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Beyond, Every Day.

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February 5, 2016

via e-mail: commission.secretary@bcuc.com

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

Attention: Ms. Erica Hamilton
Commission Secretary

Dear Ms. Hamilton:

Re: British Columbia Hydro and Power Authority ("BC Hydro")
2015 Rate Design Application ("RDA")
Vancouver Airport Authority ("YVR")

In accordance with Commission Order G-12-16 dated February 1, 2016, YVR hereby submits its final argument as it relates to Rate Schedule 1827 ("RS 1827").

I confirm that the YVR supports and agrees with BC Hydro's proposal, contained in BC Hydro's RDA filed with the British Columbia Utilities Commission¹ that BC Hydro continue with RS 1827 (status quo) for the four exempt customers who are on this rate schedule, which includes YVR (the "Proposal").

During the past year, YVR has participated in BC Hydro's RDA stakeholder workshops and in particular those related to RS 1827. During these workshops, YVR submitted that a review of RS1827 should not be examined as part of the 2015 RDA process as the reasons for YVR's exemption from stepped rates remains unchanged since YVR's placement in RS1827 during the Negotiated Settlement Process in 2006. Further, during these stakeholder workshops

¹ Exhibit B-1, Application, Section 7.5 Transmission Service, pp. 7-48 to 7-50 RS 1827 – exempt customers



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there were no issues that were raised or identified by those in attendance related to the Proposal.

As YVR has submitted both in BC Hydro's stakeholder workshops and in its letter of support, which is included in BC Hydro's RDA,² YVR continues to have little control over the use of electricity and the vast majority of the load is required to support continuous operations of the airport (24 hours a day, 7 days per week). Many of the functions at the airport are legislated (e.g. safety, baggage x-ray machines, and passenger screening) or electricity is resold to YVR's tenants.

Despite its limited control of electricity, YVR has taken significant steps towards energy conservation and YVR is committed to continuously improving the energy performance of all its buildings, operating systems, vehicles, equipment and infrastructure.

In the letter of support, *supra*, YVR outlined in detail many of its Demand Side Management ("DSM") initiatives it has undertaken since 1999. YVR continuously strives for energy conservation in all its projects it undertakes at the airport and is proactive in identifying such energy conservation opportunities during the planning and development phases of its projects.

In BC Hydro's response letter dated December 18, 2015³ to BCUC Information Request #1⁴, YVR provided information to BC Hydro regarding its DSM investments in terms of total costs and conservation savings. Since 2009, YVR has spent approximately \$30 million on electricity conservation initiatives, which has resulted in savings of 11.3 GWh, plus additional savings yet to be measured on projects that were completed in 2015 and are now fully operational.

Since 2000, YVR has an on-site Energy Manager at the airport. This Energy Manager, together with the support from YVR's Energy Reduction Committee, actively identifies and implements energy reduction initiatives at the airport.

As Canada's second busiest airport, Vancouver International Airport welcomed more than 20 million passengers in 2015, and has a goal of reaching 25 million passengers by 2020. As

² Exhibit B-1, Appendix C-5E, pages 7-9

³ Exhibit B-5

⁴ Exhibit A-5

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YVR continues to grow the airport facilities, it is committed to continue its investment in energy conservation and renewable technology.

In conclusion, YVR supports BC Hydro's Proposal related to RS 1827.

I trust you will find this to be in order. Should you have any questions, please feel to contact me at (604) 276-6636 or peter.kletas@yvr.ca

Yours truly,

A handwritten signature in black ink, appearing to read 'Peter P. Kletas', with a long horizontal flourish extending to the right.

Peter P. Kletas
Legal Counsel, Legal Services