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November 19, 2019

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. 1598990
British Columbia Utilities Commission (BCUC or Commission)
British Columbia Hydro and Power Authority (BC Hydro)
Fiscal 2020 to Fiscal 2021 Revenue Requirements Application (the
Application)**

BC Hydro writes in accordance with BCUC Order No. G-279-19 to provide a reply submission with regards to whether BC Hydro should be obligated to answer the 34 information requests (**IRs**) listed in Attachment A of Exhibit B-21.

The Panel invited interveners whose IRs were included in Attachment A to provide a submission to the BCUC that clearly explains how each of their respective IRs would inform the BCUC's decision regarding the requested rates for fiscal 2020 to fiscal F2021.

BC Hydro notes that some interveners have commented that responding to the identified IRs would not be onerous:

- First, BC Hydro has taken an open and transparent approach to responding to IRs, answering over 4100 information requests to-date. Many of these IRs were also out of scope. While it may not be onerous to respond to any single information request, the overall organizational commitment and effort required to respond to the total number of information requests is significant. With regard to information requests on the Load Forecast, in particular, the time required for responses has meant that other important work, such as the preparation of certain components of the 2021 Integrated Resource Plan (**IRP**), has been delayed; and
- Second, the BCUC's objective, as stated in Rule 2 of the BCUC's Rules of Practice and Procedure is to "ensure the fairest, most expeditious and efficient determination of every matter before the BCUC consistent in all cases with the requirements of procedural fairness". To achieve this objective, it is reasonable for BC Hydro's efforts to be directed towards those IRs that will inform the BCUC's decision and for those

IRs best addressed in another proceeding, such as the 2021 IRP, to be declared out of scope.

With regard to the IRs from BCSEA (2), GJOSHE (6), MOVEUP (3) and ZONE II RPG (1), BC Hydro notes that no submissions were received.

With regard to the IRs from CEC (1) and Mr. Ince (12), BC Hydro submits that the explanation that the BCUC has requested is absent from the intervener submissions:

- Mr. Ince states that “responses to these requests will be of significant benefit”, that a number of “charts should be updated to reasonably include the test period”, that one of the IRs “raises the issue of near-term planning and capital spending for the region” and that “[t]he timing of when peak loads occur in the various parts of the BC Hydro service territory is not an insignificant issue in terms of cost and reliable operations.”

In BC Hydro’s submission, none of these reasons provides a clear explanation of how each IR would inform the BCUC’s decision regarding the requested rates for fiscal 2020 to fiscal 2021. BC Hydro has already provided detailed information regarding its Load Forecast both in the Application and through the IR process; and

- CEC states that “it is appropriate to understand context and trend information in assessing the test period forecast.” In BC Hydro’s submission, this statement also does not provide a clear explanation of how a response to the IR would inform the BCUC’s decision regarding the requested rates for F2020-F2021. Questions with regard to the Load Forecast over the longer-term are best explored within the context of the 2021 IRP.

With regard to the IRs from AMPC (1) and CEABC (7), BC Hydro provides the following comments:

- AMPC submits that “[t]he costs and decisions that BC Hydro is making within the test period to address future deficits have real effects on BC Hydro’s proposed revenue and rates, including on the costs, scheduling, and operations of existing BC Hydro projects.” In BC Hydro’s submission, the timing of a decision by BC Hydro (e.g., to advance a capital project to meet a forecast energy deficit) does not determine the extent to which it informs the BCUC’s decision regarding the requested rates for fiscal 2020 to fiscal 2021. Rather, the determining factor is whether BC Hydro is requesting BCUC approval of a particular decision in the Application. BC Hydro is not seeking BCUC approval of its plans to address future energy and capacity deficits in the Application. This matter is best addressed within the context of the 2021 IRP; and
- CEABC submits that “[t]he electrification of the Northeast gas fields is a significant new load”, that “the actions needed to serve this load must be urgently undertaken during the Test period” and that the purpose of its IRs are “to clarify for the BCUC and interveners, exactly what BC Hydro has already done, what it is intending to do within the Test period, and what it has yet to do, in order to advance this urgent need.”

Similar to BC Hydro’s comments above, BC Hydro’s view is that the determining factor is whether BC Hydro is requesting BCUC approval of a particular decision in the Application, not the timing of when a particular decision by BC Hydro is made.

In addition, there is already significant evidence on the record with regard to the Dawson Creek/Chetwynd Area Transmission project and the Peace Region Electricity Supply project, which are the two transmission projects identified in the CleanBC plan for the electrification of the oil and gas sector.

BC Hydro also provides the following additional comments with regard to specific CEABC IRs in the table below.

Information Request	Comments
CEABC 4.58.1	As CEABC notes, BC Hydro provided the requested information, based on the October 2018 Load Forecast, in its response to CEABC IR 2.41.1. In BC Hydro’s view, since the energy forecast and peak forecast provided in the June 2019 Load Forecast were not used to determine any components of the Test Period revenue requirements ¹ , providing the same information for the June 2019 Load Forecast would not help to inform the BCUC’s decision regarding the requested rates for fiscal 2020 to fiscal 2021.
CEABC 4.58.3	BC Hydro is not requesting BCUC approval of a North Montney transmission project in the Application. In BC Hydro’s view, this topic is best explored within the context of the 2021 IRP.
CEABC 4.58.4	BC Hydro has provided evidence with regard to the considerations that may inform customer decisions to electrify vs. self-supply ² . In BC Hydro’s view, how longer term trends and requirements may be impacted by factors such as future carbon tax increases would not inform the BCUC’s decision on fiscal 2020 to fiscal 2021 rates and are best explored within the context of the 2021 IRP.
CEABC 4.59.4	Fiscal 2027 is well outside the Test Period. In BC Hydro’s view, questions with regard to demand over the longer-term would not inform the BCUC’s decision on fiscal 2020 to fiscal 2021 rates and are best explored within the context of the 2021 IRP.
CEABC 4.60.1, 4.61.1 and 4.62.1	The June 2019 Load Forecast was not used to determine any components of the Test Period revenue requirements. Accordingly, in BC Hydro’s view, the long-term growth expectations set out in the June 2019 Load Forecast would not inform the BCUC’s decision on fiscal 2020 to fiscal 2021 rates and are best explored within the context of the 2021 IRP.

Overall, in BC Hydro’s view, the 34 IRs identified in Attachment A to Exhibit B-21 would not inform the BCUC’s decision regarding the requested rates for fiscal 2020 to

¹ For further information, please refer to BC Hydro’s response to BCUC IR 4.317.1.

² See, for example, BC Hydro’s responses to CEABC IRs 2.41.1 and 4.65.2.

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Fiscal 2020 to Fiscal 2021 Revenue Requirements Application (the Application)

fiscal 2021. Accordingly, to achieve a fair, expeditious and efficient determination with regards to the Application, BC Hydro submits that it is reasonable for BC Hydro's efforts to be directed towards those IRs that will inform the BCUC's decision and for those IRs best addressed in another proceeding, such as the 2021 IRP, to be declared out of scope.

For further information, please contact Chris Sandve at 604-974-4641 or by email at bchydroregulatorygroup@bchydro.com.

Yours sincerely,



Fred James
Chief Regulatory Officer

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