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February 12, 2016

Ms. Erica Hamilton  
Commission Secretary  
British Columbia Utilities Commission  
Sixth Floor – 900 Howe Street  
Vancouver, BC V6Z 2N3

Dear Ms. Hamilton:

**RE: Project No. 3698781  
British Columbia Utilities Commission (BCUC or Commission)  
British Columbia Hydro and Power Authority (BC Hydro)  
2015 Rate Design Application (2015 RDA)  
Compliance with Commission Order No. G-12-16 – Reply Submissions**

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BC Hydro writes in compliance with procedural Order No. G-12-16 to provide its reply submissions in regard to the following proposals made in its 2015 RDA (Exhibit B-1):

1. That no changes be made to RS 1827 (please refer to section 7.5 of Exhibit B-1);
2. That only minor wording changes be made to RS 1852 (please refer to section 7.3.2, Appendix A-1B (paragraph 5 of the draft order) and Appendix F-1C of Exhibit B-1);
3. That no changes be made to RS 1853 (please refer to section 7.4.2 of Exhibit B-1);  
and
4. That no changes be made to RS 1253 (please refer to section 6.8 of Exhibit B-1).

Submissions have been filed with the Commission in regard to these issues by the following interveners:

- City of New Westminster (**New West**);
- Vancouver Airport Authority (**YVR**);
- Association of Major Power Customers (**AMPC**);
- BC Sustainable Energy Association and Sierra Club BC (**BCSEA-SCBC**);
- The organizations collectively referred to as BCOAPO et al ;
- Non-Integrated Ratepayers Group; and
- Commercial Energy Consumers of British Columbia (**CEC**).

None of these interveners oppose BC Hydro's proposals, and a number of them express positive support for them. Only one issue was raised in the intervener submissions, that being a proposal by the CEC to make RS 1827 conditional on RS 1827 customers demonstrating continued DSM initiatives (also stated as a requirement for "evidence of

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significant DSM initiatives by the exempt customers”). BC Hydro addresses that issue below. In light of the unanimous support for BC Hydro’s proposals, it does not re-state the reasons or evidence provided in support of them. BC Hydro refers the Commission to the sections of Exhibit B-1 in which the reasons and evidence for its proposals are provided, as noted above.

### **Qualifying Eligibility for RS 1827 on Evidence of Significant DSM Initiatives**

BC Hydro opposes the CEC’s proposal regarding new eligibility requirements for RS 1827 service. As CEC and other interveners have acknowledged, New West and the University of British Columbia (**UBC**) are entitled in law to receive service under RS 1827 (CEC at paragraph 8 of its submission; AMPC in the fourth paragraph of its submission; BCSEA-SCBC at the fifth paragraph of its submission; and BCOAPO at paragraph six of its submission). Accordingly, it is self-evident that qualifying their eligibility for RS 1827 on evidence of “significant DSM initiatives” is inconsistent with their right to service under that rate schedule. Regarding YVR and SFU, BC Hydro submits it would be unduly discriminatory to require those customers to furnish evidence regarding their DSM expenditures when the BCUC may not require such evidence from New West and UBC. BC Hydro also observes that the CEC’s proposal is insufficiently developed to be the basis of a lawful order without potentially significant further process.<sup>1</sup>

BC Hydro respectfully submits that the Commission should not accept the CEC proposals on this point, and instead issue the one requested order that arises from BC Hydro’s proposals above, namely an order approving the specific wording changes proposed for RS 1852 as shown at Appendix F-1C of Exhibit B-1.

Yours sincerely,



Tom Loski  
Chief Regulatory Officer

gd/ma

Copy to: BCUC Project No. 3698781 (2015 RDA) Registered Intervener Distribution List.

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<sup>1</sup> Basic elements of the proposal are not addressed, such as how often would the qualifying evidence need to be provided, and what would qualify as significant DSM initiatives”.