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March 31, 2020

Mr. Patrick Wruck
Commission Secretary and Manager
Regulatory Support
British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Mr. Wruck:

**RE: Project No. 1599076
British Columbia Utilities Commission (BCUC or Commission)
British Columbia Hydro and Power Authority (BC Hydro)
Rate Schedule 1893 – Transmission Service Incremental Energy Rate Alternative
Baselines Application (2020)
Responses to BCUC Staff Information Request No. 1**

BC Hydro writes to provide its responses to BCUC Staff Questions No. 1 as follows:

Exhibit B-2	Confidential Responses to BCUC Staff Confidential Information Request No. 1
Exhibit B-2-1	Responses to BCUC Staff Public Information Request No. 1

BC Hydro is filing a part of our response to BCUC IR 1.1.3 confidentially with BCUC. BC Hydro seeks this confidential treatment pursuant to section 42 of the *Administrative Tribunals Act* and Part 4 of the BCUC’s Rules of Practice and Procedure.

For further information, please contact Anthea Jubb at 604-623-3545 or by email at bchydroregulatorygroup@bchydro.com.

Yours sincerely,

Fred James
Chief Regulatory Officer

bf/ma

Enclosure

British Columbia Utilities Commission Staff Information Request No. 1.1.1 Dated: March 19, 2020 British Columbia Hydro & Power Authority Response issued March 31, 2020	Page 1 of 1
British Columbia Hydro & Power Authority Rate Schedule 1893 – Transmission Service Incremental Energy Rate Alternative Baselines Application	Exhibit: B-2-1

- 1.0 Reference: RATE SCHEDULE (RS) 1893 – TRANSMISSION SERVICE INCREMENTAL ENERGY RATE ALTERNATIVE BASELINES APPLICATION (APPLICATION) Application, pp. 1, 2; Appendix B; Appendix C, pp. 9, 10, 12 RS 1893 Baseline Adjustment Effective Date**

British Columbia Hydro and Power Authority (BC Hydro) states on page 2 of the Application that:

... a total of 13 Customer sites were eligible to take RS 1893 service as of January 1, 2020... Subsequently, in accordance with Special Condition 8 of RS 1893, BC Hydro and the four specified Customer sites agreed that the RS 1893 Baselines determined using unadjusted Fiscal 2019 electricity consumption are not representative of their normal expected electricity consumption.

BC Hydro states on page 1 of the Application that “The alternative RS 1893 Baselines for the four specified Customer sites for which BC Hydro seeks approval are contained in Appendix C of this application.” Appendix C contains alternative baseline agreements for the following four customer sites: Catalyst Paper Corp. - Crofton site, Catalyst Paper Corp. - Powell River site, Catalyst Paper Corp. - Port Alberni site, and Canfor Pulp Limited Partnership.

- 1.1.1 Please confirm that the four customer sites requesting alternative RS 1893 baselines began to receive service under RS 1893 as of January 1, 2020. If not confirmed, please provide the date when each of the four customers began to receive service under RS 1893, respectively.

RESPONSE:

Confirmed.

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British Columbia Hydro & Power Authority Rate Schedule 1893 – Transmission Service Incremental Energy Rate Alternative Baselines Application	Exhibit: B-2-1

1.0 Reference: RATE SCHEDULE (RS) 1893 – TRANSMISSION SERVICE INCREMENTAL ENERGY RATE ALTERNATIVE BASELINES APPLICATION (APPLICATION) Application, pp. 1, 2; Appendix B; Appendix C, pp. 9, 10, 12 RS 1893 Baseline Adjustment Effective Date

BC Hydro states on page 1 of the Application that "BC Hydro has billed these specific Customer sites using the agreed-to alternative RS 1893 Baselines on an interim basis and will continue to bill these Customers on an interim basis, until their alternative RS 1893 Baselines have been approved by the BCUC."

On page 9 of Appendix C, BC Hydro states [REDACTED]

In Appendix C of the Application, Attachment A on page 10 includes the document outlining the adjusted RS 1893 baseline for Catalyst Paper Corp. - Port Alberni site. Attachment C on page 12 includes the document outlining the adjusted RS 1893 baseline for Catalyst Paper Corp. - Crofton site. Attachment A and Attachment C are dated [REDACTED] and [REDACTED] respectively.

BC Hydro includes a draft order in Appendix B to the Application. Recital B of the draft order states that "The RS 1893 Baselines contained in Appendix C of the Application are approved effective January 1, 2020"

- 1.1.2 Please explain whether BC Hydro foresees any issues with an approval effective date of January 1, 2020, which pre-dates the date when Catalyst Paper Corp. - Crofton site and Catalyst Paper Corp. - Port Alberni site signed the respective alternative baselines document included in Appendix C.

RESPONSE:

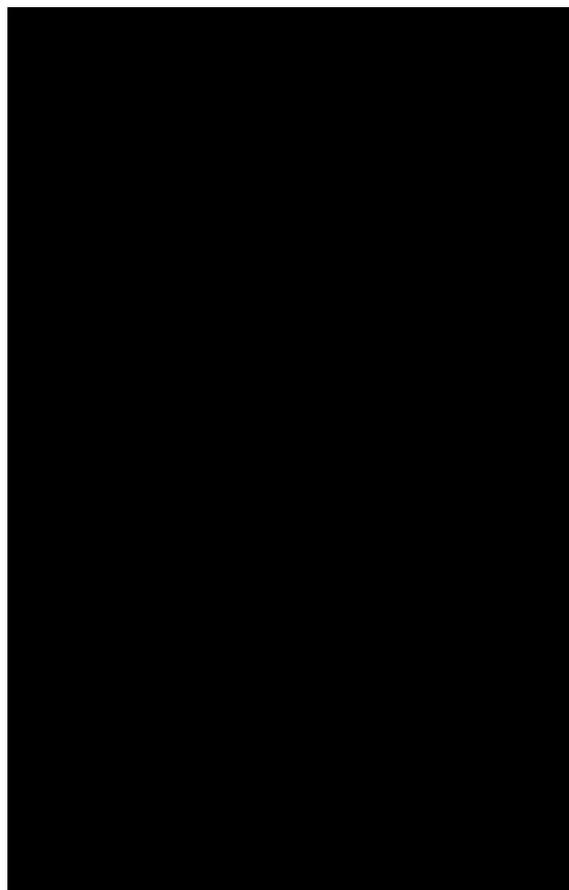
The public version of this response has been redacted to maintain in confidence commercially sensitive information.

BC Hydro does not foresee any issue with the BCUC granting the requested Order approving the RS 1893 Baselines effective as of January 1, 2020. The BCUC's powers to issue the requested Order are independent of the dates at which the respective documentation included in Appendix C for Catalyst Paper Corp. - Crofton site and Catalyst Paper Corp. - Port Alberni site were signed.

BC Hydro also notes that the RS 1893 baseline statements for Catalyst Crofton and Catalyst Port Alberni sites were signed by the customer in December 2019. The statements initially signed were updated and re-signed in February to incorporate corrections.

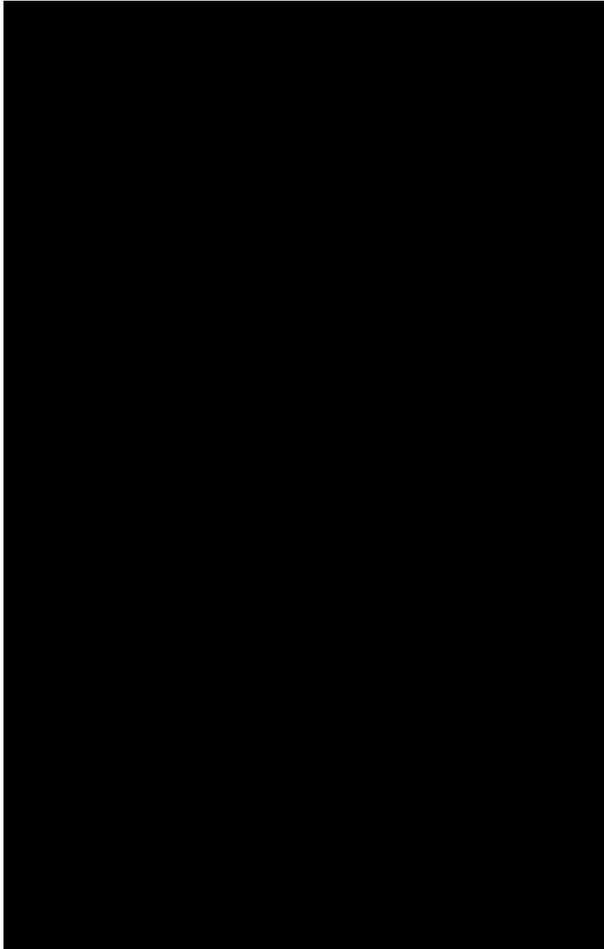
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- **Specifically, the RS 1893 baseline for Catalyst Port Alberni site was initially signed on December 20, 2019. Please refer to the initial signed RS 1893 baseline statement copied below. Subsequently, the RS 1893 baseline statement was updated to reflect a correction of the December HLH and LLH baselines only. There was no change to the January baselines. The revised RS 1893 baseline statement was signed on February 11, 2020 and is included in Appendix C.**



- **Similarly, the RS 1893 baseline for Catalyst Crofton site was initially signed on December 30, 2019. Please refer to the initial signed RS 1893 baseline statement copied below. Subsequently, Crofton's RS 1893 baseline statement was updated to reflect the results of BC Hydro's engineering review of eligible events. Pursuant to this engineering review, no adjustments were applicable to the January baselines. The updated RS 1893 baseline was signed on February 3, 2020 and is included in Appendix C.**

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British Columbia Hydro & Power Authority Rate Schedule 1893 – Transmission Service Incremental Energy Rate Alternative Baselines Application	Exhibit: B-2-1

- 1.0 Reference: **RATE SCHEDULE (RS) 1893 – TRANSMISSION SERVICE INCREMENTAL ENERGY RATE ALTERNATIVE BASELINES APPLICATION (APPLICATION)**
Application, pp. 1, 2; Appendix B; Appendix C, pp. 9, 10, 12
RS 1893 Baseline Adjustment Effective Date

BC Hydro states on page 1 of the Application that “BC Hydro has billed these specific Customer sites using the agreed-to alternative RS 1893 Baselines on an interim basis and will continue to bill these Customers on an interim basis, until their alternative RS 1893 Baselines have been approved by the BCUC.”

On page 9 of Appendix C, BC Hydro states [REDACTED]

In Appendix C of the Application, Attachment A on page 10 includes the document outlining the adjusted RS 1893 baseline for Catalyst Paper Corp. - Port Alberni site. Attachment C on page 12 includes the document outlining the adjusted RS 1893 baseline for Catalyst Paper Corp. - Crofton site. Attachment A and Attachment C are dated [REDACTED] and [REDACTED] respectively.

BC Hydro includes a draft order in Appendix B to the Application. Recital B of the draft order states that “The RS 1893 Baselines contained in Appendix C of the Application are approved effective January 1, 2020”

- 1.1.3 Please comment on whether setting an approval effective date as the date of the agreement for Catalyst Paper Corp. - Crofton site and Catalyst Paper Corp. - Port Alberni site, respectively, would be appropriate.

RESPONSE:

BC Hydro’s view is that it would not be appropriate to make the BCUC’s approval of the RS 1893 Baselines effective as of the February dates. Pursuant to BCUC Order No. G-300-19, RS 1893 has been in effect on an interim and non-refundable basis since January 1, 2020 and BC Hydro has been providing the service to the customer sites in question since that time. As indicated in BC Hydro’s response to BCUC Staff IR 1.1.2, the customers in question and BC Hydro agreed to the January RS 1893 Baselines for these sites in December 2019.

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- 1.0 Reference: **RATE SCHEDULE (RS) 1893 – TRANSMISSION SERVICE INCREMENTAL ENERGY RATE ALTERNATIVE BASELINES APPLICATION (APPLICATION)**
Application, pp. 1, 2; Appendix B; Appendix C, pp. 9, 10, 12
RS 1893 Baseline Adjustment Effective Date

BC Hydro states on page 1 of the Application that “BC Hydro has billed these specific Customer sites using the agreed-to alternative RS 1893 Baselines on an interim basis and will continue to bill these Customers on an interim basis, until their alternative RS 1893 Baselines have been approved by the BCUC.”

On page 9 of Appendix C, BC Hydro states

In Appendix C of the Application, Attachment A on page 10 includes the document outlining the adjusted RS 1893 baseline for Catalyst Paper Corp. - Port Alberni site. Attachment C on page 12 includes the document outlining the adjusted RS 1893 baseline for Catalyst Paper Corp. - Crofton site. Attachment A and Attachment C are dated [REDACTED] and [REDACTED] respectively.

BC Hydro includes a draft order in Appendix B to the Application. Recital B of the draft order states that “The RS 1893 Baselines contained in Appendix C of the Application are approved effective January 1, 2020”

- 1.1.3 Please comment on whether setting an approval effective date as the date of the agreement for Catalyst Paper Corp. - Crofton site and Catalyst Paper Corp. - Port Alberni site, respectively, would be appropriate.
- 1.1.3.1 If Catalyst Paper Corp. - Crofton site and Catalyst Paper Corp. - Port Alberni site began receiving service under RS 1893 on a date other than January 1, 2020, please also comment on whether setting an approval effective date as the date when these two customers began receiving service under RS 1893, as provided in response to question 1.1 above, would be appropriate.

RESPONSE:

Catalyst Paper Corp. - Crofton site and Catalyst Paper Corp. - Port Alberni site both began receiving service under RS 1893 on January 1, 2020.

Please refer to BC Hydro’s response to BCUC Staff IRs 1.1.2 and 1.1.3.

British Columbia Utilities Commission Staff Information Request No. 1.1.4 Dated: March 19, 2020 British Columbia Hydro & Power Authority Response issued March 31, 2020	Page 1 of 1
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- 1.0 Reference: **RATE SCHEDULE (RS) 1893 – TRANSMISSION SERVICE INCREMENTAL ENERGY RATE ALTERNATIVE BASELINES APPLICATION (APPLICATION)**
Application, pp. 1, 2; Appendix B; Appendix C, pp. 9, 10, 12
RS 1893 Baseline Adjustment Effective Date

BC Hydro states on page 1 of the Application that “BC Hydro has billed these specific Customer sites using the agreed-to alternative RS 1893 Baselines on an interim basis and will continue to bill these Customers on an interim basis, until their alternative RS 1893 Baselines have been approved by the BCUC.”

On page 9 of Appendix C, BC Hydro states [REDACTED]

In Appendix C of the Application, Attachment A on page 10 includes the document outlining the adjusted RS 1893 baseline for Catalyst Paper Corp. - Port Alberni site. Attachment C on page 12 includes the document outlining the adjusted RS 1893 baseline for Catalyst Paper Corp. - Crofton site. Attachment A and Attachment C are dated [REDACTED] and [REDACTED] respectively.

BC Hydro includes a draft order in Appendix B to the Application. Recital B of the draft order states that “The RS 1893 Baselines contained in Appendix C of the Application are approved effective January 1, 2020”

- 1.1.4 If Catalyst Paper Corp. - Crofton site and Catalyst Paper Corp. - Port Alberni site began taking service under RS 1893 prior to the date when the respective adjusted baselines were signed, please explain which RS 1893 baseline has been applied to bill these two customers on an interim basis for the period prior to the date when the adjusted baselines were signed.

RESPONSE:

BC Hydro confirms that for Catalyst Crofton and Port Alberni sites the January RS 1893 baselines as shown in Appendix C were used for January 2020 RS 1893 billing on an interim basis.

Please also refer to BC Hydro’s response to BCUC Staff IR 1.1.2.