCH seeks to avoid rate designs where it would need to know what happens beyond the customer meter.</p>
7.	<p><b>BCUC Staff/Consultants</b> Slide 13 – When the LGS/MGS rate structures were developed there was concern that it would be overwhelming for BCH to manage/handle How has that part worked out? Does it have a bearing on what BCH will be looking at?</p>	<p>Yes, it has a bearing. The LGS/MGS rate structures are quite complex and difficult to manage; BCH is interested in identifying changes to these rate structures that make them simpler to administer.</p> <p>BCH is thinking of an October 2014 topic-specific workshop on LGS/MGS where alternatives to simplify could be looked at – BCH will send an e-mail to customers once timing and scope of a LGS/MGS topic-specific workshop is better known.</p>
8.	<p><b>BCUC Staff/Consultants</b> Slide 16 - In the 2007 RDA there was debate as to whether there is proof that E-Plus customers can switch to their alternate heat source. And if they did, the BCUC noted that there may be negative impacts on E Plus customers. Is BCH looking at inducements to get customers off E-Plus?</p> <p>Have E-Plus customers ever been interrupted?</p>	<p>BCH is not looking at inducements but rather is proposing to continue with the attrition approach with validations done every few years.</p> <p>E-Plus customers have never been interrupted.</p>
9.	<p><b>AMPC</b> Slide 17 – Please consider setting out R/C ratios for NIA.</p> <p>Is Fort Nelson considered part of NIA and if not, please provide R/C ratios for Fort Nelson as well as for NIA.</p>	<p>Fort Nelson is not part of NIA.</p> <p>BCH has the ability to provide R/C ratios for NIA and Fort Nelson.</p>
10.	<p><b>COPE 378</b> Having NIA rates is contrary to position on end-use rates and postage stamp rate policy. Has BCH given this much thought?</p>	<p>Subsections 60(2) and 60(3) of <i>UCA</i> permit the BCUC to take into account distinct or special areas that are sparsely populated when setting rates.</p> <p>BCH will need to confer with Government on approach – e.g., alternatives of roll-in with rate impacts to existing customers not in NIA vs. maintain NIA for rate design purposes.</p>
11.	<p><b>COPE 378</b> Will residential rate tariff items like disconnection/reconnection fees be looked at?</p>	<p>Yes, these fees will be reviewed at the 25 June 2014 workshop and are in scope.</p>

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<i>5. Presentation #4 - Rate Structures for Transmission Service</i>	
<p><b>David Keir</b> provided an introduction to the transmission service class, and overview of the rates and regulatory context. He presented BCH's proposed scope including:</p> <ul style="list-style-type: none"> <li>• RS 1823 stepped rate;</li> <li>• TOU;</li> <li>• Standby/interruptible;</li> <li>• Retail/market access; and</li> <li>• Exempt/surplus/other rates.</li> </ul>	
FEEDBACK	BC HYDRO RESPONSE
<p>1. <b>AMPC</b> Slide 6 - Comment: BCH should move away from tariff supplements. There are the rate schedules, and terms and conditions; that should be enough</p>	
<p>2. <b>Canfor</b> Slide 10 – Context for Industrial Electricity Policy Review (<b>IEPR</b>) is that Industrial rates are higher in B.C. than other jurisdictions so rate rebalancing and coming up with flexibility is very important.</p> <p>What is true cost of supplying industrial customers? Cost of supply must consider geographic location of generation, Power Factor, demand charge, etc.</p> <p>BC Hydro clarified with Canfor that the question refers to “demand utilization”. Canfor is of the view that an industrial customer located near generation and with 24x7 operation uses system capacity more efficiently than a customer located further away and/or that has intermittent use. Accordingly, “efficient users” of system should pay less. BC Hydro responded that postage stamp rates are designed to deal with these inequalities.</p>	<p>Demand charge - kVa component in rate. Lagging Power Factor incurs a charge but nothing for leading Power Factor. Per slide 14 demand pricing and components (definition, period, etc.) are in scope.</p>
<p>3. <b>West Fraser Mills</b> Comment: Background for mechanical pulping situation - electricity accounts for ~25% of costs, now approaching 30%; consumes about 12% of energy in B.C.</p>	
<p>4. <b>Catalyst</b> Comment: Could pump VARs (Voltage-Ampere-Reactive) back into the system if there was a carrot.</p> <p>Pricing is key. Demand charge – 30 minute peak kVA component in rate. Average of 6x5 minute intervals for each 30 minute HLH period. Lagging Power Factor incurs a charge but nothing for leading Power Factor</p>	<p>Per slide 14 of presentation, demand charge is in scope</p>
<p>5. <b>Canfor</b> Definition of Heavy Load Hour (<b>HLH</b>) should more closely reflect BCH's cost - how much of it is negotiable?</p>	<p>Definition of HLH is in scope as part of TOU for Transmission customers for example (refer to Slide 16).</p>

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6.	<p><b>BCUC Staff/Consultants</b> Slide 11/Slide 12 - Are pricing principles for RS 1823 set only for F2015/F2016?  How long lasting is section 3(1) of Direction No. 7 parameters (e.g., 90/10 split).</p>	<p>Yes, per section 3(c) of Direction No. 6 pricing principles for RS 1823 are set for F2015/F2016; for F2017 onward pricing principles are in scope.  Section 3(1) of Direction No. 7 is not limited to F2015/F2016.</p>
7.	<p><b>Catalyst</b> Slide 14 - Pricing for demand. Is the definition of demand for billing within scope?</p>	<p>Yes – demand definition, demand period, demand pricing are all in scope.</p>
8.	<p><b>Clear Result</b> Regarding the cost of Transmission for connected IPPs – would any such COS adjustment feed into demand charge?</p>	<p>This can be explored.</p>
9.	<p><b>BCSEA</b> Slide 14 - The Tier 1 and Tier 2 split is a directed 90/10 split. TS 74 is the mechanism for Customer Baseline (CBL) to be varied.  For there to continue to be conservation, could look to CBL adjustment. Is TS 74 up for discussion?</p>	<p>Appendix A added to TS 74 to address duration of DSM investments (2-10 year duration, based on project classification). The effect of CBL adjustments is to preserve a conservation price signal for further DSM investment.  TS 74 has been reviewed on a number of occasions by BCUC, including recently (refer to slide 8) – BCH's view is that TS 74 is not in scope but welcomes BCSEA to submit written comments as to why TS 74 should be in scope.</p>
10.	<p><b>Clear Result</b> Slides 15 - RS 1825 TOU is not real-time pricing, right?</p>	<p>Correct.</p>
11.	<p><b>ERCO Worldwide</b> Slide 16 - Why hasn't there been one customer on RS 1825? The rate appears to have not worked for customers if they stayed neutral and ran by historic levels; they would be penalized, there was nothing to gain.</p>	<p>There are a number of factors – term (3 years); insufficient margin; complexity – for CBLs; and not every customer has the process flexibility to make this kind of rate work.</p>
12.	<p><b>BCUC Staff/Consultants</b> Does BCH have a view whether a 3 year term is appropriate? Or RS 1825 pricing? Or is the real problem that a TOU does not work given the nature of BCH's system?</p>	<p>RS 1825 was not the focus of the 2005 negotiated settlement, which mainly concerned RS 1823 IEPR pointed out potential problems with TOU given the nature of the BCH system.  BCH would likely need a term longer than 3 years to defer capacity investments.</p>
13.	<p><b>West Fraser</b> Comment: Looked at TOU – there was not a lot of value. Significant capital would be needed to take advantage of it. Would need to switch operation from daytime to nighttime. Significant difference in pricing would be needed. West Fraser has labour agreement flexibility (non-union) to make this work.</p>	

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14.	<p><b>AMPC</b> Comment: A 2016 timeline for a BCUC decision on TOU and/or interruptible rates is a concern Interruptible/load curtailment avoids costs – agrees that right now that may be short-term costs but BCH needs to consider giving credit for theoretical avoided future longer term capacity costs.</p> <p>AMPC would like to see an early indication of avoided costs.</p>	
15.	<p><b>Canfor</b> Slide 17 - Should TOU rate consider capacity product market pricing in addition to B.C.-based resources? BCH should not just consider avoided supply; should look at revenue for BCH (i.e., to sell on market).</p>	<p>Market values for capacity can be looked at in addition to such B.C.-based resources as Revelstoke Unit 6 (about \$55 per kilowatt year (/kW-year), Simple Cycle Gas Turbines (about \$80/kW-year) and Pumped Storage (above \$100/kW-year).</p> <p>BCH is likely looking for 8 hour product and not 4 hour product – could be aggregations. Current definitions of HLH and Light Load Hour (<b>LLH</b>) are blunt and could be more finely tuned.</p>
16.	<p><b>Catalyst</b> Comment: Consider keeping TOU HLH/LLH the same overall but break them up into smaller chunks; from a capital perspective that would be easier to work with.</p>	
17.	<p><b>BCUC Staff/Consultants</b> Slide 19 - How would an interruptible rate work?</p>	<p>BCH could use different mechanisms – for example a load curtailment program and not necessarily a rate. Level of control - voluntary not as useful as utility direct load control.</p> <p>Notice period is key; as is number of interruptions per day, per year etc.</p> <p>How is it priced? Real time pricing, Critical peak? BCH doesn't have the answers yet. Also need better understanding of customer capability and requirements. Find convergence point.</p>
18.	<p><b>AMPC</b> Comment: Direct load control vs. voluntary – whole range of steps between these.</p> <p>There are also a range of services that could be provided by industrials – not just interruptible.</p>	
19.	<p><b>Current Solutions Inc.</b> Slide 18 - Comment: BCH should be looking at BCH service area-wide interruptible rate and a regional/site specific mechanism which factors in considerations such as local generation, N-1 service standard/contingencies.</p>	



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20.	<p><b>Catalyst</b> Slide 20 - RS 1880 – energy cost is Tier 2 price. Suggest making this similar to RS 1853 which is indexed to market pricing. This would provide some incentive to schedule self-generation during specific periods.</p> <p>In any event pricing must be looked at for these two rate schedules.</p>	<p>Agreed that energy pricing is in scope. For RS 1880, current pricing mitigates arbitrage for self-generation customers.</p>
21.	<p><b>Clear Result</b> Slide 23 – exempt rate for ‘utility-like’ customers - Originally list of exempt customers included FortisBC.</p>	<p>Confirmed. Original list of exempt customers included FortisBC and City of New Westminster. FortisBC is not served under RS 1827, it is served under RS 3808. Prior to recent Power Purchase Agreement revision, RS 3808 had the same energy and demand pricing as RS 1827.</p>
22.	<p><b>AMPC</b> What’s special about these customers to make them exempt? It is likely not appropriate</p> <p>Surplus option should be on books.</p> <p>Should consider a green option – there should be option to purchase green energy.</p>	<p>Original rationale for exemption was the inability to control the end-use. Is that rationale still appropriate? BCH can look at this.</p>
<p><i>6. Presentation #5 - Transmission Extension Policy</i></p>		
<p><b>David Keir</b> provided an overview of the transmission system, BCH’s interconnection tariffs and TS 6. He invited comment on BCH’s proposed scope for items for TS 6, BCH’s interconnection process and queue management, and related terms and conditions.</p>		
<p><b>FEEDBACK</b></p>		<p><b>BC HYDRO RESPONSE</b></p>
1.	<p><b>AMPC</b> Slide 8 - Comment: Consideration of BCUC 1996 System Extension Test (<b>SET</b>) guidelines is appropriate in the context of Distribution; but there’s little that can be taken from that for Transmission extension policy – BCUC said SET guidelines not to be applied ‘as is’ to TS 6 (refer to Dawson Creek/Chetwynd Area Transmission Project Certificate of Public Convenience and Necessity (<b>CPCN</b>) proceeding).</p> <p>Hopes that something will be done about the 7 year wait for Transmission extension.</p>	
2.	<p><b>BCUC Staff/Consultants</b> Slide 9 – Comment: Negotiation of TS 6 150 MV.A threshold was put in place mostly for forestry industry to assist with new facilities.</p>	

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<p>3.</p>	<p><b>Richard Stout, AMPC</b> Slide 13 – Comment: Hoping BCH will start with blank sheet of paper; shouldn't be restricted by TS 6.</p> <p>There are two TS 6 thresholds which are arbitrary: (1) system reinforcement vs. radial extension; and (2) 150 MV.A.</p> <p>There are three assumptions/goals about design of Transmission extension policy: (1) BCH has obligation to serve no matter what the location in its service area (2) BCH should always choose the least cost option; this would include consideration of local generation vs. transmission solution (3) Bonbright principles should apply, in particular: predictability; fairness; avoidance of undue discrimination – TS 6 fails on all.</p> <p>Goal is to find balance between new customer (paying less than 100% of incremental cost – new customers could pay 100% of cost under TS 6 which is not right) and existing customers (all customers) through a reasonable limit on rate impact.</p> <p>No preference as to customer end use – e.g., gas compression/system reinforcement over mining/radial extension.</p>	
<p>4.</p>	<p><b>COPE 378</b> Comment: Use of 2015 RDA phases or modules – Transmission extension policy may be a candidate for this treatment.</p>	
<p>5.</p>	<p><b>AMPC</b> Supports comment on use of modules - AMPC could accept delay of TS 6 review if Transmission rate structures review could somehow be accelerated.</p>	<p>BCH is open to phasing/modules for RDA.</p> <p>There is some urgency for some customers wanting to connect in updating TS 6.</p>
<p>6.</p>	<p><b>ERCO Worldwide</b> Slide 17 – IEPR recommendation/Government response on rate design review process – to provide industrial customers “with more options to reduce costs”. How will BCH handle reduced revenue?</p>	<p>BCH did not respond to this comment at the workshop.</p> <p>BCH notes that the RDA does not reduce or increase BC Hydro's revenue requirements. BCH is examining rate structures that will give Transmission service customers more flexibility which could result in lower costs for some Transmission service customers. A key issue is revenue neutrality.</p>
<p>7.</p>	<p><b>Jamie Shand</b> Raised a question with respect to ‘pre-build’ issues.</p>	<p>BC Hydro followed up with an email to Mr. Shand on May 12<sup>th</sup>, 2014 asking him to clarify his question.</p> <p>BC Hydro believes questions related to “pre-build” issues are a planning/CPCN issue and not a rate design issue. BC Hydro will provide a response upon receipt of the clarifying email from Mr. Shand.</p>

## SUMMARY

2014-05-08

8:30 AM TO 3:30 P.M.

8.	<b>AMPC</b> Slide 19 – Comment: TS 6 scope list is good but BCH needs to explicitly articulate what it is trying to do. There is need to balance rate impacts to all customers with costs for a new customer.	
9.	<b>Clear Result</b> Slide 20 - With new plant, new construction, etc., at what point does a proponent become a new Transmission service customer? Is the proponent a customer when they apply (or when they are connected)?	This slide is being discussed in the context of a request for interconnection.
10.	<b>Mining Association of BC</b> Why were reinforcements covered in the first place? Where did the 150 MV.A threshold come from?  <b>BCUC Staff/Consultants Response:</b> BCUC staff recalls that on one hand forest industry with plants and future plants who thought they should not be paying for system reinforcement; on the other hand BCH argued that customers with new plants coming on should be paying something.  The 150 MV.A threshold was a practical bargaining result in the negotiated settlement leading to TS 6.	BCH invited BCUC staff to respond
<i>7. Presentation #6 - Distribution Extension Policy and Terms and Conditions</i>		
Rena Messerschmidt provided an overview of the distribution system and customer characteristics. She provided illustrative examples of extension cost and presented BCH's proposal to review Section 8 of BCH's Electric Tariff during this RDA.		
<b>FEEDBACK</b>		<b>BC HYDRO RESPONSE</b>
1.	<b>BCUC Staff/Consultants</b> Slide 6 – Is upstream of the substation always paid for BCH?	Yes; BCH may need to clarify in the Electric Tariff.
2.	<b>BCUC Staff/Consultants</b> Distribution extension could be another module/phase.	Distribution extension policy could be a later 2015 RDA phase.
3.	<b>AMPC</b> Slide 11 - Comment: Presentation demonstrating how complex the issue is and how difficult it is to balance for fairness.  Distribution extension policy appears to be more progressed than TS 6 because it was more recently reviewed.	
4.	<b>Clear Result</b> A Distribution customer has greater chance of staying on system as compared to a Transmission service customer.  Industrial loads are more risky with a greater stranded asset risk.	There is a risk of stranded assets with phased developments in the Distribution context.

## SUMMARY

2014-05-08

8:30 AM TO 3:30 P.M.

<i>8. Closing Comments</i>	
FEEDBACK	RESPONSE
1. <b>BCPSO</b> Participant Assistance Cost Award ( <b>PACA</b> ) budgets – are BCH workshop days included?	
2. <b>Weisberg Law Corp.</b> In addition to workshops, time needed for face-to-face meetings should also be considered Timetable – given the June 2015 filing date and timetable after that, we are looking at 18+ months for this process. There would be a necessity for interim PACA funding.  Noted that workshops are included in the term “proceeding days” in BCUC PACA guidelines.  Request/encourage BCH to write to the BCUC and state workshop days, consultation days to be proceeding days and have BCUC confirm or provide guidance and interim PACA funding.  Absent of this would prohibit meaningful involvement of certain customers.	BCH needs to review the BCUC’s PACA guidelines and discuss with BCUC staff; it is important for customer engagement to have participants at BCH’s 2015 RDA workshops.
<i>9. Workshop adjourned</i>	
<b>Anne Wilson</b> thanked everyone for making the time to participate in the workshop and reviewed the ways that feedback can be submitted to BC Hydro. Meeting adjourned at 3:30 pm.	

## 2015 RDA - May 8, 2014 Workshop Feedback Form

<b>Name/Organization:</b>	<b>Topics of Interest (please check appropriate boxes):</b>			
BC Rapid Transit Company Ltd	Residential Rates	<input type="checkbox"/>	Transmission Extension Policy	<input type="checkbox"/>
	Commercial Rates	<input checked="" type="checkbox"/>	Distribution Extension Policy	<input type="checkbox"/>
	Industrial Rates	<input type="checkbox"/>	Other	<input type="checkbox"/>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 1: Introduction To and Context for BC Hydro's 2015 RDA</b>					
<b>Section A-1: Out of Scope Issues:</b>					
<b>Out of Scope - per BC Govt. policy:</b>					
Mandatory Time of Use (TOU) for Residential or Commercial customers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Creation of new regional rates (Postage stamp rates confirmed as BC Government policy)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Feed in Tariff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Specific tariffs for Northwest Transmission Line and Liquefied Natural Gas, but principles informing these are in-scope	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>Out of Scope - recently reviewed by BCUC:</b>					
Net metering (Rate Schedule (RS) 1289)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Smart Meter Choices Program charges	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
FortisBC Power Purchase Agreement (RS 3808)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	



Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Customer Baseline Determination (Tariff Supplement (TS) 74)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Baselines are integral in LGS/MGS rate structures and these may also need to be included in scope to properly address other items being reviewed as noted below. May be of particular concern for new customers/accounts.
Tariffs outside of load supplying rates – Open Access Transmission Tariff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Demand Side Management program expenditures – but program descriptions are in scope to provide context for conservation rate structures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>Section A-2: In Scope Issues:</b>					
All 7 customer classes: Residential, Large General Service (LGS), Medium General Service (MGS), Small General Service (SGS), Irrigation, Street Lighting and Transmission	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Cost of Service (COS), and Rebalancing within the confines of section 58.1 of the <i>Utilities Commission Act</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Transmission and Distribution extension policies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Electric Tariff terms and conditions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
BC Hydro proposes that rate increase limits in Direction 7 for F2017, F2018 and F2019 will be assumed for RDA modelling purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that a Deferral Account Rate Rider (DARR) of 5% will be assumed for RDA modelling purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
BC Hydro proposes to proceed as if RS 1823, TS 5 and TS 6 are in scope for the 2015 RDA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that the eight Bonbright Criteria are to be measured per Slide #10 of the Introduction presentation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Beyond Bonbright, through rate design there is an opportunity to foster other environmental, economic, or social benefits in the region. In addition to energy efficiency, other benefits such as reduced greenhouse gas emissions also foster sustainability.
<b>Customer Engagement Process – see Section B of Feedback Form</b>					
<b>Presentation 2: Cost of Service Introduction and Scope</b>					
For purposes of the 2015 RDA COS, BC Hydro proposes to use the F2016 Revenue Requirement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that COS continue to be prepared using embedded costs rather than marginal costs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes to review methodologies in COS model for functionalization, classification, allocation, and other forms of cost assignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Rate Rebalancing: BC Hydro proposes to use a 95% to 105% Revenue/Cost ratio range of reasonableness for all customer groups	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 3 – Rate Structures: Residential, Large, Medium and Small General Service, Irrigation and Street Lighting</b>					
<b>BC Hydro proposals related to RIB:</b> Maintain 2013 Residential Inclining Block (RIB) approach - Maximum of 10% bill impact, representing all-in costs (consisting of RRA rate caps + DARR + rate changes due to rate rebalancing + rate changes due to rate design), to single most adversely impacted customer – to be used as a limit for modelling purposes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Consider increase in the Basic Charge toward cost-based	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Consider decoupling Minimum Charge to reflect cost of remaining attached to the system during periods of very low consumption or dormancy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
BC Hydro proposes to avoid rate designs where it would need to know what happens beyond the customer meter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Consider application of RIB thresholds to unmetered legal or other secondary suites	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>For June 19, 2014 RIB Workshop BC Hydro proposes to model the impacts of:</b>					
• Basic charge increase to 50% customer related fixed cost recovery	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<ul style="list-style-type: none"> <li>Minimum charge (\$/Mo.) \$10, \$15 and \$20, assuming status quo Basic Charge</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<ul style="list-style-type: none"> <li>Minimum Charge (\$/Mo.) \$10 and \$15, assuming Basic Charge 50% assumption</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<ul style="list-style-type: none"> <li>Setting of Step 1 / Step 2 Threshold: Propose to model Step 1 thresholds set at: Mean, Median and Status Quo (675 kWh/mo.)</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<ul style="list-style-type: none"> <li>Capacity Signal in Long Run Marginal Cost (LRMC) for Rate-making – BC Hydro proposes not to include capacity value in LRMC for RIB rate-making</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<ul style="list-style-type: none"> <li>Alternative Rate Designs to RIB – BC Hydro proposes to review the concepts and illustrative modeling results of the following alternatives, as raised in 2008 RIB proceeding: three-step rate, seasonal rates, customer baseline rate</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	



Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p><b>BC Hydro proposals related to LGS/MGS rates:</b>                      Address issues with MGS and LGS 2- Part Rates identified in 3-Year Report, including:</p> <ul style="list-style-type: none"> <li>• Impact of rates on growing customers</li> <li>• Baseline treatment for new accounts</li> <li>• MGS Part 1 structure</li> <li>• Administrative &amp; operational challenges, customer understandability</li> <li>• Conservation achieved</li> <li>• Cost of service and allocation of energy and demand charges</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Also consider instances where account amalgamation is better aligned with energy consumption. Such initiatives could have a positive impact on the environment.</p>
<p>BC Hydro proposes to consider rate design alternatives</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p><b>BC Hydro proposals related to SGS rates</b>                      Consider:</p> <ul style="list-style-type: none"> <li>• Maintaining current design</li> <li>• Development of conservation stepped rate design</li> <li>• Higher fixed charge based on COS, which may mean lower energy charge</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<p><b>BC Hydro proposal related to E-Plus Rate:</b></p> <ul style="list-style-type: none"> <li>• Maintain attrition approach</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p><b>BC Hydro proposals related to Non-Integrated Areas:</b></p> <p>Consider the following alternatives:</p> <ul style="list-style-type: none"> <li>• status quo, full cost recovery, rolled-in to Zone I</li> <li>• Clarify terminology applicable to Zone II rates and create clear tariff definitions consistent with Special Direction No. 10 and the "Remote Communities Regulation"</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<p><b>BC Hydro proposals related to Farms and Irrigation Rates:</b></p> <ul style="list-style-type: none"> <li>• Consider definition, options and applicability of rates for farm customers: Residential, MGS &amp; LGS</li> <li>• Consider policy basis or rate objective to exempt farms from the RIB rate</li> <li>• Consider COS basis for a farm class of customers</li> <li>• Consider policy basis or rate objective to maintain irrigation class</li> <li>• Consider suitability of irrigation rate schedules for hotel/golf course customers, and rate classes based on customer pump capacity</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 4 – Transmission Voltage Service - Supply Rates</b>					
BC Hydro proposes to review the following with respect to RS 1823: <ul style="list-style-type: none"> <li>Review pricing principles for RS 1823 T1 and T2</li> <li>Review revenue and bill neutrality definition</li> <li>Review demand charges – COS allocation, TOU period refinements</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
BC Hydro proposes to review the following with respect to TOU: <ul style="list-style-type: none"> <li>TOU scope to be partially informed by TSR 3 year evaluation</li> <li>Better definition of desired capacity products</li> <li>Better understanding of customer capabilities &amp; ratepayer impacts</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes to review the following with respect to Standby & Interruptible rates: <ul style="list-style-type: none"> <li>Consider eligibility: entire TSR class</li> <li>Review of pricing principles for RS 1880, RS 1853 and capacity/delivery charge</li> <li>Consider service characteristics – firm vs. non-firm, direct control vs. voluntary, term, notice period and number of interruptions</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p>BC Hydro proposes to consider development of Retail/Market Access, including the following issues:</p> <ul style="list-style-type: none"> <li>• Market-based pricing simulation only?</li> <li>• Market pricing references for energy, capacity, carbon?</li> <li>• Integrate market based pricing mechanism with other rates</li> <li>• Eligibility, term, risk</li> <li>• Participant vs. non-participant impacts</li> <li>• Service characteristics: firm vs. non-firm supply</li> <li>• Utility cost/benefit analysis</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p>BC Hydro proposes to consider development of Exempt/Surplus or Other rates:</p> <ul style="list-style-type: none"> <li>• Is rationale for exemption still appropriate?</li> <li>• Should specific rates be designed to reflect specific operating circumstances and times (i.e. energy surplus)?</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 5 –Transmission System Interconnection Tariffs</b>					
BC Hydro proposes to consider tariff & process for interconnection of new customer load and self-generation to BC Hydro system, including:					
<ul style="list-style-type: none"> <li>• TS 6 (see below for details), and TS 5</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Interconnection process &amp; queue management</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Related terms &amp; conditions/ commercial agreements</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
BC Hydro proposes to review non-tariff issues, including <ul style="list-style-type: none"> <li>• System Impact Study and Facilities Study Agreement</li> <li>• Credit Support Agreement</li> <li>• Transmission line Ownership Transfer Agreement</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<p>BC Hydro proposes to review the following TS-6 scope issues:</p> <ul style="list-style-type: none"> <li>• Transmission service customer eligibility criteria</li> <li>• Definition of eligible "system costs" for allocation</li> <li>• Methodology/formula to allocate system costs</li> <li>• Examination of 150 MVA threshold</li> <li>• Treatment of "system reinforcement" vs "system extension"</li> <li>• Treatment of single loads, phased loads, regional load clusters</li> <li>• Treatment of load customers with self-generation</li> <li>• Commercial agreements / terms &amp; conditions</li> <li>• Other?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>Presentation 6– Distribution Extension Policy &amp; Terms and Conditions</b>					
BC Hydro proposes that a review of the Electric Tariff (Distribution) would focus mainly on Section 8 (Customer Extensions).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
BC Hydro also proposes to review the Electric Tariff terms & conditions sections to develop recommendations for increased clarification.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

**Additional Comments, Items you think should be in-scope, not currently identified:**

Account consolidation/amalgamation for billing purposes (for example, this would consider instances where several accounts are integrated to deliver one output)

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Section B: Feedback on Proposed RDA Engagement Process	Proposed Process is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Proposed Engagement Process</b>					
BC Hydro proposes three main streams of engagement:					
<ul style="list-style-type: none"> <li>7-10 topic specific workshops</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>On-line ways to provide feedback</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>Face-to-face focused customer meetings</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Three week comment period after workshops	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes these first two topic-specific workshops:					
<ul style="list-style-type: none"> <li>June 19 – Review of COS – consultant report and BC Hydro response</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>June 25 – RIB – review initial modeling results for RIB rate alternatives, Electric Tariff charges</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
BC Hydro proposes additional topic-specific workshops to follow in summer/fall 2014	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Additional Comments on Proposed Engagement process:**

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Section C: Feedback on Workshop	Workshop Format and Content is Appropriate				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
Workshop format and content was helpful in providing input on in-scope and out of scope issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Workshop format and content was helpful in providing input on RDA engagement process	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Additional Comments on Workshop Format and Content:**

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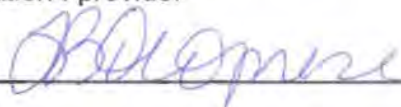


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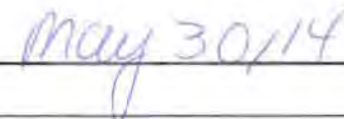
### CONSENT TO USE PERSONAL INFORMATION

I consent to the use of my personal information by BC Hydro for the purposes of keeping me updated about the 2015 RDA. For purposes of the above, my personal information includes opinions, name, mailing address, phone number and email address as per the information I provide.

Signature: \_\_\_\_\_



Date: \_\_\_\_\_



Thank you for your comments.

Comments submitted will be used to inform the RDA Scope and Engagement process, including discussions with Government, and will form part of the official record of the RDA.

You can return completed feedback forms by:

Mail: BC Hydro, BC Hydro Regulatory Group – “Attention 2015 RDA”, 16<sup>th</sup> Floor, 333 Dunsmuir St. Van. B.C. V6B-5R3

Fax number: 604-623-4407 – “Attention 2015 RDA”

Email: [bhydroregulatorygroup@bhydro.com](mailto:bhydroregulatorygroup@bhydro.com)

Form available on Web: [http://www.bhydro.com/about/planning\\_regulatory/regulatory.html](http://www.bhydro.com/about/planning_regulatory/regulatory.html)

Any personal information you provide to BC Hydro on this form is collected and protected in accordance with the ***Freedom of Information and Protection of Privacy Act***. BC Hydro is collecting information with this for the purpose of the 2015 RDA in accordance with BC Hydro's mandate under the ***Hydro and Power Authority Act***, the BC Hydro Tariff, the ***Utilities Commission Act*** and related Regulations and Directions. If you have any questions about the collection or use of the personal information collected on this form please contact the BC Hydro Regulatory Group via email at: [bhydroregulatorygroup@bhydro.com](mailto:bhydroregulatorygroup@bhydro.com)



## 2015 RDA - May 8, 2014 Workshop Feedback Form

<b>Name/Organization:</b>	<b>Topics of Interest (please check appropriate boxes):</b>			
Sarah Khan, BCPSO et al.	Residential Rates	<input checked="" type="checkbox"/>	Transmission Extension Policy	<input checked="" type="checkbox"/>
	Commercial Rates	<input checked="" type="checkbox"/>	Distribution Extension Policy	<input checked="" type="checkbox"/>
	Industrial Rates	<input checked="" type="checkbox"/>	Other	<input type="checkbox"/>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 1: Introduction To and Context for BC Hydro's 2015 RDA</b>					
<b>Section A-1: Out of Scope Issues:</b>					
<b>Out of Scope - per BC Govt. policy:</b>					
Mandatory Time of Use (TOU) for Residential or Commercial customers	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Ultimately the BCUC will determine what issues are within the scope of the Rate Design application.
Creation of new regional rates (Postage stamp rates confirmed as BC Government policy)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Feed in Tariff	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Specific tariffs for Northwest Transmission Line and Liquefied Natural Gas, but principles informing these are in-scope	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<b>Out of Scope - recently reviewed by BCUC:</b>					
Net metering (Rate Schedule (RS) 1289)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Smart Meter Choices Program charges	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
FortisBC Power Purchase Agreement (RS 3808)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	RS 3808 will be in scope for the COSA, and therefore could be a candidate for rebalancing
Customer Baseline Determination (Tariff Supplement (TS) 74)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Tariffs outside of load supplying rates – Open Access Transmission Tariff	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Demand Side Management program expenditures – but program descriptions are in scope to provide context for conservation rate structures	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<b>Section A-2: In Scope Issues:</b>					
All 7 customer classes: Residential, Large General Service (LGS), Medium General Service (MGS), Small General Service (SGS), Irrigation, Street Lighting and Transmission	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Cost of Service (COS), and Rebalancing within the confines of section 58.1 of the <i>Utilities Commission Act</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Transmission and Distribution extension policies	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Electric Tariff terms and conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that rate increase limits in Direction 7 for F2017, F2018 and F2019 will be assumed for RDA modelling purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that a Deferral Account Rate Rider (DARR) of 5% will be assumed for RDA modelling purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
BC Hydro proposes to proceed as if RS 1823, TS 5 and TS 6 are in scope for the 2015 RDA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that the eight Bonbright Criteria are to be measured per Slide #10 of the Introduction presentation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There may be other applicable Bonbright principles
<b>Customer Engagement Process – see Section B of Feedback Form</b>					
<b>Presentation 2: Cost of Service Introduction and Scope</b>					
For purposes of the 2015 RDA COS, BC Hydro proposes to use the F2016 Revenue Requirement	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	It is unclear to us why BC Hydro wants to use F2016 Revenue Requirement in a historical year
BC Hydro proposes that COS continue to be prepared using embedded costs rather than marginal costs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes to review methodologies in COS model for functionalization, classification, allocation, and other forms of cost assignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Rate Rebalancing: BC Hydro proposes to use a 95% to 105% Revenue/Cost ratio range of reasonableness for all customer groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<b>Presentation 3 – Rate Structures: Residential, Large, Medium and Small General Service, Irrigation and Street Lighting</b>					
<b>BC Hydro proposals related to RIB:</b> Maintain 2013 Residential Inclining Block (RIB) approach - Maximum of 10% bill impact, representing all-in costs (consisting of RRA rate caps + DARR + rate changes due to rate rebalancing + rate changes due to rate design), to single most adversely impacted customer – to be used as a limit for modelling purposes	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The BCUC has to determine what the maximum bill impact should be.
Consider increase in the Basic Charge toward cost-based	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	This proceeding should examine exactly what purpose the Basic Charge serves and whether it should be continued.
Consider decoupling Minimum Charge to reflect cost of remaining attached to the system during periods of very low consumption or dormancy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Decoupling the Basic Charge from the Minimum Charge could be beneficial.
BC Hydro proposes to avoid rate designs where it would need to know what happens beyond the customer meter	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	We are unclear as to what “beyond the customer meter” means.
Consider application of RIB thresholds to unmetered legal or other secondary suites	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>For June 19, 2014 RIB Workshop BC Hydro proposes to model the impacts of:</b>					
<ul style="list-style-type: none"> <li>Basic charge increase to 50% customer related fixed cost recovery</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<ul style="list-style-type: none"> <li>Minimum charge (\$/Mo.) \$10, \$15 and \$20, assuming status quo Basic Charge</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>Minimum Charge (\$/Mo.) \$10 and \$15, assuming Basic Charge 50% assumption</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>Setting of Step 1 / Step 2 Threshold: Propose to model Step 1 thresholds set at: Mean, Median and Status Quo (675 kWh/mo.)</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>Capacity Signal in Long Run Marginal Cost (<b>LRMC</b>) for Rate-making – BC Hydro proposes not to include capacity value in LRMC for RIB rate-making</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>Alternative Rate Designs to RIB – BC Hydro proposes to review the concepts and illustrative modeling results of the following alternatives, as raised in 2008 RIB proceeding: three-step rate, seasonal rates, customer baseline rate</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p><b>BC Hydro proposals related to LGS/MGS rates:</b></p> <p>Address issues with MGS and LGS 2- Part Rates identified in 3-Year Report, including:</p> <ul style="list-style-type: none"> <li>• Impact of rates on growing customers</li> <li>• Baseline treatment for new accounts</li> <li>• MGS Part 1 structure</li> <li>• Administrative &amp; operational challenges, customer understandability</li> <li>• Conservation achieved</li> <li>• Cost of service and allocation of energy and demand charges</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p>BC Hydro proposes to consider rate design alternatives</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p><b>BC Hydro proposals related to SGS rates</b></p> <p>Consider:</p> <ul style="list-style-type: none"> <li>• Maintaining current design</li> <li>• Development of conservation stepped rate design</li> <li>• Higher fixed charge based on COS, which may mean lower energy charge</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>BC Hydro proposal related to E-Plus Rate:</b> <ul style="list-style-type: none"> <li>Maintain attrition approach</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	All E-Plus rates should be phased out by 2018 at the latest. We would like to see the revenue to cost ratio of residential rates and general service E-Plus rates. E-Plus commercial rates need to be revised, as these customers are receiving service under an inverted rate structure where the run off rate is 3.23 cents/kWh.
<b>BC Hydro proposals related to Non-Integrated Areas:</b> <p>Consider the following alternatives:</p> <ul style="list-style-type: none"> <li>status quo, full cost recovery, rolled-in to Zone I</li> <li>Clarify terminology applicable to Zone II rates and create clear tariff definitions consistent with Special Direction No. 10 and the "Remote Communities Regulation"</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Get rid of Zone II rates and apply full postage stamp rates.



Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p><b>BC Hydro proposals related to Farms and Irrigation Rates:</b></p> <ul style="list-style-type: none"> <li>• Consider definition, options and applicability of rates for farm customers: Residential, MGS &amp; LGS</li> <li>• Consider policy basis or rate objective to exempt farms from the RIB rate</li> <li>• Consider COS basis for a farm class of customers</li> <li>• Consider policy basis or rate objective to maintain irrigation class</li> <li>• Consider suitability of irrigation rate schedules for hotel/golf course customers, and rate classes based on customer pump capacity</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>In addition to farms, BC Hydro should consider not treating some common areas of condo and apartment buildings, such as fitness centres, as residential, as fitness centres use a lot of power.</p>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<b>Presentation 4 – Transmission Voltage Service - Supply Rates</b>					
BC Hydro proposes to review the following with respect to RS 1823: <ul style="list-style-type: none"> <li>• Review pricing principles for RS 1823 T1 and T2</li> <li>• Review revenue and bill neutrality definition</li> <li>• Review demand charges – COS allocation, TOU period refinements</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
BC Hydro proposes to review the following with respect to TOU: <ul style="list-style-type: none"> <li>• TOU scope to be partially informed by TSR 3 year evaluation</li> <li>• Better definition of desired capacity products</li> <li>• Better understanding of customer capabilities &amp; ratepayer impacts</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
BC Hydro proposes to review the following with respect to Standby & Interruptible rates: <ul style="list-style-type: none"> <li>• Consider eligibility: entire TSR class</li> <li>• Review of pricing principles for RS 1880, RS 1853 and capacity/delivery charge</li> <li>• Consider service characteristics – firm vs. non-firm, direct control vs. voluntary, term, notice period and number of interruptions</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p>BC Hydro proposes to consider development of Retail/Market Access, including the following issues:</p> <ul style="list-style-type: none"> <li>• Market-based pricing simulation only?</li> <li>• Market pricing references for energy, capacity, carbon?</li> <li>• Integrate market based pricing mechanism with other rates</li> <li>• Eligibility, term, risk</li> <li>• Participant vs. non-participant impacts</li> <li>• Service characteristics: firm vs. non-firm supply</li> <li>• Utility cost/benefit analysis</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<p>BC Hydro proposes to consider development of Exempt/Surplus or Other rates:</p> <ul style="list-style-type: none"> <li>• Is rationale for exemption still appropriate?</li> <li>• Should specific rates be designed to reflect specific operating circumstances and times (i.e. energy surplus)?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<b>Presentation 5 –Transmission System Interconnection Tariffs</b>					
BC Hydro proposes to consider tariff & process for interconnection of new customer load and self-generation to BC Hydro system, including:					
<ul style="list-style-type: none"> <li>• TS 6 (see below for details), and TS 5</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Interconnection process &amp; queue management</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Related terms &amp; conditions/ commercial agreements</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
BC Hydro proposes to review non-tariff issues, including <ul style="list-style-type: none"> <li>• System Impact Study and Facilities Study Agreement</li> <li>• Credit Support Agreement</li> <li>• Transmission line Ownership Transfer Agreement</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p>BC Hydro proposes to review the following TS-6 scope issues:</p> <ul style="list-style-type: none"> <li>• Transmission service customer eligibility criteria</li> <li>• Definition of eligible “system costs” for allocation</li> <li>• Methodology/formula to allocate system costs</li> <li>• Examination of 150 MVA threshold</li> <li>• Treatment of “system reinforcement” vs “system extension”</li> <li>• Treatment of single loads, phased loads, regional load clusters</li> <li>• Treatment of load customers with self-generation</li> <li>• Commercial agreements / terms &amp; conditions</li> <li>• Other?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>Presentation 6– Distribution Extension Policy &amp; Terms and Conditions</b>					
BC Hydro proposes that a review of the Electric Tariff (Distribution) would focus mainly on Section 8 (Customer Extensions).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
BC Hydro also proposes to review the Electric Tariff terms & conditions sections to develop recommendations for increased clarification.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

**Additional Comments, Items you think should be in-scope, not currently identified:**

Lifeline rates for low income ratepayers.  
Financial assistance programs  
Low income DSM program effectiveness and options.  
Customer deposit policy  
Disconnection policy  
Reconnection charges

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Section B: Feedback on Proposed RDA Engagement Process	Proposed Process is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Proposed Engagement Process</b>					
BC Hydro proposes three main streams of engagement:					
<ul style="list-style-type: none"> <li>7-10 topic specific workshops</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>On-line ways to provide feedback</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>Face-to-face focused customer meetings</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Three week comment period after workshops	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes these first two topic-specific workshops:					
<ul style="list-style-type: none"> <li>June 19 – Review of COS – consultant report and BC Hydro response</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>June 25 – RIB – review initial modeling results for RIB rate alternatives, Electric Tariff charges</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes additional topic-specific workshops to follow in summer/fall 2014	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Additional Comments on Proposed Engagement process:**

Participant funding should be available for qualifying intervenors who participate in the pre-application workshops and provide

feedback on the workshops. Each workshop day should be treated as a proceeding day under the BCUC's PACA Guidelines. Participant funding should also be available for intervenors' consultants, as a great deal of scoping will be done through the workshop process and consultants will be able to provide valuable feedback that will lead to a more effective and efficient process. We have attached some participant funding guidelines that Ontario Hydro Hydro uses during its stakeholdering processes.

We are also interested to know what BC Hydro is doing to engage farmers, condo owners and E-Plus customers in the Rate Design process?

Section C: Feedback on Workshop	Workshop Format and Content is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Workshop format and content was helpful in providing input on in-scope and out of scope issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Workshop format and content was helpful in providing input on RDA engagement process	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Additional Comments on Workshop Format and Content:**

Very helpful presentations by BC Hydro staff, and very good interaction with customer groups.

**CONSENT TO USE PERSONAL INFORMATION**

I consent to the use of my personal information by BC Hydro for the purposes of keeping me updated about the 2015 RDA. For purposes of the above, my personal information includes opinions, name, mailing address, phone number and email address as per the information I provide.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Thank you for your comments.

Comments submitted will be used to inform the RDA Scope and Engagement process, including discussions with Government, and will form part of the official record of the RDA.

You can return completed feedback forms by:

Mail: BC Hydro, BC Hydro Regulatory Group – “Attention 2015 RDA”, 16<sup>th</sup> Floor, 333 Dunsmuir St. Van. B.C. V6B-5R3

Fax number: 604-623-4407 – “Attention 2015 RDA”

Email: [bhydroregulatorygroup@bhydro.com](mailto:bhydroregulatorygroup@bhydro.com)

Form available on Web: [http://www.bhydro.com/about/planning\\_regulatory/regulatory.html](http://www.bhydro.com/about/planning_regulatory/regulatory.html)

Any personal information you provide to BC Hydro on this form is collected and protected in accordance with the ***Freedom of Information and Protection of Privacy Act***. BC Hydro is collecting information with this for the purpose of the 2015 RDA in accordance with BC Hydro’s mandate under the ***Hydro and Power Authority Act***, the BC Hydro Tariff, the ***Utilities Commission Act*** and related Regulations and Directions. If you have any questions about the collection or use of the personal information collected on this form please contact the BC Hydro Regulatory Group via email at: [bhydroregulatorygroup@bhydro.com](mailto:bhydroregulatorygroup@bhydro.com)

#### Participant Terms of Reference

##### Background

Hydro One Networks Inc. (Hydro One) is a company committed to business excellence. Building positive and lasting relationships with stakeholders is key to our success. To continue to build these relationships, Hydro One undertakes stakeholder consultation processes to assist in the preparation of its Distribution and Transmission Rate Applications to the Ontario Energy Board (OEB). These processes involve a number of consultation sessions and a project website. The purpose of the consultation sessions is to provide a forum for dialogue between Hydro One and key stakeholders and customers to discuss, clarify and prioritize key topics related to the application. These consultation sessions, along with any submissions received through the website, will be considered in the development of the content of Hydro One's submission to the OEB.

##### Stakeholder Consultation Principles

- Hydro One is entering into the stakeholder consultation process in good faith with a view to facilitating and streamlining future OEB proceedings related to the application;
- Hydro One will receive and consider all submissions made by stakeholders, but will retain control over the process of developing its application;
- All consultations are carried out on a without-prejudice basis;
- A independent facilitator will document and report the discussions and any agreements reached with all or some stakeholders;
- Agreements reached will be submitted to the OEB as part of its evidence.

##### Goal

The goal for the stakeholder sessions is to create a forum for key stakeholders and Hydro One to discuss issues related to Hydro One's Distribution and Transmission Rate Applications and to identify areas of agreement and concern to shape the pre-filed evidence. To further this mandate, participants are asked to:

- Represent the various views of their customers/constituencies;
- Assist Hydro One to understand their goals and issues through participation in a process of open dialogue and submissions.

## **Objectives**

- Inform and update key stakeholders about our Distribution and Transmission business, and the approaches and methodology used to determine revenue requirement and rate design;
- Give stakeholders a range of opportunities to provide input and feedback on all aspects of the application;
- Ensure stakeholder concerns and views are identified, understood and considered in the preparation of the application;
- Act as a forum for the exchange of information and views;
- Assist Hydro One to anticipate and respond to stakeholder and customer views and preferences; and
- Clarify and scope as many issues as possible prior to the Hydro One submission to the OEB.

## **Membership**

Participants have been invited from key stakeholder groups, namely: intervenors from previous Hydro One rate proceedings, energy and environmental associations, Local Distribution Companies, major customers and Aboriginal political organizations.

Hydro One believes that those invited are representative of the interests of the majority of its stakeholders. Stakeholder discussion sessions may be limited in size to ensure adequate time to fully explore issues.

## **Alternate Members**

It is Hydro One's intention that the same stakeholder representatives be actively involved throughout the process. This continuity will aid in the effectiveness of the process. In the event a participant is unable to attend one or more meetings, one designated alternate may be assigned to take their place. In the event that a participant and their alternate are both unable to attend a meeting, input may be submitted to Hydro One in writing.

## **Roles and Responsibilities**

### *Hydro One*

- Provide adequate background information to enable participation;
- Provide overview/presentations of key discussion topics;
- Act as a resource for main discussion and breakout sessions;
- Inform stakeholder how consultation has influenced Hydro One application.



### *Stakeholder Representatives*

- Review Hydro One material presented;
- Identify key issues;
- Provide and present input, advice and feedback on issues relating to Hydro One's distribution and transmission rate applications

### **Stakeholder Discussion Session Details**

- Meetings are to be convened at the request of Hydro One;
- The number of meetings will be series of meetings based on the topics to be covered
- All meetings will be held in the Greater Toronto Area;
- The input received during the Hydro One consultation will be used solely for the purpose of developing its Distribution and Transmission Rate Applications.

### **Working Group Meetings/Subcommittees**

If, during the course of the consultation sessions, it is apparent that additional time to explore an issue(s) would be of benefit, subcommittees may be convened to discuss a specific issue/topic for a predetermined period of time. If required, facilitation and reporting resources will be provided for subcommittee meetings.

### **Consultation Process Support**

A consultant will be retained to provide third party facilitation and reporting of consultation sessions. Assistance in identifying issues where discussion will be of benefit, exploring stakeholder views, and identifying any common ground are key parts of the facilitation role.

The consultant will prepare meeting notes that document discussions and stakeholder submissions received during this process, as well as any areas of agreement that are reached between Hydro One and stakeholders. Where stakeholders take firm positions on an issue, this will be recorded if the stakeholder is willing to be identified in the notes. If an organization wishes to go on the record with a detailed position, this should be confirmed in writing to Hydro One. These formal responses, along with stated positions will be reflected in the final consultation report that will form part of the Hydro One submission to the OEB.

### **Participant Funding**

Funding may be provided for participants who qualify for funding under the *Funding Guidelines* attached. No other participant funding will be offered. Those who have

qualified for funding during previous consultation processes do not need to re-qualify if their circumstances remain the same.

### **Duration of the Consultation Period**

The purpose of the consultation is to provide an opportunity for Hydro One-stakeholder dialogue during the time in which Hydro One is preparing its Distribution or Transmission Rate Application, prior to filing with the OEB.

### **Additional Consultation Opportunities**

Parties who are not available to attend or cannot be accommodated in the stakeholder consultation sessions are encouraged to follow the process and submit comments through the Hydro One Regulatory Website ([www.hydroonenetworks.com/regulatory](http://www.hydroonenetworks.com/regulatory)).

### **Accountability**

- Responsibility for the stakeholder consultation program rests with Susan Frank, Vice President and Chief Regulatory Officer, Hydro One Networks Inc.
- Participants are to be governed according to the policies/procedures of their respective organizations. In the event that agreements are reached during the consultation process, they must be consistent with relevant policies of the respective organizations and must be supported by written documentation from the organization.

### **Hydro One Contact**

Should you have any questions about this document or the consultation program, please contact:

Ms. Enza Cancilla

Manager, Public Affairs

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# Stakeholder Consultation Funding

Distribution and Transmission Rate Applications

## HYDRO ONE NETWORKS



### Distribution and Transmission Rate Applications Stakeholder Consultation Funding Preparation/Attendance Time for Meeting dated \_\_\_\_\_

_____ INTERVENOR NAME		_____ NAME OF ATTENDEE			
_____ YEARS OF RELEVANT EXPERIENCE*		_____ GST Number			
	<b>Hours</b>	<b>Hourly Rate</b>	<b>Sub-total</b>	<b>GST</b>	<b>Total</b>
<b>Preparation</b>					
<b>Attendance</b>					
<b>TOTALS</b>					

\* Curriculum Vitae/Resumé must be attached for 1<sup>st</sup> claim by individual, unless they have qualified in previous consultation processes. This is not required for subsequent claims. \*\*Please note all travel costs should be economy fare rates.

**Stakeholder Consultation Funding**  
 Distribution and Transmission Rate Applications



**Disbursements Claim Form**

Disbursements arising from preparation/attendance at meeting dated \_\_\_\_\_

INTERVENOR NAME		NAME OF ATTENDEE	
	Net Cost	GST	Total
Photocopies			
Printing			
Fax			
Courier			
Telephone			
Postage			
Transcripts			
Travel: Air			
Travel: Car			
Travel: Rail			
Travel: Other			
Taxi or Airport Limo			
Accommodation			
Meals			
Other ( )			
<b>TOTALS</b>			

**Note: All claims for disbursements must include receipts where applicable.  
 All travel costs should be economic fare rates.**

## 2015 RDA - May 8, 2014 Workshop Feedback Form

### BCSEA-SCBC feedback on 2015 RDA proposed scope – 2 June 2014

<b>Name/Organization:</b>	<b>Topics of Interest (please check appropriate boxes):</b>		
BC Sustainable Energy Association and Sierra Club of BC	Residential Rates - yes <input type="checkbox"/>	Commercial Rates - yes <input type="checkbox"/>	Industrial Rates - yes <input type="checkbox"/>
			Transmission Extension Policy - yes <input type="checkbox"/> Distribution Extension Policy - yes <input type="checkbox"/> Other – Cost allocation; LRMC; EV charging tariff, etc. <input type="checkbox"/>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 1: Introduction To and Context for BC Hydro's 2015 RDA</b>					
<b>Section A-1: Out of Scope Issues:</b>					Note: "out of scope" is interpreted here to mean "not to be the subject of proposals to be addressed in the proceeding." It does not mean "not relevant", "cannot be discussed or be the subject of IRs or evidence in the proceeding."
<b>Out of Scope - per BC Govt. policy:</b> Mandatory Time of Use (TOU) for Residential or Commercial customers	<input type="checkbox"/>	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	TOU should be discussable as a potential alternative or additional conservation pricing mechanism that could be considered in the future.
Creation of new regional rates (Postage stamp rates confirmed as BC Government policy)	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Feed in Tariff	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
Specific tariffs for Northwest Transmission Line and Liquefied Natural Gas, but principles informing these are in-scope	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree re NTL tariff. Disagree re LNG tariffs.
<b>Out of Scope - recently reviewed by BCUC:</b>					
Net metering (Rate Schedule (RS) 1289)	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
Smart Meter Choices Program charges	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
FortisBC Power Purchase Agreement (RS 3808)	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
Customer Baseline Determination (Tariff Supplement (TS) 74)	<input type="checkbox"/>	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	Disagree. CBL determination may be relevant to the further development of the TSR.
Tariffs outside of load supplying rates – Open Access Transmission Tariff	<input type="checkbox"/>	<input type="checkbox"/> X	<input type="checkbox"/>	<input type="checkbox"/>	Agree
Demand Side Management program expenditures – but program descriptions are in scope to provide context for conservation rate structures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> X	<input type="checkbox"/>	Disagree. The overall DSM 10-year envelope has been set by government policy, but not all year-by-year expenditures. There is a need to look at setting DSM expenditure levels in the context of conservation rates and codes & standards.
<b>Section A-2: In Scope Issues:</b>					
All 7 customer classes: Residential, Large General Service (LGS), Medium General Service (MGS), Small General Service (SGS), Irrigation, Street Lighting and Transmission	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Cost of Service (COS), and Rebalancing within the confines of section 58.1 of the <i>Utilities Commission Act</i>	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
Transmission and Distribution extension policies	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree (might consider splitting this off into a separate proceeding).
Electric Tariff terms and conditions	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
BC Hydro proposes that rate increase limits in Direction 7 for F2017, F2018 and F2019 will be assumed for RDA modelling purposes	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree, subject to some sensitivity analysis.
BC Hydro proposes that a Deferral Account Rate Rider (DARR) of 5% will be assumed for RDA modelling purposes	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree, subject to some sensitivity analysis.
BC Hydro proposes to proceed as if RS 1823, TS 5 and TS 6 are in scope for the 2015 RDA	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
BC Hydro proposes that the eight Bonbright Criteria are to be measured per Slide #10 of the Introduction presentation	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree
<b>Customer Engagement Process – see Section B of Feedback Form</b>					
<b>Presentation 2: Cost of Service Introduction and Scope</b>					
For purposes of the 2015 RDA COS, BC Hydro proposes to use the F2016 Revenue Requirement	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	Disagree. COS needs to consider actual dollars spent to provide service, even if not all immediately recovered in the rates.



Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
BC Hydro proposes that COS continue to be prepared using embedded costs rather than marginal costs	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
BC Hydro proposes to review methodologies in COS model for functionalization, classification, allocation, and other forms of cost assignment	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
Rate Rebalancing: BC Hydro proposes to use a 95% to 105% Revenue/Cost ratio range of reasonableness for all customer groups	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	Disagree.
<b>Presentation 3 – Rate Structures: Residential, Large, Medium and Small General Service, Irrigation and Street Lighting</b>					
<b>BC Hydro proposals related to RIB:</b> Maintain 2013 Residential Inclining Block (RIB) approach - Maximum of 10% bill impact, representing all-in costs (consisting of RRA rate caps + DARR + rate changes due to rate rebalancing + rate changes due to rate design), to single most adversely impacted customer – to be used as a limit for modelling purposes	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	Disagree. 10% rate impact measure is important, but should be balanced with other criteria, including the maximization of conservation effects. There should be a review of the principles and priorities of RIB, as well as its intended role in the overall plan for conservation.
Consider increase in the Basic Charge toward cost-based	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree, provided an increase <b>or decrease</b> to the basic charge is considered.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Consider decoupling Minimum Charge to reflect cost of remaining attached to the system during periods of very low consumption or dormancy	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree, subject to a review of the principles and priorities of the RIB.
BC Hydro proposes to avoid rate designs where it would need to know what happens beyond the customer meter	<input type="checkbox"/>	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	Disagree with respect to EV charging; otherwise, agree.
Consider application of RIB thresholds to unmetered legal or other secondary suites	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree. (Doubling the RIB threshold for unmetered suites would be impractical.)
<b>For June 19, 2014 RIB Workshop BC Hydro proposes to model the impacts of:</b>					
<ul style="list-style-type: none"> <li>Basic charge increase to 50% customer related fixed cost recovery</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree, as long as basic charge reduction is also modelled, say 50%, subject to review of RIB principles and priorities.
<ul style="list-style-type: none"> <li>Minimum charge (\$/Mo.) \$10, \$15 and \$20, assuming status quo Basic Charge</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree, as long as zero minimum and zero basic charge are also modelled, subject to review of RIB principles & priorities.
<ul style="list-style-type: none"> <li>Minimum Charge (\$/Mo.) \$10 and \$15, assuming Basic Charge 50% assumption</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree, as long as zero minimum and zero basic charge are also modelled, subject to review of RIB principles & priorities.
<ul style="list-style-type: none"> <li>Setting of Step 1 / Step 2 Threshold: Propose to model Step 1 thresholds set at: Mean, Median and Status Quo (675 kWh/mo.)</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	Disagree: model a range of thresholds from quite small to quite large.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<ul style="list-style-type: none"> <li>Capacity Signal in Long Run Marginal Cost (<b>LRMC</b>) for Rate-making – BC Hydro proposes not to include capacity value in LRMC for RIB rate-making</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	Disagree: model a range of Tier 2 levels, not bound by LRMC. Seek to maximize DSM.
<ul style="list-style-type: none"> <li>Alternative Rate Designs to RIB – BC Hydro proposes to review the concepts and illustrative modeling results of the following alternatives, as raised in 2008 RIB proceeding: three-step rate, seasonal rates, customer baseline rate</li> </ul>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
<p><b>BC Hydro proposals related to LGS/MGS rates:</b></p> <p>Address issues with MGS and LGS 2– Part Rates identified in 3-Year Report, including:</p> <ul style="list-style-type: none"> <li>Impact of rates on growing customers</li> <li>Baseline treatment for new accounts</li> <li>MGS Part 1 structure</li> <li>Administrative &amp; operational challenges, customer understandability</li> <li>Conservation achieved</li> <li>Cost of service and allocation of energy and demand charges</li> </ul>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree; and include a review of conservation rate goals and priorities, and role of rates in overall conservation efforts.
<p>BC Hydro proposes to consider rate design alternatives</p>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<b>BC Hydro proposals related to SGS rates</b> Consider: <ul style="list-style-type: none"> <li>• Maintaining current design</li> <li>• Development of conservation stepped rate design</li> <li>• Higher fixed charge based on COS, which may mean lower energy charge</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree to considering conservation rates for SGS. Review goals and priorities. Agree to considering a higher fixed charge only if lower or zero fixed charge are also considered. The goal should be to maximize conservation.
<b>BC Hydro proposal related to E-Plus Rate:</b> <ul style="list-style-type: none"> <li>• Maintain attrition approach</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	Disagree. This should be phased out if it does not serve a useful function.
<b>BC Hydro proposals related to Non-Integrated Areas:</b> Consider the following alternatives: <ul style="list-style-type: none"> <li>• status quo, full cost recovery, rolled-in to Zone I</li> <li>• Clarify terminology applicable to Zone II rates and create clear tariff definitions consistent with Special Direction No. 10 and the “Remote Communities Regulation”</li> </ul>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p><b>BC Hydro proposals related to Farms and Irrigation Rates:</b></p> <ul style="list-style-type: none"> <li>• Consider definition, options and applicability of rates for farm customers: Residential, MGS &amp; LGS</li> <li>• Consider policy basis or rate objective to exempt farms from the RIB rate</li> <li>• Consider COS basis for a farm class of customers</li> <li>• Consider policy basis or rate objective to maintain irrigation class</li> <li>• Consider suitability of irrigation rate schedules for hotel/golf course customers, and rate classes based on customer pump capacity</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Agree that BC Hydro should “consider.” .</p>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 4 – Transmission Voltage Service - Supply Rates</b>					
BC Hydro proposes to review the following with respect to RS 1823: <ul style="list-style-type: none"> <li>Review pricing principles for RS 1823 T1 and T2</li> <li>Review revenue and bill neutrality definition</li> <li>Review demand charges – COS allocation, TOU period refinements</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
BC Hydro proposes to review the following with respect to TOU: <ul style="list-style-type: none"> <li>TOU scope to be partially informed by TSR 3 year evaluation</li> <li>Better definition of desired capacity products</li> <li>Better understanding of customer capabilities &amp; ratepayer impacts</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
BC Hydro proposes to review the following with respect to Standby & Interruptible rates: <ul style="list-style-type: none"> <li>Consider eligibility: entire TSR class</li> <li>Review of pricing principles for RS 1880, RS 1853 and capacity/delivery charge</li> <li>Consider service characteristics – firm vs. non-firm, direct control vs. voluntary, term, notice period and number of interruptions</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p>BC Hydro proposes to consider development of Retail/Market Access, including the following issues:</p> <ul style="list-style-type: none"> <li>• Market-based pricing simulation only?</li> <li>• Market pricing references for energy, capacity, carbon?</li> <li>• Integrate market based pricing mechanism with other rates</li> <li>• Eligibility, term, risk</li> <li>• Participant vs. non-participant impacts</li> <li>• Service characteristics: firm vs. non-firm supply</li> <li>• Utility cost/benefit analysis</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Agree, subject to the principle that BC Hydro and all ratepayers should not be harmed by retail access allowed for some ratepayers.</p>
<p>BC Hydro proposes to consider development of Exempt/Surplus or Other rates:</p> <ul style="list-style-type: none"> <li>• Is rationale for exemption still appropriate?</li> <li>• Should specific rates be designed to reflect specific operating circumstances and times (i.e. energy surplus)?</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Agree.</p>



Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 5 –Transmission System Interconnection Tariffs</b>					
BC Hydro proposes to consider tariff & process for interconnection of new customer load and self-generation to BC Hydro system, including:					
<ul style="list-style-type: none"> <li>• TS 6 (see below for details), and TS 5</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree (could be a separate proceeding).
<ul style="list-style-type: none"> <li>• Interconnection process &amp; queue management</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
<ul style="list-style-type: none"> <li>• Related terms &amp; conditions/ commercial agreements</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
BC Hydro proposes to review non-tariff issues, including <ul style="list-style-type: none"> <li>• System Impact Study and Facilities Study Agreement</li> <li>• Credit Support Agreement</li> <li>• Transmission line Ownership Transfer Agreement</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.

<b>Section A: Feedback on Proposed In-Scope / Out of Scope items</b>	<b>Agree with Proposed treatment in Rate Design Application (RDA)</b>				
	<b>Strongly Agree</b>	<b>Agree</b>	<b>Disagree</b>	<b>N/A</b>	<b>Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).</b>
<p>BC Hydro proposes to review the following TS-6 scope issues:</p> <ul style="list-style-type: none"> <li>• Transmission service customer eligibility criteria</li> <li>• Definition of eligible “system costs” for allocation</li> <li>• Methodology/formula to allocate system costs</li> <li>• Examination of 150 MVA threshold</li> <li>• Treatment of “system reinforcement” vs “system extension”</li> <li>• Treatment of single loads, phased loads, regional load clusters</li> <li>• Treatment of load customers with self-generation</li> <li>• Commercial agreements / terms &amp; conditions</li> <li>• Other?</li> </ul>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
<b>Presentation 6– Distribution Extension Policy &amp; Terms and Conditions</b>					
<p>BC Hydro proposes that a review of the Electric Tariff (Distribution) would focus mainly on Section 8 (Customer Extensions).</p>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree (could be a separate proceeding).
<p>BC Hydro also proposes to review the Electric Tariff terms &amp; conditions sections to develop recommendations for increased clarification.</p>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.

**Additional Comments, Items you think should be in-scope, not currently identified:**

Review the goals and principles of conservation rates and the role they are to play in overall conservation efforts.

Review alternatives to the LRMC as a basis for setting Tier 2 levels in conservation rates.

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Section B: Feedback on Proposed RDA Engagement Process	Proposed Process is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Proposed Engagement Process</b>					
BC Hydro proposes three main streams of engagement:					
<ul style="list-style-type: none"> <li>7-10 topic specific workshops</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree, subject to funding of participation.
<ul style="list-style-type: none"> <li>On-line ways to provide feedback</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree, subject to funding of participation.
<ul style="list-style-type: none"> <li>Face-to-face focused customer meetings</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree, subject to funding of participation.
Three week comment period after workshops	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree, subject to funding of participation.
BC Hydro proposes these first two topic-specific workshops:					
<ul style="list-style-type: none"> <li>June 19 – Review of COS – consultant report and BC Hydro response</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree, subject to funding of participation.
<ul style="list-style-type: none"> <li>June 25 – RIB – review initial modeling results for RIB rate alternatives, Electric Tariff charges</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree, subject to funding of participation.
BC Hydro proposes additional topic-specific workshops to follow in summer/fall 2014	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree, subject to funding of participation.

**Additional Comments on Proposed Engagement process:**

Participant funding is required.

Section C: Feedback on Workshop	Workshop Format and Content is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Workshop format and content was helpful in providing input on in-scope and out of scope issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.
Workshop format and content was helpful in providing input on RDA engagement process	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree.

**Additional Comments on Workshop Format and Content:**

We commend BC Hydro on this engagement.

**CONSENT TO USE PERSONAL INFORMATION**

I consent to the use of my personal information by BC Hydro for the purposes of keeping me updated about the 2015 RDA. For purposes of the above, my personal information includes opinions, name, mailing address, phone number and email address as per the information I provide.



Signature: \_\_\_\_\_

Date: 2 June 2014

Thank you for your comments.

Comments submitted will be used to inform the RDA Scope and Engagement process, including discussions with Government, and will form part of the official record of the RDA.

You can return completed feedback forms by:

Mail: BC Hydro, BC Hydro Regulatory Group – “Attention 2015 RDA”, 16<sup>th</sup> Floor, 333 Dunsmuir St. Van. B.C. V6B-5R3

Fax number: 604-623-4407 – “Attention 2015 RDA”

Email: [bchydroregulatorygroup@bchydro.com](mailto:bchydroregulatorygroup@bchydro.com)

Form available on Web: [http://www.bchydro.com/about/planning\\_regulatory/regulatory.html](http://www.bchydro.com/about/planning_regulatory/regulatory.html)

Any personal information you provide to BC Hydro on this form is collected and protected in accordance with the **Freedom of Information and Protection of Privacy Act**. BC Hydro is collecting information with this for the purpose of the 2015 RDA in accordance with BC Hydro’s mandate under the **Hydro and Power Authority Act**, the BC Hydro Tariff, the **Utilities Commission Act** and related Regulations and Directions. If you have any questions about the collection or use of the personal information collected on this form please contact the BC Hydro Regulatory Group via email at: [bchydroregulatorygroup@bchydro.com](mailto:bchydroregulatorygroup@bchydro.com)

This document contains feedback from Commission staff on the presentations by BC Hydro in Workshop #1.

**Presentation Slide Deck:** *“Introduction to and Context for BC Hydro’s 2015 Rate Design Application”*

Slide 3

Staff view that all of the items listed by BC Hydro are useful and relevant. It may also be useful for BC Hydro to enumerate the directives not only from all the previous BCUC decisions, but also from the subsequent reconsideration decisions and decisions on supplementary applications.

The annual FACOS filings since the 2007 decisions may serve as useful background materials for references.

Slide 4

The breadth of topics that are in-scope appears to be very wide. Staff are of the view that it may be worthwhile for BC Hydro to consider if, and how, some issues could be treated as modules of RDA and be taken out and be reviewed as separate proceedings that precede the main RDA or in a subsequent phase of the 2015 RDA.

Some of the potential topics that staff have in mind are: terms of services for each customer class; distribution system extension test; transmission system extension; tariff supplement #6.

Staff take the position that spinning off some topics as modules from the main 2015 RDA will still make these issues in-scope. It is possible to review these spun-off topics through concurrent processes so and that the decisions and/or impact of these decisions may inform the main RDA review or be informed by the evidence in the main RDA review.

Slides 5 and 6

While staff do not have comments on the out of scope issues and agree with BC Hydro that the BCUC has broad discretion with respect to setting the scope upon hearing from all parties, staff wish to have a better understanding of BC Hydro’s position regarding TOU. For example, if ‘mandatory’ TOU for residential or commercial customers are out of scope, does it imply that optional TOU is not considered out of scope?

Staff believe that the 2015 RDA process will be made more efficient if BC Hydro can reach consensus with the workshop stakeholders on the out of scope issues and, to the greatest extent possible, narrow the debate on scope issues during the 2015 RDA process. An example is whether to use the marginal



cost versus embedded costs based studies to allocate revenue requirement (Slide 11 in COS Methodology).

#### Slides 7, 8, and 9

Staff do not have comments on BC Hydro's proposals as contained in these slides.

A higher level discussion of the legal landscape since 2007 would serve as useful context for the 2015 RDA, with particular emphasis on the legislations and regulations related to efficiency and conservation objectives, from which the innovative rate structures for the majority of BC Hydro's customers were designed and implemented.

#### Slides 10 & 11

Given BC Hydro's proposal for a 10% maximum customer bill impact, Staff questions how much room is available to accommodate the impact of rate design.

Staff note that the Commission reviewed, considered, and accepted the Bonbright criteria in the 2007 RDA, the 2008 RIB, the 2011 RIB Re-Pricing and the more recent 2013 RIB Re-Pricing and found them to be appropriate. Staff are of the view that because other factors such as demand side measures which include behavioural modification measures, the value of service, the efficient use of the system, etc. are changing the energy supply and cost of BC Hydro, new criteria and tests in addition to the Bonbright criteria may assist rate design.

When the 10% rate shock threshold was adopted, the future revenue requirement increase was not considered firm or at least not capped. Is 10% still appropriate, with or without revenue requirement impacts, given Direction No. 7 (Slide 8)?

### **Presentation Slide Deck: *"Cost of Service Introduction and Scope"***

#### Slides 5, 6, 7 & 8

Staff agree with using 2007 RDA as a starting point and BC Hydro's commitment to undertake scenarios and sensitivities to inform decision choices in functionalization, classification and a.

Staff note that some new rate structures implemented since 2007 require customer baselines and are more costly to implement and maintain, and Power Smart and DSM spending could have changed customer group targets in the period between 2007 and 2015. The roll-out of smart meters is another example of a new cost item. A discussion on what factors have changed and how they impact functionalization, classification and allocation will inform the review on the existing methodologies.

Staff believe that it would be useful for BC Hydro to clarify if the marginal resources in the 2013 IRP load resource balance that contribute to the new LRMC (Slide 12 in Introduction) would lead to a revisit of

the classification of IPP purchases, for example, the proportion of energy-related versus demand-related.

#### Slides 15 & 16

Staff recommends that including more details in the chart in slide 15 would be helpful. For example, do the Residential and GS<35 kW include E-plus customers' cost and revenue?

BC Hydro mentioned that it would like to revisit the issue of exempting customers from stepped rates. Would the inclusion of exempt customers in transmission customers, large general service customers and residential customers change their respective R/C ratios?

#### **Presentation Slide Deck: *"Rate Structures"***

##### Slide 6 - Residential

Staff have no comments on the proposed modelling on basic and minimum charges. Staff believe that it would also be useful to have a discussion on how changes to basic charge and/or minimum charge will impact conservation and efficient use of energy.

##### Slide 11 – Residential

Staff suggest that the review of residential threshold should be discussed in workshops with the goal of narrowing or putting away this issue in the 2015 RDA proceeding.

##### Slides 13 & 14 LGS & MGS

Staff note that the issue of rate design alternatives is identified as 'in-scope.'

#### **Presentation Slide Deck: *"Transmission Voltage Service"***

##### Slide 23 TSR

BC Hydro provided the rationale that exemption was granted to four transmission rate customers who were unable to control end-use. Is this a valid rationale or is this a rate design principle with conservation goals?

Is it BC Hydro's position that a revisit to exempt customers under TSR will invoke similar revisits to the principles in exempting customers in other rate classes?

#### **Presentation Slide Deck: *"Transmission System Interconnection Tariffs"***

##### Slides 5 & 6, 20

Staff believe that BC Hydro should articulate the rate design objectives for interconnection and system reinforcement contributions in terms of what BC Hydro is trying to encourage and what BC Hydro is

trying to discourage. A key question is whether BC Hydro can balance the interests of existing customers with the interests of new customers when looking at system reinforcements.

Staff believe that some comparisons from electric utilities in Manitoba and Quebec would inform the discussion, including a comparison of the interconnection process, queue management and time taken for interconnection studies.

**Presentation Slide Deck:** *"Distribution Extension Policy & Terms and Conditions"*

Staff have no further comments except as indicated earlier with respect to have it spun off as a module of the 2015 RDA.



CANADIAN ASSOCIATION  
OF PETROLEUM PRODUCERS

Canada's Oil and Natural Gas Producers

May 30, 2014

BC Hydro  
BC Hydro Regulatory Group  
Attention: "2015 RDA"  
16th Floor, 333 Dunsmuir Street  
Vancouver, B.C. V6B-5R3

via email: [bhydroregulatorygroup@bhydro.com](mailto:bhydroregulatorygroup@bhydro.com)

**Re: BC Hydro RDA Feedback Template**

The Canadian Association of Petroleum Producers (CAPP) represents companies, large and small, that explore for, develop and produce natural gas and crude oil throughout Canada. CAPP's member companies produce about 90 per cent of Canada's natural gas and crude oil. CAPP's associate members provide a wide range of services that support the upstream crude oil and natural gas industry. Together CAPP's members and associate members are an important part of a national industry with revenues of about \$110 billion a year.

CAPP appreciates the opportunity to provide feedback on the scope of the 2015 RDA and BC Hydro's proposed engagement process. Please find attached CAPP's comments on the scope of the BCH 2015 Rate Design Application.

Sincerely,

Geoff Morrison  
Manager, BC Operations

---

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## 2015 RDA - May 8, 2014 Workshop Feedback Form

<b>Name/Organization: Canadian Association of Petroleum Producers</b>	<b>Topics of Interest (please check appropriate boxes):</b>			
	Residential Rates	<input type="checkbox"/>	Transmission Extension Policy	<input checked="" type="checkbox"/>
	Commercial Rates	<input type="checkbox"/>	Distribution Extension Policy	<input checked="" type="checkbox"/>
	Industrial Rates	<input checked="" type="checkbox"/>	Other	<input type="checkbox"/>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 1: Introduction To and Context for BC Hydro's 2015 RDA</b>					
<b>Section A-1: Out of Scope Issues:</b>					
<b>Out of Scope - per BC Govt. policy:</b> Mandatory Time of Use (TOU) for Residential or Commercial customers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
Creation of new regional rates (Postage stamp rates confirmed as BC Government policy)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Postage stamp ratemaking is a common method of setting rates for many utilities in Canada including B.C. Hydro where it has been a feature of rate design for the integrated system since the inception of regulation.  Accordingly, CAPP sees no reason to change from current postage stamp rate-setting methodology.
Feed in Tariff	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP believes that the impacts of broad government policy should be shared amongst all customers. For example if government policy mandates sourcing more costly, renewable sources of energy, then all consumers should share the burden of higher costs. The burden should not be assigned to any one class of customers.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Specific tariffs for Northwest Transmission Line and Liquefied Natural Gas, but principles informing these are in-scope	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP believes that specific tariffs that have been set through policy should be out of scope.
<b>Out of Scope - recently reviewed by BCUC:</b>					
Net metering (Rate Schedule (RS) 1289)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
Smart Meter Choices Program charges	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
FortisBC Power Purchase Agreement (RS 3808)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
Customer Baseline Determination (Tariff Supplement (TS) 74)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP generally agrees that the CBL determination guidelines are appropriately clear and applicable to its members.
Tariffs outside of load supplying rates – Open Access Transmission Tariff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
Demand Side Management program expenditures – but program descriptions are in scope to provide context for conservation rate structures	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP supports DSM programs to the extent that they can help support conservation. CAPP suggests the principles for measuring conservation are included in the principles, and thus are in scope.
<b>Section A-2: In Scope Issues:</b>					
All 7 customer classes: Residential, Large General Service (LGS), Medium General Service (MGS), Small General Service (SGS), Irrigation, Street Lighting and Transmission	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP believes that sound electrical policy should be built on non-discriminatory principles supporting open-market forces and the drive for efficiency and competitiveness. Care should be taken to ensure that industrial customers are treated equally relative to other rate classes, regardless of the type of industry and whether they are new or existing customers. As such CAPP supports the review of all customer classes by the RDA.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Cost of Service (COS), and Rebalancing within the confines of section 58.1 of the <i>Utilities Commission Act</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	As stated previously, CAPP supports non-discriminatory service and supports the rebalancing of the R/C ratios of various rate classes. CAPP cautions that changes as a result of rate design and rate rebalancing must be done with consideration for industrial competitiveness and encourages the review to be conducted with this principle in mind.
Transmission and Distribution extension policies	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	With the exception of the 150 MVA generation contribution rule CAPP believes that TS6 need not be modified. CAPP recommends the automatic 150MVA generation contribution rule be eliminated. Should BCH wish to continue with a review of TS6, CAPP will be involved to ensure that any changes to contribution policy do not have an undue impact on the economics of projects by operators seeking new industrial load interconnections. CAPP strongly supports measures to increase the speed and cost effectiveness of transmission interconnection and distribution extension projects.
Electric Tariff terms and conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that rate increase limits in Direction 7 for F2017, F2018 and F2019 will be assumed for RDA modelling purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	As per Direction 7, for modelling purposes, the rate caps for F017-F019 should be considered not applicable to rate rebalancing or rate design increases (only for revenue requirement rate increases).
BC Hydro proposes that a Deferral Account Rate Rider (DARR) of 5% will be assumed for RDA modelling purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP agrees with this comment, but would encourage BCH to indicate if in the future this value may be adjusted upwards or downwards.
BC Hydro proposes to proceed as if RS 1823, TS 5 and TS 6 are in scope for the 2015 RDA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	See above comment regarding TS6.



Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
BC Hydro proposes that the eight Bonbright Criteria are to be measured per Slide #10 of the Introduction presentation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>CAPP generally agrees with the Bonbright criteria including: the recovery of revenue requirement; the fair apportionment of costs between and within classes; rate and bill stability to provide certainty for producers seeking electrical service; and avoidance of undue discrimination, including discrimination based upon incumbency.</p> <p>In particular, CAPP believes electrical policy should be built on non-discriminatory principles consistent with normal regulatory principles; CAPP members simply seek fair and equitable treatment with all other industrial users, including existing customers.</p>
<b>Customer Engagement Process – see Section B of Feedback Form</b>					
<b>Presentation 2: Cost of Service Introduction and Scope</b>					
For purposes of the 2015 RDA COS, BC Hydro proposes to use the F2016 Revenue Requirement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP agrees with the use of the F2016 revenue requirement.
BC Hydro proposes that COS continue to be prepared using embedded costs rather than marginal costs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP strongly believes that the COS must continue to be prepared using embedded costs rather than marginal costs. CAPP believes that electrical policy should be built on non-discriminatory principles and care should be taken to ensure that industrial customers are treated equally, regardless of the type of industry and whether they are new or existing customers.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
BC Hydro proposes to review methodologies in COS model for functionalization, classification, allocation, and other forms of cost assignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP agrees with a review of the methodologies and the use of sensitivities to inform any proposed changes.
Rate Rebalancing: BC Hydro proposes to use a 95% to 105% Revenue/Cost ratio range of reasonableness for all customer groups	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	As stated previously, CAPP believes that industrial customers should be treated equally, regardless of the type of industry and whether they are new or existing customers.  As such, CAPP encourages BCH to narrow the proposed R/C ratio range to plus or minus 2.5% of unity, and propose that a review of the R/C ratios be conducted on a regular basis (e.g. 3 years)
<b>Presentation 3 – Rate Structures: Residential, Large, Medium and Small General Service, Irrigation and Street Lighting</b>					
<b>BC Hydro proposals related to RIB:</b> Maintain 2013 Residential Inclining Block (RIB) approach - Maximum of 10% bill impact, representing all-in costs (consisting of RRA rate caps + DARR + rate changes due to rate rebalancing + rate changes due to rate design), to single most adversely impacted customer – to be used as a limit for modelling purposes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
Consider increase in the Basic Charge toward cost-based	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Consider decoupling Minimum Charge to reflect cost of remaining attached to the system during periods of very low consumption or dormancy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
BC Hydro proposes to avoid rate designs where it would need to know what happens beyond the customer meter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
Consider application of RIB thresholds to unmetered legal or other secondary suites	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
<b>For June 19, 2014 RIB Workshop BC Hydro proposes to model the impacts of:</b>					
<ul style="list-style-type: none"> <li>Basic charge increase to 50% customer related fixed cost recovery</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
<ul style="list-style-type: none"> <li>Minimum charge (\$/Mo.) \$10, \$15 and \$20, assuming status quo Basic Charge</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
<ul style="list-style-type: none"> <li>Minimum Charge (\$/Mo.) \$10 and \$15, assuming Basic Charge 50% assumption</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
<ul style="list-style-type: none"> <li>Setting of Step 1 / Step 2 Threshold: Propose to model Step 1 thresholds set at: Mean, Median and Status Quo (675 kWh/mo.)</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
<ul style="list-style-type: none"> <li>Capacity Signal in Long Run Marginal Cost (<b>LRMC</b>) for Rate-making – BC Hydro proposes not to include capacity value in LRMC for RIB rate-making</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<ul style="list-style-type: none"> <li>Alternative Rate Designs to RIB – BC Hydro proposes to review the concepts and illustrative modeling results of the following alternatives, as raised in 2008 RIB proceeding: three-step rate, seasonal rates, customer baseline rate</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
<p><b>BC Hydro proposals related to LGS/MGS rates:</b></p> <p>Address issues with MGS and LGS 2– Part Rates identified in 3-Year Report, including:</p> <ul style="list-style-type: none"> <li>Impact of rates on growing customers</li> <li>Baseline treatment for new accounts</li> <li>MGS Part 1 structure</li> <li>Administrative &amp; operational challenges, customer understandability</li> <li>Conservation achieved</li> <li>Cost of service and allocation of energy and demand charges</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP is interested to be involved in any review of the MGS and LGS rate structures.
BC Hydro proposes to consider rate design alternatives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP is interested to be involved in any proposals for new MGS and LGS rate structures.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	
<p><b>BC Hydro proposals related to SGS rates</b></p> <p>Consider:</p> <ul style="list-style-type: none"> <li>• Maintaining current design</li> <li>• Development of conservation stepped rate design</li> <li>• Higher fixed charge based on COS, which may mean lower energy charge</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>CAPP is interested to be involved with respect to changes to the SGS rate structures.</p>
<p><b>BC Hydro proposal related to E-Plus Rate:</b></p> <ul style="list-style-type: none"> <li>• Maintain attrition approach</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>N/A</p>
<p><b>BC Hydro proposals related to Non-Integrated Areas:</b></p> <p>Consider the following alternatives:</p> <ul style="list-style-type: none"> <li>• status quo, full cost recovery, rolled-in to Zone I</li> <li>• Clarify terminology applicable to Zone II rates and create clear tariff definitions consistent with Special Direction No. 10 and the “Remote Communities Regulation”</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>CAPP agrees with AMPC that the data from these areas be presented as separate so the true costs come through for integrated and non- integrated areas</p>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p><b>BC Hydro proposals related to Farms and Irrigation Rates:</b></p> <ul style="list-style-type: none"> <li>• Consider definition, options and applicability of rates for farm customers: Residential, MGS &amp; LGS</li> <li>• Consider policy basis or rate objective to exempt farms from the RIB rate</li> <li>• Consider COS basis for a farm class of customers</li> <li>• Consider policy basis or rate objective to maintain irrigation class</li> <li>• Consider suitability of irrigation rate schedules for hotel/golf course customers, and rate classes based on customer pump capacity</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>CAPP believes that subsidies which advantage specific electricity customers are generally not appropriate. All electricity customers should receive non-discriminatory, fair and equal treatment.</p>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 4 – Transmission Voltage Service - Supply Rates</b>					
BC Hydro proposes to review the following with respect to RS 1823: <ul style="list-style-type: none"> <li>Review pricing principles for RS 1823 T1 and T2</li> <li>Review revenue and bill neutrality definition</li> <li>Review demand charges – COS allocation, TOU period refinements</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Regarding the issues of the Tier 1/Tier2 split of 90% and, CAPP cautions that the overall total revenue collected must remain revenue neutral. CAPP also believes that the Tier 1 price should not be set so low as to encourage gaming of the CBL resets.
BC Hydro proposes to review the following with respect to TOU: <ul style="list-style-type: none"> <li>TOU scope to be partially informed by TSR 3 year evaluation</li> <li>Better definition of desired capacity products</li> <li>Better understanding of customer capabilities &amp; ratepayer impacts</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Generally TOU rates would not be used within the oil and gas industry which requires facilities to run 24/7.
BC Hydro proposes to review the following with respect to Standby & Interruptible rates: <ul style="list-style-type: none"> <li>Consider eligibility: entire TSR class</li> <li>Review of pricing principles for RS 1880, RS 1853 and capacity/delivery charge</li> <li>Consider service characteristics – firm vs. non-firm, direct control vs. voluntary, term, notice period and number of interruptions</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Oil and gas facility loads run 24/7, as such, CAPP does not believe that an interruptible rate would benefit the upstream industry directly. However, CAPP encourages BCH to explore all methods for finding a portfolio of rates that can meet the needs of a broad range of industrial consumers, assuming that each rate in the portfolio appropriately recovers the cost of serving customers in each rate class.



Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	
<p>BC Hydro proposes to consider development of Retail/Market Access, including the following issues:</p> <ul style="list-style-type: none"> <li>• Market-based pricing simulation only?</li> <li>• Market pricing references for energy, capacity, carbon?</li> <li>• Integrate market based pricing mechanism with other rates</li> <li>• Eligibility, term, risk</li> <li>• Participant vs. non-participant impacts</li> <li>• Service characteristics: firm vs. non-firm supply</li> <li>• Utility cost/benefit analysis</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>CAPP believes that retail access allows for customer choice and creates the potential for cost savings. Accordingly, CAPP is supportive of a review of the RTP Program and its reintroduction.</p> <p>CAPP does not think that market-based pricing should be limited to simulation only, on the condition that any market rate structure implemented enables BC Hydro to recover the cost of providing this service to customers that might choose it.</p>
<p>BC Hydro proposes to consider development of Exempt/Surplus or Other rates:</p> <ul style="list-style-type: none"> <li>• Is rationale for exemption still appropriate?</li> <li>• Should specific rates be designed to reflect specific operating circumstances and times (i.e. energy surplus)?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>N/A</p>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 5 –Transmission System Interconnection Tariffs</b>					
BC Hydro proposes to consider tariff & process for interconnection of new customer load and self-generation to BC Hydro system, including:					
<ul style="list-style-type: none"> <li>TS 6 (see below for details), and TS 5</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other than its comments on the 150 MVA threshold, CAPP believes, in principle, the other key conditions of TS6 remain appropriate including transmission contribution conditions related to customer facilities and transmission lines, BCH's Basic Transmission Extension, and System Reinforcement. CAPP is interested in discussing how to provide cost and schedule certainty for transmission expansion projects. In this regard, CAPP will be actively partaking in a review of TS6 if it is included in the scope of the RDA.
<ul style="list-style-type: none"> <li>Interconnection process &amp; queue management</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP encourages BCH to adopt a more innovative approach to help expedite the interconnection process. CAPP agrees with other intervener groups that the standard of 3 to 7 years to implement an interconnection for a new industrial customer is far too long, and discourages development in BC. CAPP is also concerned about the high costs of interconnection.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<ul style="list-style-type: none"> <li>Related terms &amp; conditions/ commercial agreements</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	As per the BCH IRP, reinforcement of the South Peace region will be of importance to the development of BC's natural gas industry, and to support LNG development. All matters related to transmission extension policy will need to consider impacts of changes to upstream oil and gas producers and the economics of their proposed projects.
BC Hydro proposes to review non-tariff issues, including <ul style="list-style-type: none"> <li>System Impact Study and Facilities Study Agreement</li> <li>Credit Support Agreement</li> <li>Transmission line Ownership Transfer Agreement</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	System Impact Study: should be a very quick response to the customer but is taking the same time as a Facility study. If BCH could provide a rough price in a short time that might be enough to eliminate groups that would not want to proceed and free up BCH resources.  Credit Support Agreement, consideration needs to be given to the credit rating of the customers and acceptable credit limits brought more in line with other industries.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p>BC Hydro proposes to review the following TS-6 scope issues:</p> <ul style="list-style-type: none"> <li>• Transmission service customer eligibility criteria</li> <li>• Definition of eligible “system costs” for allocation</li> <li>• Methodology/formula to allocate system costs</li> <li>• Examination of 150 MVA threshold</li> <li>• Treatment of “system reinforcement” vs “system extension”</li> <li>• Treatment of single loads, phased loads, regional load clusters</li> <li>• Treatment of load customers with self-generation</li> <li>• Commercial agreements / terms &amp; conditions</li> <li>• Other?</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><b>General comments (TS6 &amp; Impacts to Upstream)</b>                      As per the BCH IRP, reinforcement of the South Peace region will be of importance to the development of BC’s natural gas industry, and to support LNG development. All matters related to transmission extension policy will need to consider impacts of changes to upstream oil and gas producers and the economics of their proposed projects. Consideration will also need to be given to the impacts of any proposed changes with transmission extension policy and future BCH proposed expansions such as PRES. If economics of projects become unduly burdened due to capital contribution costs resulting from extension policy, upstream support of PRES will decrease significantly and put the project at risk.</p>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p>CONTINUED: BC Hydro proposes to review the following TS-6 scope issues:</p> <ul style="list-style-type: none"> <li>• Transmission service customer eligibility criteria</li> <li>• Definition of eligible “system costs” for allocation</li> <li>• Methodology/formula to allocate system costs</li> <li>• Examination of 150 MVA threshold</li> <li>• Treatment of “system reinforcement” vs “system extension”</li> <li>• Treatment of single loads, phased loads, regional load clusters</li> <li>• Treatment of load customers with self-generation</li> <li>• Commercial agreements / terms &amp; conditions</li> <li>• Other?</li> </ul>					<p><b>Grandfathering of existing interconnection requests</b>                      Due consideration will also need to be given to oil and gas operators who already have projects in the interconnection queue. Project decisions have been made on the basis of economics associated with the current transmission extension policy under TS6. Changes to the policy must allow for grandfathering of projects that are currently being developed by BCH and operators. Changing the extension policy requirements for projects that have already been proposed to BCH under the current regime may have significant and deleterious impact to the economics of these projects.</p> <p><b>Regional Load Clusters</b>                      CAPP strongly believes that regional load customers such as natural gas producers around the Dawson Creek area should not be unduly discriminated by extension policy. By virtue of the geology of the region, the Montney in BC is centred around this region and as such, a great deal of oil and gas development is expected to be localized in the area. Moreover, the Montney will be one of the key plays that will be supplying LNG in the future for BC and as such has a pivotal role to play in BC’s future economic development.</p>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<p>CONTINUED: BC Hydro proposes to review the following TS-6 scope issues:</p> <ul style="list-style-type: none"> <li>• Transmission service customer eligibility criteria</li> <li>• Definition of eligible “system costs” for allocation</li> <li>• Methodology/formula to allocate system costs</li> <li>• Examination of 150 MVA threshold</li> <li>• Treatment of “system reinforcement” vs “system extension”</li> <li>• Treatment of single loads, phased loads, regional load clusters</li> <li>• Treatment of load customers with self-generation</li> <li>• Commercial agreements / terms &amp; conditions</li> <li>• Other?</li> </ul>					<p><b>150 MVA Rule</b></p> <p>Requiring new customers to pay for the cost of new electricity generation without entitlement to a proportional share of existing generation should not be considered for new industrial customers.</p> <p>CAPP recognizes that the 150 MVA limit may have been intended to discourage a very large new customer from relocating to B.C. solely for the purpose of acquiring large quantities of inexpensive power.</p> <p>Because the 150 MVA threshold is arbitrary and not based on any regulatory principle CAPP believes that it should be removed. In the alternative, CAPP would recommend that appropriate amendments be made to TS6 to allow Government to determine if specific, special circumstances exist that should require a very large new customer to be charged a generation contribution based on a weighing of the benefits to the province and the costs to B.C. Hydro and its ratepayers.</p>
<b>Presentation 6– Distribution Extension Policy &amp; Terms and Conditions</b>					
BC Hydro proposes that a review of the Electric Tariff (Distribution) would focus mainly on Section 8 (Customer Extensions).	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP believes that BCH should maintain the existing level of maximum contribution when reviewing distribution extension policy.
BC Hydro also proposes to review the Electric Tariff terms & conditions sections to develop recommendations for increased clarification.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Additional Comments, Items you think should be in-scope, not currently identified:**

BCH transmission and distribution projects are often on the critical path for the development of natural gas resources in Northeast BC. As such, it is fundamentally important to determine means to increase the certainty and cost effectiveness of schedules for both the interconnection process and the construction of facilities. While BCH must carry out the System Impact Studies and specific System Reinforcements as part of its role as System Operator, there may be other significant opportunities for industry collaboration with BC Hydro that could enable time and cost savings during the development and construction of new facilities. CAPP believes that such a discussion would fall under the review of TS 6 and other relevant policies and business practices within BCH.

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Section B: Feedback on Proposed RDA Engagement Process	Proposed Process is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Proposed Engagement Process</b>					
BC Hydro proposes three main streams of engagement:					
<ul style="list-style-type: none"> <li>7-10 topic specific workshops</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP supports the use of topic specific workshops to help manage the significant amount of material contained in the proposed 2015 RDA.
<ul style="list-style-type: none"> <li>On-line ways to provide feedback</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP welcomes the opportunity to provide online feedback to BCH following each of the workshops. CAPP members may not be able to attend each of the workshop sessions, and as such including different methods for feedback will allow input from all.
<ul style="list-style-type: none"> <li>Face-to-face focused customer meetings</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP strongly believes that the workshop format must be supplemented with either a written feedback period and/or one-on-one meetings with interested stakeholders. CAPP members must be provided with the requisite time to review the proposals in advance of commenting.
Three week comment period after workshops	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Same comment as above. CAPP welcomes the opportunity to provide feedback to BCH within 3 weeks following each of the workshops.
BC Hydro proposes these first two topic-specific workshops:					
<ul style="list-style-type: none"> <li>June 19 – Review of COS – consultant report and BC Hydro response</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP will ensure that it has representation at the proposed June 19 <sup>th</sup> workshop.
<ul style="list-style-type: none"> <li>June 25 – RIB – review initial modeling results for RIB rate alternatives, Electric Tariff charges</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A

Section B: Feedback on Proposed RDA Engagement Process	Proposed Process is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
BC Hydro proposes additional topic-specific workshops to follow in summer/fall 2014	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP requests that dates for all sessions be set as soon as possible to allow for the greatest possible planning and engagement from stakeholders.

**Additional Comments on Proposed Engagement process:**

Section C: Feedback on Workshop	Workshop Format and Content is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Workshop format and content was helpful in providing input on in-scope and out of scope issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP members have indicated connection issues with the BCH webcast system. CAPP members who may not be able to attend the workshops in session would prefer joining via webcast and CAPP believes that it is important that the system is working adequately.
Workshop format and content was helpful in providing input on RDA engagement process	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CAPP strongly believes that the workshop format must be supplemented with either a written feedback period and/or one-on-one meetings with interested stakeholders. CAPP members must be provided with the requisite time to review the proposals in advance of commenting.

**Additional Comments on Workshop Format and Content:**

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**CONSENT TO USE PERSONAL INFORMATION**

I consent to the use of my personal information by BC Hydro for the purposes of keeping me updated about the 2015 RDA. For purposes of the above, my personal information includes opinions, name, mailing address, phone number and email address as per the information I provide.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Thank you for your comments.

Comments submitted will be used to inform the RDA Scope and Engagement process, including discussions with Government, and will form part of the official record of the RDA.

You can return completed feedback forms by:

Mail: BC Hydro, BC Hydro Regulatory Group – “Attention 2015 RDA”, 16<sup>th</sup> Floor, 333 Dunsmuir St. Van. B.C. V6B-5R3

Fax number: 604-623-4407 – “Attention 2015 RDA”

Email: [bhydroregulatorygroup@bhydro.com](mailto:bhydroregulatorygroup@bhydro.com)

Form available on Web: [http://www.bhydro.com/about/planning\\_regulatory/regulatory.html](http://www.bhydro.com/about/planning_regulatory/regulatory.html)

Any personal information you provide to BC Hydro on this form is collected and protected in accordance with the **Freedom of Information and Protection of Privacy Act**. BC Hydro is collecting information with this for the purpose of the 2015 RDA in accordance with BC Hydro’s mandate under the **Hydro and Power Authority Act**, the BC Hydro Tariff, the **Utilities Commission Act** and related Regulations and Directions. If you have any questions about the collection or use of the personal information collected on this form please contact the BC Hydro Regulatory Group via email at: [bhydroregulatorygroup@bhydro.com](mailto:bhydroregulatorygroup@bhydro.com)

## 2015 RDA - May 8, 2014 Workshop Feedback Form

<b>Name/Organization:</b>	<b>Topics of Interest (please check appropriate boxes):</b>			
	Residential Rates	<input checked="" type="checkbox"/>	Transmission Extension Policy	<input type="checkbox"/>
	Commercial Rates	<input checked="" type="checkbox"/>	Distribution Extension Policy	<input type="checkbox"/>
	Industrial Rates	<input checked="" type="checkbox"/>	Other	<input checked="" type="checkbox"/>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 1: Introduction To and Context for BC Hydro's 2015 RDA</b>					
<b>Section A-1: Out of Scope Issues:</b>					
<b>Out of Scope - per BC Govt. policy:</b>					
Mandatory Time of Use (TOU) for Residential or Commercial customers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Creation of new regional rates (Postage stamp rates confirmed as BC Government policy)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Feed in Tariff	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Specific tariffs for Northwest Transmission Line and Liquefied Natural Gas, but principles informing these are in-scope	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Out of Scope - recently reviewed by BCUC:</b>					
Net metering (Rate Schedule (RS) 1289)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Smart Meter Choices Program charges	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
FortisBC Power Purchase Agreement (RS 3808)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Customer Baseline Determination (Tariff Supplement (TS) 74)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	However, customer baseline determination and prospective growth adjustments are a major irritant for several LGS customers. RDA may be an efficient platform to address the customer issues
Tariffs outside of load supplying rates – Open Access Transmission Tariff	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Difficult to discuss Retail/Market Access without the OATT; market simulation by BC Hydro is not retail access. Consider the real-time pricing application and TOU pilot provided to transmission voltage customers previously. Late 90's.
Demand Side Management program expenditures – but program descriptions are in scope to provide context for conservation rate structures	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Planned DSM expenditures need to be taken into consideration when looking at customer options for capacity reduction. Value, including total cost of measures, needs to be part of demand response planning.
<b>Section A-2: In Scope Issues:</b>					
All 7 customer classes: Residential, Large General Service (LGS), Medium General Service (MGS), Small General Service (SGS), Irrigation, Street Lighting and Transmission	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Cost of Service (COS), and Rebalancing within the confines of section 58.1 of the Utilities Commission Act	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Transmission and Distribution extension policies	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Extension policies, along with their terms, conditions, and charges cover complex issues and lengthy technical detail. While issues are significant, few customers are directly involved and often it is developers, not long-term customers, who are the concerned parties.
Electric Tariff terms and conditions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that rate increase limits in Direction 7 for F2017, F2018 and F2019 will be assumed for RDA modelling purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that a Deferral Account Rate Rider ( <b>DARR</b> ) of 5% will be assumed for RDA modelling purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes to proceed as if RS 1823, TS 5 and TS 6 are in scope for the 2015 RDA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that the eight Bonbright Criteria are to be measured per Slide #10 of the Introduction presentation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Need to revisit the performance measurements re: opinions and impact evaluation versus forecasts
<b>Customer Engagement Process – see Section B of Feedback Form</b>					
<b>Presentation 2: Cost of Service Introduction and Scope</b>					
For purposes of the 2015 RDA COS, BC Hydro proposes to use the F2016 Revenue Requirement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
BC Hydro proposes that COS continue to be prepared using embedded costs rather than marginal costs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes to review methodologies in COS model for functionalization, classification, allocation, and other forms of cost assignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Rate Rebalancing: BC Hydro proposes to use a 95% to 105% Revenue/Cost ratio range of reasonableness for all customer groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Must be some commitment to addressing SGS and MGS R/C by third quarter 2016; increase services provided: DSM direct install, energy management, training, campaigns
<b>Presentation 3 – Rate Structures: Residential, Large, Medium and Small General Service, Irrigation and Street Lighting</b>					
<b>BC Hydro proposals related to RIB:</b> Maintain 2013 Residential Inclining Block (RIB) approach - Maximum of 10% bill impact, representing all-in costs (consisting of RRA rate caps + DARR + rate changes due to rate rebalancing + rate changes due to rate design), to single most adversely impacted customer – to be used as a limit for modelling purposes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Consider increase in the Basic Charge toward cost-based	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Now is the time to look at decoupling fixed cost revenue requirement from energy sales.



Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Consider decoupling Minimum Charge to reflect cost of remaining attached to the system during periods of very low consumption or dormancy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	One of the cases that can be addressed by decoupling fixed cost revenue requirement from energy sales
BC Hydro proposes to avoid rate designs where it would need to know what happens beyond the customer meter	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Do not need to know what happens but do need to know what type of building/facility meter is connected to. And in some cases may be one meter per end use.
Consider application of RIB thresholds to unmetered legal or other secondary suites	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	RIB applied by meter only
<b>For June 19, 2014 RIB Workshop BC Hydro proposes to model the impacts of:</b>					
<ul style="list-style-type: none"> <li>Basic charge increase to 50% customer related fixed cost recovery</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Also a case where basic charge is 100% of fixed cost: see decoupling above
<ul style="list-style-type: none"> <li>Minimum charge (\$/Mo.) \$10, \$15 and \$20, assuming status quo Basic Charge</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<ul style="list-style-type: none"> <li>Minimum Charge (\$/Mo.) \$10 and \$15, assuming Basic Charge 50% assumption</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<ul style="list-style-type: none"> <li>Setting of Step 1 / Step 2 Threshold: Propose to model Step 1 thresholds set at: Mean, Median and Status Quo (675 kWh/mo.)</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<ul style="list-style-type: none"> <li>Capacity Signal in Long Run Marginal Cost (<b>LRMC</b>) for Rate-making – BC Hydro proposes not to include capacity value in LRMC for RIB rate-making</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Residential customers have no mechanism to respond to LMRC as a signal. Electrical code dictates size of service, installed according to utility standards, without any controls offered to customer. Revenue rates can only do so much; primary purpose is cost recovery, not customer behaviour modification.
<ul style="list-style-type: none"> <li>Alternative Rate Designs to RIB – BC Hydro proposes to review the concepts and illustrative modeling results of the following alternatives, as raised in 2008 RIB proceeding: three-step rate, seasonal rates, customer baseline rate</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Better to break out 100% of fixed costs, which will include demand charges, and show customer exactly what they can control – consumption amount and charges. Easier to understand, administer, and track.
<p><b>BC Hydro proposals related to LGS/MGS rates:</b></p> <p>Address issues with MGS and LGS 2– Part Rates identified in 3-Year Report, including:</p> <ul style="list-style-type: none"> <li>Impact of rates on growing customers</li> <li>Baseline treatment for new accounts</li> <li>MGS Part 1 structure</li> <li>Administrative &amp; operational challenges, customer understandability</li> <li>Conservation achieved</li> <li>Cost of service and allocation of energy and demand charges</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Complexity of rate design and interpretation of billing data have caused concern amongst some LGS.
BC Hydro proposes to consider rate design alternatives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p><b>BC Hydro proposals related to SGS rates</b></p> <p>Consider:</p> <ul style="list-style-type: none"> <li>• Maintaining current design</li> <li>• Development of conservation stepped rate design</li> <li>• Higher fixed charge based on COS, which may mean lower energy charge</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Include opportunity for RDA participants to propose alternative designs.
<p><b>BC Hydro proposal related to E-Plus Rate:</b></p> <ul style="list-style-type: none"> <li>• Maintain attrition approach</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	BC Hydro Board approval would be needed to do otherwise.
<p><b>BC Hydro proposals related to Non-Integrated Areas:</b></p> <p>Consider the following alternatives:</p> <ul style="list-style-type: none"> <li>• status quo, full cost recovery, rolled-in to Zone I</li> <li>• Clarify terminology applicable to Zone II rates and create clear tariff definitions consistent with Special Direction No. 10 and the “Remote Communities Regulation”</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p><b>BC Hydro proposals related to Farms and Irrigation Rates:</b></p> <ul style="list-style-type: none"> <li>• Consider definition, options and applicability of rates for farm customers: Residential, MGS &amp; LGS</li> <li>• Consider policy basis or rate objective to exempt farms from the RIB rate</li> <li>• Consider COS basis for a farm class of customers</li> <li>• Consider policy basis or rate objective to maintain irrigation class</li> <li>• Consider suitability of irrigation rate schedules for hotel/golf course customers, and rate classes based on customer pump capacity</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 4 – Transmission Voltage Service - Supply Rates</b>					
BC Hydro proposes to review the following with respect to RS 1823: <ul style="list-style-type: none"> <li>Review pricing principles for RS 1823 T1 and T2</li> <li>Review revenue and bill neutrality definition</li> <li>Review demand charges – COS allocation, TOU period refinements</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes to review the following with respect to TOU: <ul style="list-style-type: none"> <li>TOU scope to be partially informed by TSR 3 year evaluation</li> <li>Better definition of desired capacity products</li> <li>Better understanding of customer capabilities &amp; ratepayer impacts</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	LGS customers are also interested in TOU. For demand response, prepare a straw-dog RFP to inform the discussion and determination of the resource potential and value to the electric system, to customers providing DR, and to all ratepayers.
BC Hydro proposes to review the following with respect to Standby & Interruptible rates: <ul style="list-style-type: none"> <li>Consider eligibility: entire TSR class</li> <li>Review of pricing principles for RS 1880, RS 1853 and capacity/delivery charge</li> <li>Consider service characteristics – firm vs. non-firm, direct control vs. voluntary, term, notice period and number of interruptions</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	LGS customers may also be considered candidates for these rates depending on their load characteristics. Please include them in any RDA procedures for these rates.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p>BC Hydro proposes to consider development of Retail/Market Access, including the following issues:</p> <ul style="list-style-type: none"> <li>• Market-based pricing simulation only?</li> <li>• Market pricing references for energy, capacity, carbon?</li> <li>• Integrate market based pricing mechanism with other rates</li> <li>• Eligibility, term, risk</li> <li>• Participant vs. non-participant impacts</li> <li>• Service characteristics: firm vs. non-firm supply</li> <li>• Utility cost/benefit analysis</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Retail/market access needs to be real this time. Offering rates that are market price surrogates does not capture the real market benefits or costs for those willing to participate. Please review BC Hydro's experience with Real-time Pricing rates and the TOU pilot program in the late 90's.</p>
<p>BC Hydro proposes to consider development of Exempt/Surplus or Other rates:</p> <ul style="list-style-type: none"> <li>• Is rationale for exemption still appropriate?</li> <li>• Should specific rates be designed to reflect specific operating circumstances and times (i.e. energy surplus)?</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Please consider experience from past offers of surplus power to transmission voltage customers.</p>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 5 –Transmission System Interconnection Tariffs</b>					
BC Hydro proposes to consider tariff & process for interconnection of new customer load and self-generation to BC Hydro system, including:					Involves few customers and is complex, with detail technical aspects which need to be understood. Worthy of their own application.
<ul style="list-style-type: none"> <li>• TS 6 (see below for details), and TS 5</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Interconnection process &amp; queue management</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Related terms &amp; conditions/ commercial agreements</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes to review non-tariff issues, including <ul style="list-style-type: none"> <li>• System Impact Study and Facilities Study Agreement</li> <li>• Credit Support Agreement</li> <li>• Transmission line Ownership Transfer Agreement</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	
<p>BC Hydro proposes to review the following TS-6 scope issues:</p> <ul style="list-style-type: none"> <li>• Transmission service customer eligibility criteria</li> <li>• Definition of eligible “system costs” for allocation</li> <li>• Methodology/formula to allocate system costs</li> <li>• Examination of 150 MVA threshold</li> <li>• Treatment of “system reinforcement” vs “system extension”</li> <li>• Treatment of single loads, phased loads, regional load clusters</li> <li>• Treatment of load customers with self-generation</li> <li>• Commercial agreements / terms &amp; conditions</li> <li>• Other?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Involves few customers and is complex, with detail technical aspects which need to be understood. Worthy of their own application</p>
<p><b>Presentation 6– Distribution Extension Policy &amp; Terms and Conditions</b></p>					
<p>BC Hydro proposes that a review of the Electric Tariff (Distribution) would focus mainly on Section 8 (Customer Extensions).</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Few direct customers.</p>
<p>BC Hydro also proposes to review the Electric Tariff terms &amp; conditions sections to develop recommendations for increased clarification.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



**Additional Comments, Items you think should be in-scope, not currently identified:**

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Section B: Feedback on Proposed RDA Engagement Process	Proposed Process is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Proposed Engagement Process</b>					
BC Hydro proposes three main streams of engagement:					
<ul style="list-style-type: none"> <li>7-10 topic specific workshops</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>On-line ways to provide feedback</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>Face-to-face focused customer meetings</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Three week comment period after workshops	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes these first two topic-specific workshops:					
<ul style="list-style-type: none"> <li>June 19 – Review of COS – consultant report and BC Hydro response</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>June 25 – RIB – review initial modeling results for RIB rate alternatives, Electric Tariff charges</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
BC Hydro proposes additional topic-specific workshops to follow in summer/fall 2014	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Additional Comments on Proposed Engagement process:**

Will all engagements (date, parties, topics) be tracked on the web site. Not asking for transcripts or content; just knowledge that the engagement happened.

Does BC Hydro have any plans to organize major outreach to customer classes? Is it the contributions/feedback of only those who participate in the RDA process and procedures that will be considered? Does that need to change?

Section C: Feedback on Workshop	Workshop Format and Content is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Workshop format and content was helpful in providing input on in-scope and out of scope issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Good start; appreciate all the work that went into presenting a comprehensive view of complex material
Workshop format and content was helpful in providing input on RDA engagement process	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Additional Comments on Workshop Format and Content:**

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**CONSENT TO USE PERSONAL INFORMATION**

I consent to the use of my personal information by BC Hydro for the purposes of keeping me updated about the 2015 RDA. For purposes of the above, my personal information includes opinions, name, mailing address, phone number and email address as per the information I provide.

Signature: \_\_\_\_\_  \_\_\_\_\_ Date: \_\_\_ May 30, 2014 \_\_\_\_\_

Thank you for your comments.

Comments submitted will be used to inform the RDA Scope and Engagement process, including discussions with Government, and will form part of the official record of the RDA.

You can return completed feedback forms by:

Mail: BC Hydro, BC Hydro Regulatory Group – “Attention 2015 RDA”, 16<sup>th</sup> Floor, 333 Dunsmuir St. Van. B.C. V6B-5R3

Fax number: 604-623-4407 – “Attention 2015 RDA”

Email: [bhydroregulatorygroup@bhydro.com](mailto:bhydroregulatorygroup@bhydro.com)

Form available on Web: [http://www.bhydro.com/about/planning\\_regulatory/regulatory.html](http://www.bhydro.com/about/planning_regulatory/regulatory.html)

Any personal information you provide to BC Hydro on this form is collected and protected in accordance with the **Freedom of Information and Protection of Privacy Act**. BC Hydro is collecting information with this for the purpose of the 2015 RDA in accordance with BC Hydro’s mandate under the **Hydro and Power Authority Act**, the BC Hydro Tariff, the **Utilities Commission Act** and related Regulations and Directions. If you have any questions about the collection or use of the personal information collected on this form please contact the BC Hydro Regulatory Group via email at: [bhydroregulatorygroup@bhydro.com](mailto:bhydroregulatorygroup@bhydro.com)

## 2015 RDA - May 8, 2014 Workshop Feedback Form

<b>Name/Organization:</b>  Canadian Office & Professional Employees' Union Local 378	<b>Topics of Interest (please check appropriate boxes):</b>			
	Residential Rates	x	Transmission Extension Policy	x
	Commercial Rates	x	Distribution Extension Policy	x
	Industrial Rates	x	Other	x

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 1: Introduction To and Context for BC Hydro's 2015 RDA</b>					
<b>Section A-1: Out of Scope Issues:</b>					
<b>Out of Scope - per BC Govt. policy:</b>  Mandatory Time of Use (TOU) for Residential or Commercial customers		<input type="checkbox"/>	x	<input type="checkbox"/>	<b>COPE378 fundamentally disagrees with the characterization of anything being out of scope due to Government Policy.</b>  COPE 378 does not agree with a Mandatory TOU Rate for Residential and/or Commercial Customers.
Creation of new regional rates (Postage stamp rates confirmed as BC Government policy)	<input type="checkbox"/>	<input type="checkbox"/>	x	<input type="checkbox"/>	<i>There are inconsistencies in the application of a postage stamp system, not only in NIA rates but also in the principles that apply to connection/extension policy. Additionally, there are the challenges of balancing postage stamp requirements with the objectives of economic efficiency (sending appropriate price signals especially for industrial or other potentially mobile loads). The application should explain how these issues are addressed.</i>
Feed in Tariff	<input type="checkbox"/>	<input type="checkbox"/>	x	<input type="checkbox"/>	COPE 378 opposes the Feed in Tariff in general

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Specific tariffs for Northwest Transmission Line and Liquefied Natural Gas, but principles informing these are in-scope	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>The principles governing the provision and pricing of service to new LNG loads is a key issue that must be addressed in the review of TS 6 and more generally with consideration to the appropriate allocation of benefits of low cost heritage supply between new electric-intensive and existing loads.</i>
<b>Out of Scope - recently reviewed by BCUC:</b>					
Net metering (Rate Schedule (RS) 1289)	<input type="checkbox"/>	x	<input type="checkbox"/>	<input type="checkbox"/>	<i>It is COPE 378's view that the recent process was sufficient to deal with this particular issue but that it should not be considered out of scope if there is sufficient interest and reason forwarded by other parties.</i>
Smart Meter Choices Program charges	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<i>The allocation of smart meter costs across customer classes may be an important issue to consider</i>
FortisBC Power Purchase Agreement (RS 3808)	<input type="checkbox"/>	x	<input type="checkbox"/>	<input type="checkbox"/>	<i>It is COPE 378's view that the recent process was sufficient to deal with this particular issue but that it should not be considered out of scope if there is sufficient interest and reason forwarded by other parties.</i>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Customer Baseline Determination (Tariff Supplement (TS) 74)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>There is a conflict between the objective of economic efficiency (sending the appropriate price signal) and the requirement to allocate to customers the benefits of low cost heritage supply. There is an issue in all the rate classes as to how this can best be done. In the industrial sector this raises questions about the use and determination of CBL thresholds for new, changing and existing loads which must be addressed in the application.</i>
Tariffs outside of load supplying rates – Open Access Transmission Tariff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Demand Side Management program expenditures – but program descriptions are in scope to provide context for conservation rate structures	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>The allocation of DSM program costs across customer classes may be an important issue to consider and there is not sufficient reason to consider it out of scope.</i>
<b>Section A-2: In Scope Issues:</b>					
All 7 customer classes: Residential, Large General Service (LGS), Medium General Service (MGS), Small General Service (SGS), Irrigation, Street Lighting and Transmission	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Cost of Service (COS), and Rebalancing within the confines of section 58.1 of the Utilities Commission Act	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Transmission and Distribution extension policies	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Agreed. This is a key issue both in terms of efficiency and fairness as well as consistency with the postage stamp and other principles governing billing rates</i>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Electric Tariff terms and conditions	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that rate increase limits in Direction 7 for F2017, F2018 and F2019 will be assumed for RDA modelling purposes	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that a Deferral Account Rate Rider ( <b>DARR</b> ) of 5% will be assumed for RDA modelling purposes	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes to proceed as if RS 1823, TS 5 and TS 6 are in scope for the 2015 RDA	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that the eight Bonbright Criteria are to be measured per Slide #10 of the Introduction presentation	<input type="checkbox"/>	<input type="checkbox"/>	x	<input type="checkbox"/>	<i>While the Bonbright criteria can provide a useful general guide, they are not absolutes and there is some controversy already about what these truly are or their interpretation so the specific interpretations of key terms and concepts as well as the right terms and concepts requiring interpretation will need careful consideration. In particular, how one defines cost of service (on a marginal or embedded basis), subsidies and 'undue discrimination' require further detailed consideration. The trade-offs among the different criteria also require careful consideration in the application.</i>



Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Customer Engagement Process – see Section B of Feedback Form</b>					
<b>Presentation 2: Cost of Service Introduction and Scope</b>					
For purposes of the 2015 RDA COS, BC Hydro proposes to use the F2016 Revenue Requirement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	
BC Hydro proposes that COS continue to be prepared using embedded costs rather than marginal costs	<input type="checkbox"/>	<input type="checkbox"/>	x	<input type="checkbox"/>	<i>It is premature to conclude this. The rationale, implications and advantages and disadvantages of each approach should be presented and carefully considered, in relation not only to the efficiency objective of rates, but also with regard to concerns about the consistency of connection/extension policy (where marginal costs appear to be applied) and use rates (currently based on embedded costs).</i>
BC Hydro proposes to review methodologies in COS model for functionalization, classification, allocation, and other forms of cost assignment	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Provided FACOS is found to be the appropriate then this review would be a good idea but we think it premature to prefer an embedded cost system rather than a marginal one.</i>
Rate Rebalancing: BC Hydro proposes to use a 95% to 105% Revenue/Cost ratio range of reasonableness for all customer groups	<input type="checkbox"/>	<input type="checkbox"/>	x	<input type="checkbox"/>	<i>There is no reason to determine at this early stage what R/C ratio to proceed with absent input from rate payers.</i>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 3 – Rate Structures: Residential, Large, Medium and Small General Service, Irrigation and Street Lighting</b>					
<b>BC Hydro proposals related to RIB:</b> Maintain 2013 Residential Inclining Block (RIB) approach - Maximum of 10% bill impact, representing all-in costs (consisting of RRA rate caps + DARR + rate changes due to rate rebalancing + rate changes due to rate design), to single most adversely impacted customer – to be used as a limit for modelling purposes	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>The 2015 RDA is an opportunity for a broader consideration of how rates in all customer classes can be structured to promote economic efficiency, appropriately share in the benefits of low cost heritage supply and protect households and business from well-defined rate shock thresholds or criteria.</i>
Consider increase in the Basic Charge toward cost-based	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Consider decoupling Minimum Charge to reflect cost of remaining attached to the system during periods of very low consumption or dormancy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
BC Hydro proposes to avoid rate designs where it would need to know what happens beyond the customer meter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Consider application of RIB thresholds to unmetered legal or other secondary suites	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Inequities and inefficiencies of the RIB thresholds need to be addressed as part of a broader review of rate structures</i>
<b>For June 19, 2014 RIB Workshop BC Hydro proposes to model the impacts of:</b>					

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<ul style="list-style-type: none"> <li>Basic charge increase to 50% customer related fixed cost recovery</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	
<ul style="list-style-type: none"> <li>Minimum charge (\$/Mo.) \$10, \$15 and \$20, assuming status quo Basic Charge</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	
<ul style="list-style-type: none"> <li>Minimum Charge (\$/Mo.) \$10 and \$15, assuming Basic Charge 50% assumption</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	
<ul style="list-style-type: none"> <li>Setting of Step 1 / Step 2 Threshold: Propose to model Step 1 thresholds set at: Mean, Median and Status Quo (675 kWh/mo.)</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	
<ul style="list-style-type: none"> <li>Capacity Signal in Long Run Marginal Cost (<b>LRMC</b>) for Rate-making – BC Hydro proposes not to include capacity value in LRMC for RIB rate-making</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	
<ul style="list-style-type: none"> <li>Alternative Rate Designs to RIB – BC Hydro proposes to review the concepts and illustrative modeling results of the following alternatives, as raised in 2008 RIB proceeding: three-step rate, seasonal rates, customer baseline rate</li> </ul>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<p><b>BC Hydro proposals related to LGS/MGS rates:</b></p> <p>Address issues with MGS and LGS 2- Part Rates identified in 3-Year Report, including:</p> <ul style="list-style-type: none"> <li>• Impact of rates on growing customers</li> <li>• Baseline treatment for new accounts</li> <li>• MGS Part 1 structure</li> <li>• Administrative &amp; operational challenges, customer understandability</li> <li>• Conservation achieved</li> <li>• Cost of service and allocation of energy and demand charges</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	
<p>BC Hydro proposes to consider rate design alternatives</p>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>Agreed. This is necessary for all rate classes to address the challenge of promoting economic efficiency as well as appropriately sharing in the benefits of low cost heritage supply</i>
<p><b>BC Hydro proposals related to SGS rates</b></p> <p>Consider:</p> <ul style="list-style-type: none"> <li>• Maintaining current design</li> <li>• Development of conservation stepped rate design</li> <li>• Higher fixed charge based on COS, which may mean lower energy charge</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	Other alternatives may warrant consideration.
<p><b>BC Hydro proposal related to E-Plus Rate:</b></p> <ul style="list-style-type: none"> <li>• Maintain attrition approach</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p><b>BC Hydro proposals related to Non-Integrated Areas:</b></p> <p>Consider the following alternatives:</p> <ul style="list-style-type: none"> <li>• status quo, full cost recovery, rolled-in to Zone I</li> <li>• Clarify terminology applicable to Zone II rates and create clear tariff definitions consistent with Special Direction No. 10 and the “Remote Communities Regulation”</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	
<p><b>BC Hydro proposals related to Farms and Irrigation Rates:</b></p> <ul style="list-style-type: none"> <li>• Consider definition, options and applicability of rates for farm customers: Residential, MGS &amp; LGS</li> <li>• Consider policy basis or rate objective to exempt farms from the RIB rate</li> <li>• Consider COS basis for a farm class of customers</li> <li>• Consider policy basis or rate objective to maintain irrigation class</li> <li>• Consider suitability of irrigation rate schedules for hotel/golf course customers, and rate classes based on customer pump capacity</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 4 – Transmission Voltage Service - Supply Rates</b>					
BC Hydro proposes to review the following with respect to RS 1823: <ul style="list-style-type: none"> <li>Review pricing principles for RS 1823 T1 and T2</li> <li>Review revenue and bill neutrality definition</li> <li>Review demand charges – COS allocation, TOU period refinements</li> </ul>	<input type="checkbox"/>	x	<input type="checkbox"/>	<input type="checkbox"/>	<i>Agreed. This also needs to be linked to the review of TS 6 and connection policy in order to develop a consistent, efficient and fair approach.</i>
BC Hydro proposes to review the following with respect to TOU: <ul style="list-style-type: none"> <li>TOU scope to be partially informed by TSR 3 year evaluation</li> <li>Better definition of desired capacity products</li> <li>Better understanding of customer capabilities &amp; ratepayer impacts</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	
BC Hydro proposes to review the following with respect to Standby & Interruptible rates: <ul style="list-style-type: none"> <li>Consider eligibility: entire TSR class</li> <li>Review of pricing principles for RS 1880, RS 1853 and capacity/delivery charge</li> <li>Consider service characteristics – firm vs. non-firm, direct control vs. voluntary, term, notice period and number of interruptions</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p>BC Hydro proposes to consider development of Retail/Market Access, including the following issues:</p> <ul style="list-style-type: none"> <li>• Market-based pricing simulation only?</li> <li>• Market pricing references for energy, capacity, carbon?</li> <li>• Integrate market based pricing mechanism with other rates</li> <li>• Eligibility, term, risk</li> <li>• Participant vs. non-participant impacts</li> <li>• Service characteristics: firm vs. non-firm supply</li> <li>• Utility cost/benefit analysis</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	x	<input type="checkbox"/>	<p><i>COPE 378 submits this should be in scope but does not agree with the development of Retail/Market access at this time..</i></p>
<p>BC Hydro proposes to consider development of Exempt/Surplus or Other rates:</p> <ul style="list-style-type: none"> <li>• Is rationale for exemption still appropriate?</li> <li>• Should specific rates be designed to reflect specific operating circumstances and times (i.e. energy surplus)?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><i>It is unclear what is meant by this.</i></p>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 5 –Transmission System Interconnection Tariffs</b>					
BC Hydro proposes to consider tariff & process for interconnection of new customer load and self-generation to BC Hydro system, including:					
<ul style="list-style-type: none"> <li>• TS 6 (see below for details), and TS 5</li> </ul>	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agreed.
<ul style="list-style-type: none"> <li>• Interconnection process &amp; queue management</li> </ul>	<input type="checkbox"/>	x	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Related terms &amp; conditions/ commercial agreements</li> </ul>	<input type="checkbox"/>	x	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes to review non-tariff issues, including					
<ul style="list-style-type: none"> <li>• System Impact Study and Facilities Study Agreement</li> <li>• Credit Support Agreement</li> <li>• Transmission line Ownership Transfer Agreement</li> </ul>	<input type="checkbox"/>	x	<input type="checkbox"/>	<input type="checkbox"/>	



Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p>BC Hydro proposes to review the following TS-6 scope issues:</p> <ul style="list-style-type: none"> <li>• Transmission service customer eligibility criteria</li> <li>• Definition of eligible “system costs” for allocation</li> <li>• Methodology/formula to allocate system costs</li> <li>• Examination of 150 MVA threshold</li> <li>• Treatment of “system reinforcement” vs “system extension”</li> <li>• Treatment of single loads, phased loads, regional load clusters</li> <li>• Treatment of load customers with self-generation</li> <li>• Commercial agreements / terms &amp; conditions</li> <li>• Other?</li> </ul>	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><i>A comprehensive review of the principles underlying this policy and their consistency with the principles underlying use rates is required in order that these issues can be addressed in a logical and defensible manner</i></p>
<b>Presentation 6– Distribution Extension Policy &amp; Terms and Conditions</b>					
<p>BC Hydro proposes that a review of the Electric Tariff (Distribution) would focus mainly on Section 8 (Customer Extensions).</p>	<input type="checkbox"/>	x	<input type="checkbox"/>	<input type="checkbox"/>	
<p>BC Hydro also proposes to review the Electric Tariff terms &amp; conditions sections to develop recommendations for increased clarification.</p>	<input type="checkbox"/>	x	<input type="checkbox"/>	<input type="checkbox"/>	

**Additional Comments, Items you think should be in-scope, not currently identified:**

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Section B: Feedback on Proposed RDA Engagement Process	Proposed Process is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Proposed Engagement Process</b>					
BC Hydro proposes three main streams of engagement:					
<ul style="list-style-type: none"> <li>7-10 topic specific workshops</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>On-line ways to provide feedback</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>Face-to-face focused customer meetings</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Three week comment period after workshops	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>This can be challenging, particularly when parties are also using an expert to inform their input. We suggest a 45 to 60 day comment deadline.</i>
BC Hydro proposes these first two topic-specific workshops:					
<ul style="list-style-type: none"> <li>June 19 – Review of COS – consultant report and BC Hydro response</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>June 25 – RIB – review initial modeling results for RIB rate alternatives, Electric Tariff charges</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes additional topic-specific workshops to follow in summer/fall 2014	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Additional Comments on Proposed Engagement process:**

Section C: Feedback on Workshop	Workshop Format and Content is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Workshop format and content was helpful in providing input on in-scope and out of scope issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Workshop format and content was helpful in providing input on RDA engagement process	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Additional Comments on Workshop Format and Content:**

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**CONSENT TO USE PERSONAL INFORMATION**

I consent to the use of my personal information by BC Hydro for the purposes of keeping me updated about the 2015 RDA. For purposes of the above, my personal information includes opinions, name, mailing address, phone number and email address as per the information I provide.

Signature: Leigha Worth & James Quail Date: July 15, 2014

Thank you for your comments.

Comments submitted will be used to inform the RDA Scope and Engagement process, including discussions with Government, and will form part of the official record of the RDA.

You can return completed feedback forms by:

Mail: BC Hydro, BC Hydro Regulatory Group – “Attention 2015 RDA”, 16<sup>th</sup> Floor, 333 Dunsmuir St. Van. B.C. V6B-5R3

Fax number: 604-623-4407 – “Attention 2015 RDA”

Email: [bhydroregulatorygroup@bhydro.com](mailto:bhydroregulatorygroup@bhydro.com)

Form available on Web: [http://www.bhydro.com/about/planning\\_regulatory/regulatory.html](http://www.bhydro.com/about/planning_regulatory/regulatory.html)

Any personal information you provide to BC Hydro on this form is collected and protected in accordance with the **Freedom of Information and Protection of Privacy Act**. BC Hydro is collecting information with this for the purpose of the 2015 RDA in accordance with BC Hydro’s mandate under the **Hydro and Power Authority Act**, the BC Hydro Tariff, the **Utilities Commission Act** and related Regulations and Directions. If you have any questions about the collection or use of the personal information collected on this form please contact the BC Hydro Regulatory Group via email at: [bhydroregulatorygroup@bhydro.com](mailto:bhydroregulatorygroup@bhydro.com)

## 2015 RDA - May 8, 2014 Workshop Feedback Form

<b>Name/Organization:</b> <i>CLAUDE BRÛLÉ</i> <i>LAFARGE CANADA INC.</i> <i>604-219-5050</i>	<b>Topics of Interest (please check appropriate boxes):</b> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Residential Rates</td> <td style="width: 5%; text-align: center;"><input checked="" type="checkbox"/></td> <td style="width: 45%;">Transmission Extension Policy</td> <td style="width: 10%; text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Commercial Rates</td> <td style="text-align: center;"><input type="checkbox"/></td> <td>Distribution Extension Policy</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Industrial Rates</td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td>Other</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	Residential Rates	<input checked="" type="checkbox"/>	Transmission Extension Policy	<input type="checkbox"/>	Commercial Rates	<input type="checkbox"/>	Distribution Extension Policy	<input type="checkbox"/>	Industrial Rates	<input checked="" type="checkbox"/>	Other	<input type="checkbox"/>
Residential Rates	<input checked="" type="checkbox"/>	Transmission Extension Policy	<input type="checkbox"/>										
Commercial Rates	<input type="checkbox"/>	Distribution Extension Policy	<input type="checkbox"/>										
Industrial Rates	<input checked="" type="checkbox"/>	Other	<input type="checkbox"/>										

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 1: Introduction To and Context for BC Hydro's 2015 RDA</b>					
<b>Section A-1: Out of Scope Issues:</b>					
<b>Out of Scope - per BC Govt. policy:</b>					
Mandatory Time of Use (TOU) for Residential or Commercial customers	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Creation of new regional rates (Postage stamp rates confirmed as BC Government policy)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Feed in Tariff	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Specific tariffs for Northwest Transmission Line and Liquefied Natural Gas, but principles informing these are in-scope	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Out of Scope - recently reviewed by BCUC:</b>					
Net metering (Rate Schedule (RS) 1289)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Smart Meter Choices Program charges	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
FortisBC Power Purchase Agreement (RS 3808)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

2015 RDA - May 8, 2014 Workshop Feedback Form

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Customer Baseline Determination (Tariff Supplement (TS) 74)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Tariffs outside of load supplying rates – Open Access Transmission Tariff	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Demand Side Management program expenditures – but program descriptions are in scope to provide context for conservation rate structures	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Section A-2: In Scope Issues:</b>					
All 7 customer classes: Residential, Large General Service (LGS), Medium General Service (MGS), Small General Service (SGS), Irrigation, Street Lighting and Transmission	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Cost of Service (COS), and Rebalancing within the confines of section 58.1 of the <i>Utilities Commission Act</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Transmission and Distribution extension policies	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Electric Tariff terms and conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that rate increase limits in Direction 7 for F2017, F2018 and F2019 will be assumed for RDA modelling purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that a Deferral Account Rate Rider (DARR) of 5% will be assumed for RDA modelling purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes to proceed as if RS 1823, TS 5 and TS 6 are in scope for the 2015 RDA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	
BC Hydro proposes that the eight Bonbright Criteria are to be measured per Slide #10 of the Introduction presentation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Customer Engagement Process – see Section B of Feedback Form</b>					
<b>Presentation 2: Cost of Service Introduction and Scope</b>					
For purposes of the 2015 RDA COS, BC Hydro proposes to use the F2016 Revenue Requirement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes that COS continue to be prepared using embedded costs rather than marginal costs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes to review methodologies in COS model for functionalization, classification, allocation, and other forms of cost assignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Rate Rebalancing: BC Hydro proposes to use a 95% to 105% Revenue/Cost ratio range of reasonableness for all customer groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 3 – Rate Structures: Residential, Large, Medium and Small General Service, Irrigation and Street Lighting</b>					
<b>BC Hydro proposals related to RIB:</b> Maintain 2013 Residential Inclining Block (RIB) approach - Maximum of 10% bill impact, representing all-in costs (consisting of RRA rate caps + DARR + rate changes due to rate rebalancing + rate changes due to rate design), to single most adversely impacted customer – to be used as a limit for modelling purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Consider increase in the Basic Charge toward cost-based	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Consider decoupling Minimum Charge to reflect cost of remaining attached to the system during periods of very low consumption or dormancy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes to avoid rate designs where it would need to know what happens beyond the customer meter	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Consider application of RIB thresholds to unmetered legal or other secondary suites	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>For June 19, 2014 RIB Workshop BC Hydro proposes to model the impacts of:</b>					
<ul style="list-style-type: none"> <li>Basic charge increase to 50% customer related fixed cost recovery</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	
<ul style="list-style-type: none"> <li>Minimum charge (\$/Mo.) \$10, \$15 and \$20, assuming status quo Basic Charge</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>Minimum Charge (\$/Mo.) \$10 and \$15, assuming Basic Charge 50% assumption</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>Setting of Step 1 / Step 2 Threshold: Propose to model Step 1 thresholds set at: Mean, Median and Status Quo (675 kWh/mo.)</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>Capacity Signal in Long Run Marginal Cost (<b>LRMC</b>) for Rate-making – BC Hydro proposes not to include capacity value in LRMC for RIB rate-making</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>Alternative Rate Designs to RIB – BC Hydro proposes to review the concepts and illustrative modeling results of the following alternatives, as raised in 2008 RIB proceeding: three-step rate, seasonal rates, customer baseline rate</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

<b>Section A: Feedback on Proposed In-Scope / Out of Scope items</b>	<b>Agree with Proposed treatment in Rate Design Application (RDA)</b>				
	Strongly Agree	Agree	Disagree	N/A	<b>Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).</b>
<p><b>BC Hydro proposals related to LGS/MGS rates:</b></p> <p>Address issues with MGS and LGS 2- Part Rates identified in 3-Year Report, including:</p> <ul style="list-style-type: none"> <li>• Impact of rates on growing customers</li> <li>• Baseline treatment for new accounts</li> <li>• MGS Part 1 structure</li> <li>• Administrative &amp; operational challenges, customer understandability</li> <li>• Conservation achieved</li> <li>• Cost of service and allocation of energy and demand charges</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p>BC Hydro proposes to consider rate design alternatives</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p><b>BC Hydro proposals related to SGS rates</b></p> <p>Consider:</p> <ul style="list-style-type: none"> <li>• Maintaining current design</li> <li>• Development of conservation stepped rate design</li> <li>• Higher fixed charge based on COS, which may mean lower energy charge</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p><b>BC Hydro proposal related to E-Plus Rate:</b></p> <ul style="list-style-type: none"> <li>• Maintain attrition approach</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	
<p><b>BC Hydro proposals related to Non-Integrated Areas:</b></p> <p>Consider the following alternatives:</p> <ul style="list-style-type: none"> <li>• status quo, full cost recovery, rolled-in to Zone I</li> <li>• Clarify terminology applicable to Zone II rates and create clear tariff definitions consistent with Special Direction No. 10 and the "Remote Communities Regulation"</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p><b>BC Hydro proposals related to Farms and Irrigation Rates:</b></p> <ul style="list-style-type: none"> <li>• Consider definition, options and applicability of rates for farm customers: Residential, MGS &amp; LGS</li> <li>• Consider policy basis or rate objective to exempt farms from the RIB rate</li> <li>• Consider COS basis for a farm class of customers</li> <li>• Consider policy basis or rate objective to maintain irrigation class</li> <li>• Consider suitability of irrigation rate schedules for hotel/golf course customers, and rate classes based on customer pump capacity</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 4 – Transmission Voltage Service - Supply Rates</b>					
BC Hydro proposes to review the following with respect to RS 1823: <ul style="list-style-type: none"> <li>Review pricing principles for RS 1823 T1 and T2</li> <li>Review revenue and bill neutrality definition</li> <li>Review demand charges – COS allocation, TOU period refinements</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	INCLUDE DEMAND CHARGE PERIOD & DEFINITION
BC Hydro proposes to review the following with respect to TOU: <ul style="list-style-type: none"> <li>TOU scope to be partially informed by TSR 3 year evaluation</li> <li>Better definition of desired capacity products</li> <li>Better understanding of customer capabilities &amp; ratepayer impacts</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	*MULTIPLE ZONES OF TOU ARE IMPORTANT WITH MULTIPLE OPTIONS. *DEPENDING ON THE CHOSEN OPTION, THE CUSTOMER COULD EITHER VOLUNTARILY CURTAIL OR, IF THE "DIRECT CONTROL" OPTION WAS CHOSEN, BC <sup>H</sup> SHOULD ENTERTAIN TO PROVIDE <sup>FINANCIAL</sup> SUBSIDIES TO THESE CUSTOMERS TO BUILD NECESSARY SYSTEMS TO SUPPORT THIS TYPE OF <del>INITIATIVE</del> CONTROL INITIATIVE SUCH AS ADDITIONAL STORAGE, etc.
BC Hydro proposes to review the following with respect to Standby & Interruptible rates: <ul style="list-style-type: none"> <li>Consider eligibility: entire TSR class</li> <li>Review of pricing principles for RS 1880, RS 1853 and capacity/delivery charge</li> <li>Consider service characteristics – firm vs. non-firm, direct control vs. voluntary, term, notice period and number of interruptions</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	
<p>BC Hydro proposes to consider development of Retail/Market Access, including the following issues:</p> <ul style="list-style-type: none"> <li>• Market-based pricing simulation only?</li> <li>• Market pricing references for energy, capacity, carbon?</li> <li>• Integrate market based pricing mechanism with other rates</li> <li>• Eligibility, term, risk</li> <li>• Participant vs. non-participant impacts</li> <li>• Service characteristics: firm vs. non-firm supply</li> <li>• Utility cost/benefit analysis</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p>BC Hydro proposes to consider development of Exempt/Surplus or Other rates:</p> <ul style="list-style-type: none"> <li>• Is rationale for exemption still appropriate?</li> <li>• Should specific rates be designed to reflect specific operating circumstances and times (i.e. energy surplus)?</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 5 –Transmission System Interconnection Tariffs</b>					
BC Hydro proposes to consider tariff & process for interconnection of new customer load and self-generation to BC Hydro system, including:					
<ul style="list-style-type: none"> <li>• TS 6 (see below for details), and TS 5</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Interconnection process &amp; queue management</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>SURPRISINGLY, IF FUTURE CUSTOMERS A, B, &amp; C, ARE COMPETITORS AND "C" IS READY TO MOVE AHEAD, EITHER "A" OR "B" CAN USE BCH'S INTER CONNECTION PROCESS AND ESPECIALLY THE QUEUE TO GAIN COMPETITIVE ADVANTAGE THUS USING BCH TO WRONGLY STALL A COMPETITOR'S BUSINESS PLAN!!!</p>
<ul style="list-style-type: none"> <li>• Related terms &amp; conditions/ commercial agreements</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes to review non-tariff issues, including <ul style="list-style-type: none"> <li>• System Impact Study and Facilities Study Agreement</li> <li>• Credit Support Agreement</li> <li>• Transmission line Ownership Transfer Agreement</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<p>BC Hydro proposes to review the following TS-6 scope issues:</p> <ul style="list-style-type: none"> <li>• Transmission service customer eligibility criteria</li> <li>• Definition of eligible "system costs" for allocation</li> <li>• Methodology/formula to allocate system costs</li> <li>• Examination of 150 MVA threshold</li> <li>• Treatment of "system reinforcement" vs "system extension"</li> <li>• Treatment of single loads, phased loads, regional load clusters</li> <li>• Treatment of load customers with self-generation</li> <li>• Commercial agreements / terms &amp; conditions</li> <li>• Other?</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p><b>Presentation 6– Distribution Extension Policy &amp; Terms and Conditions</b></p>					
<p>BC Hydro proposes that a review of the Electric Tariff (Distribution) would focus mainly on Section 8 (Customer Extensions).</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p>BC Hydro also proposes to review the Electric Tariff terms &amp; conditions sections to develop recommendations for increased clarification.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



**Additional Comments, Items you think should be in-scope, not currently identified:**

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Section B: Feedback on Proposed RDA Engagement Process	Proposed Process is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Proposed Engagement Process</b>					
BC Hydro proposes three main streams of engagement:					
<ul style="list-style-type: none"> <li>7-10 topic specific workshops</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>On-line ways to provide feedback</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>Face-to-face focused customer meetings</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Three week comment period after workshops	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes these first two topic-specific workshops:					
<ul style="list-style-type: none"> <li>June 19 – Review of COS – consultant report and BC Hydro response</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>June 25 – RIB – review initial modeling results for RIB rate alternatives, Electric Tariff charges</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BC Hydro proposes additional topic-specific workshops to follow in summer/fall 2014	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Additional Comments on Proposed Engagement process:**

SOME OF ~~THE~~ US WILL NOT BE ABLE TO ATTEND EITHER JUNE WORKSHOPS SO POTENTIALLY, OTHER ADDITIONAL DAYS SHOULD BE CONSIDERED.

2015 RDA - May 8, 2014 Workshop Feedback Form

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Section C: Feedback on Workshop	Workshop Format and Content is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Workshop format and content was helpful in providing input on in-scope and out of scope issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Workshop format and content was helpful in providing input on RDA engagement process	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Additional Comments on Workshop Format and Content:**

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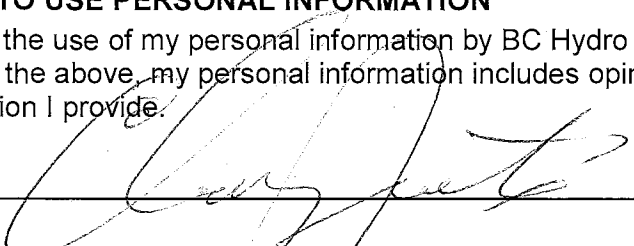


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**CONSENT TO USE PERSONAL INFORMATION**

I consent to the use of my personal information by BC Hydro for the purposes of keeping me updated about the 2015 RDA. For purposes of the above, my personal information includes opinions, name, mailing address, phone number and email address as per the information I provide.

Signature: \_\_\_\_\_



Date: \_\_\_\_\_

May 8/14

Thank you for your comments.

Comments submitted will be used to inform the RDA Scope and Engagement process, including discussions with Government, and will form part of the official record of the RDA.

You can return completed feedback forms by:

Mail: BC Hydro, BC Hydro Regulatory Group – “Attention 2015 RDA”, 16<sup>th</sup> Floor, 333 Dunsmuir St. Van. B.C. V6B-5R3

Fax number: 604-623-4407 – “Attention 2015 RDA”

Email: [bchydroregulatorygroup@bchydro.com](mailto:bchydroregulatorygroup@bchydro.com)

Form available on Web: [http://www.bchydro.com/about/planning\\_regulatory/regulatory.html](http://www.bchydro.com/about/planning_regulatory/regulatory.html)

Any personal information you provide to BC Hydro on this form is collected and protected in accordance with the **Freedom of Information and Protection of Privacy Act**. BC Hydro is collecting information with this for the purpose of the 2015 RDA in accordance with BC Hydro’s mandate under the **Hydro and Power Authority Act**, the BC Hydro Tariff, the **Utilities Commission Act** and related Regulations and Directions. If you have any questions about the collection or use of the personal information collected on this form please contact the BC Hydro Regulatory Group via email at: [bchydroregulatorygroup@bchydro.com](mailto:bchydroregulatorygroup@bchydro.com)

## 2015 RDA - May 8, 2014 Workshop Feedback Form

<b>Name/Organization: Progress Energy Canada Ltd (PECL)</b>	<b>Topics of Interest (please check appropriate boxes):</b>			
	Residential Rates	<input type="checkbox"/>	Transmission Extension Policy	<input checked="" type="checkbox"/>
	Commercial Rates	<input type="checkbox"/>	Distribution Extension Policy	<input checked="" type="checkbox"/>
	Industrial Rates	<input checked="" type="checkbox"/>	Other	<input type="checkbox"/>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 1: Introduction To and Context for BC Hydro's 2015 RDA</b>					
<b>Section A-1: Out of Scope Issues:</b>					
<b>Out of Scope - per BC Govt. policy:</b>					
Mandatory Time of Use (TOU) for Residential or Commercial customers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
Creation of new regional rates (Postage stamp rates confirmed as BC Government policy)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL supports continued postage stamp ratemaking, in alignment with BC Government policy.
Feed in Tariff	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL supports ratemaking that adheres to the regulatory principle of fairness. New customers should not be penalized with higher unit energy costs than those borne by incumbent customers.
Specific tariffs for Northwest Transmission Line and Liquefied Natural Gas, but principles informing these are in-scope	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL acknowledges that these tariffs have been set by policy and are out of scope for the RDA process.
<b>Out of Scope - recently reviewed by BCUC:</b>					
Net metering (Rate Schedule (RS) 1289)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Smart Meter Choices Program charges	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
FortisBC Power Purchase Agreement (RS 3808)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
Customer Baseline Determination (Tariff Supplement (TS) 74)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL does not object to the current CBL determination formula.
Tariffs outside of load supplying rates – Open Access Transmission Tariff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
Demand Side Management program expenditures – but program descriptions are in scope to provide context for conservation rate structures	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL is supportive of effective DSM programs that encourage efficient use of energy but do not unfairly discriminate between customer classes or industries.
<b>Section A-2: In Scope Issues:</b>					
All 7 customer classes: Residential, Large General Service (LGS), Medium General Service (MGS), Small General Service (SGS), Irrigation, Street Lighting and Transmission	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL supports rate design that does not unfairly discriminate between different customer classes or industries, or between incumbent and new customers.
Cost of Service (COS), and Rebalancing within the confines of section 58.1 of the <i>Utilities Commission Act</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL supports rate design that properly apportions Cost of Service to each customer class, without imposing unreasonable inter-class cross-subsidies. PECL supports rate rebalancing that targets ultimate elimination of customer class rate asymmetries that do not reflect actual Cost of Service.
Transmission and Distribution extension policies	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL is generally supportive of the existing T&D extension policies as codified under TS6, with the exception that the 150 MVA threshold appears to be an arbitrary discontinuity that is not supported by the stated ratemaking principles.
Electric Tariff terms and conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
BC Hydro proposes that rate increase limits in Direction 7 for F2017, F2018 and F2019 will be assumed for RDA modelling purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL agrees that the rate increase limits set out in Direction 7 for F2017, F2018 and F2019 should apply to overall revenue requirements, but they should not limit necessary rate rebalancing to achieve more equitable apportionment between rate classes.
BC Hydro proposes that a Deferral Account Rate Rider ( <b>DARR</b> ) of 5% will be assumed for RDA modelling purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL does not object to the assumption of a 5% DARR
BC Hydro proposes to proceed as if RS 1823, TS 5 and TS 6 are in scope for the 2015 RDA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL supports examination of RS 1823 and TS 5 with the target of reducing the existing over-recovery of costs implicit in these rates.  As stated above, PECL is generally supportive of the TS 6 T&D extension policies, with the exception of the arbitrary 150 MVA load threshold.
BC Hydro proposes that the eight Bonbright Criteria are to be measured per Slide #10 of the Introduction presentation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL supports rate design that reflects regulatory principles founded upon fairness and stability, that properly considers the actual cost of service for each customer class, and that does not unreasonably discriminate between customer classes, industries, incumbent customers and new customers.
<b>Customer Engagement Process – see Section B of Feedback Form</b>					
<b>Presentation 2: Cost of Service Introduction and Scope</b>					
For purposes of the 2015 RDA COS, BC Hydro proposes to use the F2016 Revenue Requirement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL agrees with this proposal.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
BC Hydro proposes that COS continue to be prepared using embedded costs rather than marginal costs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>PECL supports Cost of Service based rate design that does that does not unreasonably discriminate between customer classes, industries, new customers and existing customers.</p> <p>Using marginal costs to establish COS would unfairly penalize new customers and would therefore not satisfy the stated ratemaking principles.</p>
BC Hydro proposes to review methodologies in COS model for functionalization, classification, allocation, and other forms of cost assignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL does not object to the proposed methodology review.
Rate Rebalancing: BC Hydro proposes to use a 95% to 105% Revenue/Cost ratio range of reasonableness for all customer groups	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The proposed rate rebalancing bands represent a significant ongoing transfer from industrial customers to other customer classes. PECL would support targeting a tighter Revenue/Cost ratio range.
<b>Presentation 3 – Rate Structures: Residential, Large, Medium and Small General Service, Irrigation and Street Lighting</b>					
<b>BC Hydro proposals related to RIB:</b> Maintain 2013 Residential Inclining Block (RIB) approach - Maximum of 10% bill impact, representing all-in costs (consisting of RRA rate caps + DARR + rate changes due to rate rebalancing + rate changes due to rate design), to single most adversely impacted customer – to be used as a limit for modelling purposes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A



Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Consider increase in the Basic Charge toward cost-based	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
Consider decoupling Minimum Charge to reflect cost of remaining attached to the system during periods of very low consumption or dormancy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
BC Hydro proposes to avoid rate designs where it would need to know what happens beyond the customer meter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
Consider application of RIB thresholds to unmetered legal or other secondary suites	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
<b>For June 19, 2014 RIB Workshop BC Hydro proposes to model the impacts of:</b>					
<ul style="list-style-type: none"> <li>Basic charge increase to 50% customer related fixed cost recovery</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
<ul style="list-style-type: none"> <li>Minimum charge (\$/Mo.) \$10, \$15 and \$20, assuming status quo Basic Charge</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
<ul style="list-style-type: none"> <li>Minimum Charge (\$/Mo.) \$10 and \$15, assuming Basic Charge 50% assumption</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
<ul style="list-style-type: none"> <li>Setting of Step 1 / Step 2 Threshold: Propose to model Step 1 thresholds set at: Mean, Median and Status Quo (675 kWh/mo.)</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<ul style="list-style-type: none"> <li>Capacity Signal in Long Run Marginal Cost (<b>LRMC</b>) for Rate-making – BC Hydro proposes not to include capacity value in LRMC for RIB rate-making</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
<ul style="list-style-type: none"> <li>Alternative Rate Designs to RIB – BC Hydro proposes to review the concepts and illustrative modeling results of the following alternatives, as raised in 2008 RIB proceeding: three-step rate, seasonal rates, customer baseline rate</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
<p><b>BC Hydro proposals related to LGS/MGS rates:</b></p> <p>Address issues with MGS and LGS 2– Part Rates identified in 3-Year Report, including:</p> <ul style="list-style-type: none"> <li>Impact of rates on growing customers</li> <li>Baseline treatment for new accounts</li> <li>MGS Part 1 structure</li> <li>Administrative &amp; operational challenges, customer understandability</li> <li>Conservation achieved</li> <li>Cost of service and allocation of energy and demand charges</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL will participate in the LGS/MGS rate design process to the extent that it impacts rate rebalancing relative to industrial customers.
BC Hydro proposes to consider rate design alternatives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	See previous comment.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p><b>BC Hydro proposals related to SGS rates</b></p> <p>Consider:</p> <ul style="list-style-type: none"> <li>• Maintaining current design</li> <li>• Development of conservation stepped rate design</li> <li>• Higher fixed charge based on COS, which may mean lower energy charge</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>PECL will participate in the SGS rate design process to the extent that it impacts rate rebalancing relative to industrial customers.</p>
<p><b>BC Hydro proposal related to E-Plus Rate:</b></p> <ul style="list-style-type: none"> <li>• Maintain attrition approach</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>N/A</p>
<p><b>BC Hydro proposals related to Non-Integrated Areas:</b></p> <p>Consider the following alternatives:</p> <ul style="list-style-type: none"> <li>• status quo, full cost recovery, rolled-in to Zone I</li> <li>• Clarify terminology applicable to Zone II rates and create clear tariff definitions consistent with Special Direction No. 10 and the “Remote Communities Regulation”</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>PECL will monitor the NIA rate design process to the extent that it impacts rate rebalancing relative to industrial customers.</p>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p><b>BC Hydro proposals related to Farms and Irrigation Rates:</b></p> <ul style="list-style-type: none"> <li>• Consider definition, options and applicability of rates for farm customers: Residential, MGS &amp; LGS</li> <li>• Consider policy basis or rate objective to exempt farms from the RIB rate</li> <li>• Consider COS basis for a farm class of customers</li> <li>• Consider policy basis or rate objective to maintain irrigation class</li> <li>• Consider suitability of irrigation rate schedules for hotel/golf course customers, and rate classes based on customer pump capacity</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>PECL supports Cost of Service based rate design that does not unreasonably discriminate between different customer classes or industries.</p>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<b>Presentation 4 – Transmission Voltage Service - Supply Rates</b>					
BC Hydro proposes to review the following with respect to RS 1823: <ul style="list-style-type: none"> <li>• Review pricing principles for RS 1823 T1 and T2</li> <li>• Review revenue and bill neutrality definition</li> <li>• Review demand charges – COS allocation, TOU period refinements</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL does not object to the proposed review, on the understanding that the regulatory principle of fairness will be applied through the process to ensure that any rate adjustments reflect cost of service and there is no unreasonable discrimination between classes, industries, new customers or existing customers.
BC Hydro proposes to review the following with respect to TOU: <ul style="list-style-type: none"> <li>• TOU scope to be partially informed by TSR 3 year evaluation</li> <li>• Better definition of desired capacity products</li> <li>• Better understanding of customer capabilities &amp; ratepayer impacts</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
BC Hydro proposes to review the following with respect to Standby & Interruptible rates: <ul style="list-style-type: none"> <li>• Consider eligibility: entire TSR class</li> <li>• Review of pricing principles for RS 1880, RS 1853 and capacity/delivery charge</li> <li>• Consider service characteristics – firm vs. non-firm, direct control vs. voluntary, term, notice period and number of interruptions</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL does not anticipate that it will be able to take advantage of standby or interruptible rates given the nature of its production facilities. However, PECL does not object to availability of a broad range of Cost of Service-based rates that enable BCH to avoid or defer costs.

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				
	Strongly Agree	Agree	Disagree	N/A	Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
<p>BC Hydro proposes to consider development of Retail/Market Access, including the following issues:</p> <ul style="list-style-type: none"> <li>• Market-based pricing simulation only?</li> <li>• Market pricing references for energy, capacity, carbon?</li> <li>• Integrate market based pricing mechanism with other rates</li> <li>• Eligibility, term, risk</li> <li>• Participant vs. non-participant impacts</li> <li>• Service characteristics: firm vs. non-firm supply</li> <li>• Utility cost/benefit analysis</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>PECL supports the development of a range of Cost of Service-based rates, including a Market-Based rate option. PECL supports the option for customers to obtain physical market access, rather than limiting market-based pricing to simulation only, on the condition that the full cost of providing this service is reflected in the applicable rates.</p>
<p>BC Hydro proposes to consider development of Exempt/Surplus or Other rates:</p> <ul style="list-style-type: none"> <li>• Is rationale for exemption still appropriate?</li> <li>• Should specific rates be designed to reflect specific operating circumstances and times (i.e. energy surplus)?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>N/A</p>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Presentation 5 –Transmission System Interconnection Tariffs</b>					
BC Hydro proposes to consider tariff & process for interconnection of new customer load and self-generation to BC Hydro system, including:					
<ul style="list-style-type: none"> <li>TS 6 (see below for details), and TS 5</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>PECL is generally supportive of the existing T&amp;D extension policies as codified under TS 6, with the exception that the 150 MVA threshold appears to be an arbitrary discontinuity that is not supported by the stated ratemaking principles.</p> <p>PECL intends to actively participate in any review of TS 6.</p>
<ul style="list-style-type: none"> <li>Interconnection process &amp; queue management</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL strongly supports innovation & improvements that would expedite the interconnection process. The existing interconnection process does not align with industrial project development cycles, and potentially impedes industrial development in the Province.
<ul style="list-style-type: none"> <li>Related terms &amp; conditions/ commercial agreements</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL supports improving transparency of the commercial agreement negotiation process.
BC Hydro proposes to review non-tariff issues, including <ul style="list-style-type: none"> <li>System Impact Study and Facilities Study Agreement</li> <li>Credit Support Agreement</li> <li>Transmission line Ownership Transfer Agreement</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>PECL strongly supports improvements to non-tariff activities that would expedite the interconnection process, including streamlining the System Impact Study and Facilities Study processes.</p> <p>PECL would also support development of flexible security arrangements that appropriately recognize customers' creditworthiness.</p>

Section A: Feedback on Proposed In-Scope / Out of Scope items	Agree with Proposed treatment in Rate Design Application (RDA)				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<p>BC Hydro proposes to review the following TS-6 scope issues:</p> <ul style="list-style-type: none"> <li>• Transmission service customer eligibility criteria</li> <li>• Definition of eligible “system costs” for allocation</li> <li>• Methodology/formula to allocate system costs</li> <li>• Examination of 150 MVA threshold</li> <li>• Treatment of “system reinforcement” vs “system extension”</li> <li>• Treatment of single loads, phased loads, regional load clusters</li> <li>• Treatment of load customers with self-generation</li> <li>• Commercial agreements / terms &amp; conditions</li> <li>• Other?</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>PECL is generally supportive of the existing T&amp;D extension policies as codified under TS 6, with the exception that the 150 MVA threshold for individual customers appears to be an arbitrary discontinuity that is not supported by the stated ratemaking principles.</p> <p>PECL supports grandfathering the terms of TS 6 for customers already in the interconnection queue, since those customers (including PECL) have made financial decisions based upon the existing tariff terms.</p> <p>PECL intends to actively participate in any review of TS6.</p>
<p><b>Presentation 6– Distribution Extension Policy &amp; Terms and Conditions</b></p>					
<p>BC Hydro proposes that a review of the Electric Tariff (Distribution) would focus mainly on Section 8 (Customer Extensions).</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>PECL does not have any specific concerns with the existing Distribution Customer Extension tariff</p>
<p>BC Hydro also proposes to review the Electric Tariff terms &amp; conditions sections to develop recommendations for increased clarification.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>PECL supports provision of the greatest possible transparency of customer tariff Ts &amp; Cs.</p>



**Additional Comments, Items you think should be in-scope, not currently identified:**

PECL reserves the right to modify its position on any of the above issues, pending receipt of additional existing information, or as clarifications and developments become available through the RDA process.

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PECL intends to actively participate in the RDA process to the extent necessary to protect its commercial interests.

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Section B: Feedback on Proposed RDA Engagement Process	Proposed Process is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
<b>Proposed Engagement Process</b>					
BC Hydro proposes three main streams of engagement:					
<ul style="list-style-type: none"> <li>7-10 topic specific workshops</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL supports holding topic-specific workshops to enable efficient participation in the RDA process.
<ul style="list-style-type: none"> <li>On-line ways to provide feedback</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL appreciates the opportunity to provide feedback online.
<ul style="list-style-type: none"> <li>Face-to-face focused customer meetings</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL appreciates BC Hydro's willingness to hold face-to-face meetings with customers.
Three week comment period after workshops	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL appreciates BC Hydro's willingness to accept comments for three weeks after workshops.
BC Hydro proposes these first two topic-specific workshops:					
<ul style="list-style-type: none"> <li>June 19 – Review of COS – consultant report and BC Hydro response</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL intends to participate in this workshop.
<ul style="list-style-type: none"> <li>June 25 – RIB – review initial modeling results for RIB rate alternatives, Electric Tariff charges</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A
BC Hydro proposes additional topic-specific workshops to follow in summer/fall 2014	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PECL requests the lengthiest possible advance notice for upcoming topic-specific workshops.

**Additional Comments on Proposed Engagement process:**

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Section C: Feedback on Workshop	Workshop Format and Content is Appropriate				Comments (Please do not identify third-party individuals in your comments. Comments bearing references to identifiable individuals will be discarded due to privacy concerns).
	Strongly Agree	Agree	Disagree	N/A	
Workshop format and content was helpful in providing input on in-scope and out of scope issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Workshop format and content was helpful in providing input on RDA engagement process	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Additional Comments on Workshop Format and Content:**

PECL experienced some technical difficulties with the remote attendance option.

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**CONSENT TO USE PERSONAL INFORMATION**

I consent to the use of my personal information by BC Hydro for the purposes of keeping me updated about the 2015 RDA. For purposes of the above, my personal information includes opinions, name, mailing address, phone number and email address as per the information I provide.



Signature: \_\_\_\_\_

Date: May 29, 2014

Thank you for your comments.

Comments submitted will be used to inform the RDA Scope and Engagement process, including discussions with Government, and will form part of the official record of the RDA.

You can return completed feedback forms by:

Mail: BC Hydro, BC Hydro Regulatory Group – “Attention 2015 RDA”, 16<sup>th</sup> Floor, 333 Dunsmuir St. Van. B.C. V6B-5R3

Fax number: 604-623-4407 – “Attention 2015 RDA”

Email: [bchydroregulatorygroup@bchydro.com](mailto:bchydroregulatorygroup@bchydro.com)

Form available on Web: [http://www.bchydro.com/about/planning\\_regulatory/regulatory.html](http://www.bchydro.com/about/planning_regulatory/regulatory.html)

Any personal information you provide to BC Hydro on this form is collected and protected in accordance with the ***Freedom of Information and Protection of Privacy Act***. BC Hydro is collecting information with this for the purpose of the 2015 RDA in accordance with BC Hydro’s mandate under the ***Hydro and Power Authority Act***, the BC Hydro Tariff, the ***Utilities Commission Act*** and related Regulations and Directions. If you have any questions about the collection or use of the personal information collected on this form please contact the BC Hydro Regulatory Group via email at: [bchydroregulatorygroup@bchydro.com](mailto:bchydroregulatorygroup@bchydro.com)