

Information requests resulting from BC Hydro's 2007 Rate Design Application workshop on February 26, 2007.

1. Do municipalities have different cost characteristics than Transmission customers?

Response: BC Hydro has developed revenue to cost ratios for various industry groups, including the City of New Westminster. This information is found in the document titled "RDA Summary R-C Ratios – Splitting Transmission Class by Industry (NAIC Code)", which has been posted on BC Hydro's website.

2. Show derivation of classification of Generation Costs – Classified by Plant in Service.

Response: BC Hydro has posted on its website a document titled [Cost of Service Model - Plant in Service Allocation Factors](#), which provides the requested information.

3. Are customer connection charges considered Contributions in Aid – therefore increasing BC Hydro equity?

Response: Yes, BC Hydro records customer connection charges as Contributions in Aid.

4. What is the rationale for the proposed change in the terms and conditions concerning tank-less water heaters that would restrict the maximum capacity of all heating elements in water heaters to the greater of 1500 watts or 45 watts per litre of tank capacity?

Response: The existing wording in BC Hydro's tariff limits electric water heaters to no more than 45 watts per litre. BC Hydro has learned from other utilities that there is a trend to increased use of large tankless water heaters and that the large load can cause problems if it is not planned for. BC Hydro will therefore be enforcing the 45 watts per litre limit and to make sure that the construction industry is aware of the issue. BC Hydro has also realized that the 45 watts per litre limit would not allow the installation of small hot water dispensers that are now very common in residential kitchens. The intent of the proposed wording change is to allow the use of very small hot water dispensers while continuing to restrict the larger units.

5. Could BC Hydro provide some information on the load characteristics of large commercial customers who would typically be better off, the same,

or worse off under the proposed rate structure relative to the current rate structure?

Response: BC Hydro has posted on its website Slides No. 27 and 34 that were presented at BC Hydro's workshops concerning the Large General Service Rate Restructuring. These slides provide a graphical summary of the bill impacts for customers based on their load size and load factor.

6. Provide Cost of Service results using various approaches including 1/3/4/5 CP, average and excess and 12 CP as well as 12 monthly CP.

Response: BC Hydro has posted on its website a worksheet titled "Cost of Service Schedules March 3, 2007". Schedule 4 of that document provides the information requested with the exception of 5 CP and "average and excess". 5 CP was not done as it was not clear to BC Hydro which month should be added as winter, October or March. "Average and Excess" was not done as BC Hydro considers that it has no basis in cost causation.

7. Provide a segregation of R/C by transmission rate class (eg. exempt and non-exempt)

Response: See document referenced in response No. 1 above.

8. Provide a segregation of R/C by SIC/customer group.

Response: See document referenced in response No. 1 above.

9. Please provide the R/C ratios excluding the deferral account rate rider.

Response: The Cost of Service Study does not include the deferral account rate rider.

10. The time when peak demand occurs affects the related cost of energy (peak season, peak time). How has peak demand been factored into the allocation of Cost of Energy?

Response: The Cost of Service study does not differentiate energy costs by time or by season.