

August 15, 2016

British Columbia Utilities Commission
6th Floor, 900 Howe Street
Vancouver, BC
V6Z 2N3

Attention: Ms. Laurel Ross, Commission Secretary and Director

Dear Ms. Ross:

Re: FortisBC Inc. (FBC) Net Metering Program Tariff Update Application

As a registered intervener in this proceeding, I wish to submit the following Information Requests to FortisBC as part of IR No. 2. The deadline for doing so is today. I am also e-mailing these questions to Ms. Diane Roy at FortisBC, as I believe is the appropriate procedure.

Here are my questions:

1. Please confirm that one or more NM customers of FBC have generated NEG for up to four years—including the largest generator of NEG you identified in the table at BCSEA IR1 2.1—and have never been contacted to call their attention to “noncompliance” with the Eligibility Criteria for the FBC NM Program.

2. Please explain why FBC’s actions have been inconsistent with the response to BCUC IR1 5.6:

Under the current program structure, in the event that a system that was properly sized when installed subsequently started to produce NEG on an annual basis, the Company would reserve its right to remove the customer from the NM Program as it would no longer be in compliance with either the Eligibility criteria contained in the Tariff or the objectives of the Program. Such a customer could continue to be interconnected with the FBC system and would continue to receive the primary benefit of the Net Metering Program in offsetting personal consumption, but would not be compensated for net-generation that exceeds net-consumption in a given month.

3. Please explain why the FBC Website contains the following description of the NM Program (quoted here in entirety) without referring to limiting generation to the customer’s consumption:

About net metering

The BC Utilities Commission approved FortisBC’s net metering tariff application in September 2009, allowing residential and commercial customers enrolled in the Net Metering Program to be credited for electricity they produce.

FortisBC has defined net metering as the metering and billing practice that allows for the flow of electricity both to and from a customer through a bidirectional meter. Residential and commercial customers can offset part or all of their own electrical requirements up to 50kW through generating their own clean energy and selling it back to FortisBC. FortisBC will credit customers for net energy they produce at their existing retail rate.

4. In the above quotation from the FBC Website, please confirm that “net energy” refers to NEG.

5. Please explain whether you think a NM customer is more likely to see and understand the wording in the FBC Website or the wording in excerpts from the 2009 Application (Shadrack IR1 5) or the FBC Tariff Rate Schedule 95.

6. Please explain how a FBC customer should be expected to understand clearly she/he will be non-compliant with the eligibility criteria listed in Tariff Schedule 95 if in addition to “intending to offset a

portion or all of the customer's requirements for electricity" the customer also generates some NEG (so long as the customer's installed generating capacity is no greater than 50kW).

7. Please confirm that the FBC Application for Net Metering current as of 2011 (Appendix D, 2009 Net Metering Tariff Application) contains no mention of limiting generation to the customer's consumption other than to say that the applicant "should read and be familiar with FBC Tariff Rate Schedule 95."

8. Please confirm that the NM Application filed in 2011 for the largest generator of NEG you identified in the table at BCSEA IRI 2.1 lists maximum output to be about twice as large as the typical average consumption of the residences served by the bidirectional meter which was subsequently installed.

9. FBC's response to BCUC IRI 5.1 states:

"In cases where the Net Metered System is to be interconnected with an existing electrical service, a review of past billing history is used as a baseline for probable future consumption. If the customer anticipates a change in annual consumption due to changes in connected equipment or usage, it is also considered in the review.

When a Net Metered System is to be interconnected with a new service, the electrician working on the project is asked to provide an estimate of future consumption."

Please explain why neither of these steps was mentioned or occurred in the case of the largest NEG producer over the past four years.

10. Many rural areas in the FBC service area do not have access to natural gas service. In such areas a NM customer may reasonably—if able to afford the cost—install sufficient generation to permit conversion to electric space, water, range and clothes dryer heating in order to displace the use of a fossil fuel. Given FBC's response to BCUC IRI 5.1 (above) please explain how FBC would respond if such a NM customer requires more than a year to complete all the conversions.

11. Please explain how many NM applicants were contacted by FBC in order to support the FBC responses in Resolution IRI #4:

"...the statement that installations are not made for purely economic reasons (i.e. – that economics are the sole factor considered) remains a supportable premise."

and BCUC IRI 3.2.1:

"The NM Program itself remains an offering driven by customer initiative and largely undertaken by those customers for reasons other than economics."

12. In view of the FBC response to BCUC IRI 4.1:

"Providing customers with the opportunity to offset their own consumption with clean, renewable energy directly supports government policy actions related to promoting the use of clean, renewable resources contained in the 2007 BC Energy Plan and the Clean Energy Act."

Please explain how reducing by 2/3 the incentive for NM customers to generate more than their own consumption will support the 2007 BC Energy Plan and the Clean Energy Act in promoting the use of clean, renewable resources.

13. In the response to Resolution IRI #8:

"For 2015, the overall percentage of power from sustainable/clean sources was between 92% and 100%.

Power from FBC-owned generation and the Brilliant plants contributed to 77% of the total generation and is from sustainable/clean generation. FBC purchased a further 15% from BC

Hydro and IPPs, which is also assumed to be 100% sustainable/clean. The remaining 8% was purchased from the market. FBC is not able to calculate how much of this supply is from sustainable/clean generation, but it is likely that a significant amount is.

and FBC's response to Shadrack IR1 21a:

“In the FBC service area, there are no particular benefits that accrue to the broader customer base from net metering installations given the significant clean power supply resources the Company already utilizes.”

However, large dams and IPP projects involve huge amounts of concrete (which has a heavy CO2 footprint), involve tree removal and substation construction, their reservoirs fluctuate, causing harm to spawning beds and riparian wildlife and kill fish via entrainment in turbines, nitrogen poisoning and habitat impact by reduced stream water flow. Please explain why FBC suggests power from large power dams and IPPs is equivalent in terms of cleanliness and sustainability to NM generation via solar, wind and micro-hydro.

14. Please provide the gross receipts by FBC for sales of “Green Power” and the gross amount paid out for NEG to NM customers over the years 2011 through 2016 (to date).

15. Does FBC receive compensation through rate proceedings for its expenditures for DSM programs?

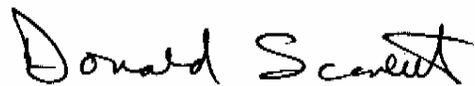
16. Does FBC receive compensation through rate proceedings for lost profit due to reduced electricity sales attributable to DSM initiatives?

17. What is FBC's expenditure to date to initiate this application and participate in this hearing?

18. Now that the remainder of the hearing has been set to schedule, please estimate FBC's expenditure to complete the hearing.

Thank you for your assistance.

Yours truly,



Donald Scarlett

PO Box 634 Kaslo BC V0G 1M0 – (250)353-2563 – dscarlett@kaslo.org