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British Columbia Utilities Commission
Sixth Floor, 900 Howe Street, Box 250
Vancouver, BC, V6Z 2N3
Attn: Laurel Ross, Acting Commission Secretary
By Web Posting

Dear Madam:

Re: BC Hydro 2015 Rate Design Application (RDA);
Commission letter of June 30, 2016 [Exhibit A-33];
Commercial Energy Consumers (CEC) proposal for a non-firm interruptible rate pilot for
medium and large general service customers [Exhibit C1-10];
Request for submission on process by July 7, 2016;
BC Sustainable Energy Association and Sierra Club BC submissions

In response to the Commission's June 30, 2016 letter, these are BCSEA-SCBC's submissions.

1. In BCSEA-SCBC's view, a procedural conference is not required to discuss process and procedures for the review of CEC's evidence and proposal.¹
2. (a) Written submissions would be adequate and efficient and would be BCSEA-SCBC's preferred approach.

Regarding the timing of written submissions, in BCSEA-SCBC's view a short timeframe, such as July 14, 2016 would be suitable.

2. (b) BCSEA-SCBC do not support bringing forward the submissions on the review process for the CEC proposal to the oral hearing scheduled to begin on August 16, 2016. In their view, oral submissions on this process topic are unnecessary and would divert time and attention from the issues that have been planned for some time to be addressed in the oral hearing. Time will likely be in short supply in the oral hearing, as is typically the case during oral hearings. In BCSEA-SCBC's view, if the CEC proposal process topic can be dealt with in writing that would be preferable.

To put the above submissions in context, BCSEA-SCBC offer the following points:

¹ For reference, CEC summarizes its proposal as follows: "The CEC is seeking an order for BC Hydro to develop a non-firm capacity interruptible rate for the general service class LGS and MGS to enable reduced demand charges for permanent avoidance of the BC Hydro coincident peak periods, on the basis of forecast notice of peak periods, so as to defer future investment in new capacity resources and to enable BC Hydro general service customers with seasonal use that is off peak and can be maintained off peak to access a more fair just and reasonable rate." Exhibit C1-16 BCSEA IR 1.1.

- It is noted that the CEC proposal is qualitatively different than the existing BC Hydro freshet rate pilot project for transmission customers and the BC Hydro program for load curtailment agreements with transmission customers.
- BCSEA-SCBC are very interested in CEC's proposal but they take no position at the present time on the merits of the proposal, pro or con. BCSEA-SCBC have not yet fully examined CEC's responses to information requests on its evidence regarding the proposal. BCSEA-SCBC are also conscious that they have not yet had the benefit of BC Hydro's substantive input on the proposal.
- Regardless of the merits of the CEC proposal, in BCSEA-SCBC's view, it would not be realistic to have it reviewed, approved and in place in time for the Winter of 2016-2017. In any event, BCSEA-SCBC would be concerned that such a short timeframe would preclude proper review.
- BCSEA-SCBC are not opposed to the CEC proposal being addressed sooner than the rest of the topics currently identified for Module Two of BC Hydro's rate design application. Further, BCSEA-SCBC would support this if it can be done without creating problems for the development and review of the other topics in Module Two.
- Among other things, it would be desirable to have in hand the Commission's decision on BC Hydro's proposals for the default MGS and LGS rates before CEC's proposal for a pilot voluntary optional rate is fully defined, reviewed, approved and implemented. This is not to say that review of the CEC proposal could not begin earlier.

All the above is respectfully submitted.

Yours truly,

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