

British Columbia Utilities Commission Re-issued Information Request No. 1.15.6 Dated: 01 December 2004 BC Hydro Response issued 17 December 2004	Page 1
British Columbia Hydro and Power Authority Call for Tenders for Capacity on Vancouver Island Review of Electricity Purchase Agreement	

15.0 Reference: CFT Report, Appendix J

1.15.6 Page 3 of Appendix J sets out three non-quantitative considerations. Please discuss how much weight BC Hydro was prepared to give to such considerations. If BC Hydro had a maximum financial impact range or threshold that it would accept as an offset to such considerations, please provide it.

RESPONSE:

BC Hydro has not considered the weighting of the non-quantitative considerations as it only needed to do so if the financial analysis significantly favoured a scenario other than Tier 1.

The non-quantitative considerations reflect BC Hydro's view that the contingency measures are considered higher risk with respect to timing, availability, and cost certainty relative to the CFT results. In terms of timing certainty, this higher risk directly impacts Vancouver Island's reliability requirements. Therefore, if the analysis had indicated that the scenarios relying heavily on contingency measures (i.e., Tier 2 and No Award) were lower cost relative to the Tier 1 outcome, BC Hydro would have considered the non-quantitative considerations.