

BC Hydro's Distribution/Extension Policy Workshop

Meeting Minutes

BC Hydro offices, Nanaimo, BC

February 1, 2007

ATTENDEES

Name	Organization
Mark Warbrick	Newcastle Engineering Ltd
Les Brown	Phillips & Brown Engineering
Nadine Gerber	Phillips & Brown Engineering
Al Herle	Herlold Engineering

BC HYDRO PROJECT TEAM

Name	Organization & Department
Fred James	BC Hydro
Milan Prpic	BC Hydro
Jane Christensen	BC Hydro
Basil Stumborg	BC Hydro

OTHER ATTENDEES - PRESENTERS OR OBSERVERS

Name	Organization & Department
Rob Carmichael	BC Hydro

MEETING OBJECTIVES

The objectives that BC Hydro wanted to achieve through this meeting were to:

- Present the drivers for changes to the BC Hydro extension policy
- Summarize BC Hydro's experience with the existing policy
- Propose a straw model for a new policy
- Obtain comments from BC Hydro's stakeholders

Agenda

1. Welcome and Introductions

2. Regulatory Framework
3. Existing Extension Policy
4. Drivers for Change
5. Straw Model With Examples
6. Feedback

HANDOUTS PROVIDED AT THE MEETING

Paper copies of the following materials were distributed at the meeting.

Item	Description
Handouts - "BC Hydro Extension Policy Changes - Workshop for Developers and Consultants" PowerPoint presentation	PowerPoint presentation

PRESENTATIONS DELIVERED AT THE MEETING

The following PowerPoint presentation was delivered during the meeting; paper copies were distributed at the meeting as indicated.

Item	Description
BC Hydro Extension Policy Changes	PowerPoint presentation

Summary

BC Hydro gave a presentation regarding its upcoming Rate Design Application, with a focus on its extension policy.

BC Hydro asked attendees to:

- Share their experiences with the existing policy
- Provide input into the formulation of a new policy

The topics covered included:

- Regulatory Framework
- Terminology
- Existing Extension Policy
- Drivers for Change
- Straw Model with Examples

Feedback:

Participants were generally satisfied with the **current level of service** from BC Hydro under its existing Distribution and Extension Policy.

Developers were unclear about how BC Hydro arrived at its calculations, and they expressed a strong desire for BC Hydro to provide **more information** to support the bills provided to developers. This group felt that the old policy was **difficult to understand**, and that the new policy seemed equally difficult.

On commenting on credits for an **extension to an extension**, developers were doubtful about the usefulness of this change. While it looks good on paper, they felt that developers would not track this themselves, and five years in the future would have changed company names, changed businesses, or somehow moved on. Therefore, this did not seem practical to them.

In commenting on the overall change that tends to **favour higher density development** and remove a **bias towards electric heat**, participants in this meeting were in favour of that given the nature of their business around Nanaimo.

The developers were also interested in how to encourage the use of **heat pumps**, and would like to see an effort to promote this technology over heating with gas or electricity only. In particular, they noted that removing the current bias towards favouring electrically heated houses was also removing the bias towards houses that were heated with heat pumps