

June 18, 2020

Attn: Marija Tresoglavic, Acting Commission Secretary
British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Mesdames/Sirs:

**Re: Project No. 1598990
BC Hydro F2020-F2021 Revenue Requirements Application**

As per Commission letters dated June 2, 2020 and June 16, 2020, please find herein my comments as it concerns the Oral Phase of Argument, in this matter.

My comments pertain to series 6 of Panel Questions regarding BCUC Advance Assessment of Applicability of the Greenhouse Gas Reduction Regulation (GGRR):

- i) In its Oral Argument, BC Hydro submits: “BC Hydro has stated that it is open to considering advance assessment of prescribed undertakings but there are issues related to that assessment that deserve careful consideration.”¹

Comment: I fully support the development of a mechanism for the BCUC to assess, in advance, the applicability of the GGRR for BC Hydro projects.

- ii) In its Oral Argument, BC Hydro states: “And, given that this has not been an area explored in any substantive way in this proceeding, I submit that the determination of the appropriate path forward is best left to future discussions between BC Hydro and the BCUC rather than being addressed in this proceeding.”²

Comment: As it concerns future discussions about an appropriate path forward, I encourage the Commission to consider potential intervener contribution to such process, to the degree that the Commission may determine a workable form of participation for interested interveners.

- iii) In its Oral Argument, BC Hydro states: “So in terms of when BC Hydro will be initiating discussions with BCUC staff, I can only confirm that once the argument phase here is done BC Hydro will be carefully considering the issues involved and will be reaching out to BCUC staff in due course to explore potential options.”³

¹ Oral Argument, June 12, 2020; Volume 16, Page 2976, Lines 5-8

² Oral Argument, June 12, 2020; Volume 16, Page 2976, Lines 9-14

³ Oral Argument, June 12, 2020; Volume 16, Page 2972, Lines 16-21

Comment: I urge the Commission to direct BC Hydro, as part of its determinations on BC Hydro's F2020-F2021 Revenue Requirements Application, to start this process of bilateral discussions with BCUC staff at the earliest; and to establish a timeline for it with clear process expectations for the benefit of all involved.

- iv) In its Oral Argument BC Hydro states: "As BC Hydro has not yet assessed all of the issues or potential options for advanced assessment, the best I can offer at this time in response the panel's first question is some illustration of the legal and practical issues involved..."⁴

Comment: I respectfully submit that the process of bilateral discussions between BC Hydro and BCUC staff is intended to work through issues or options, be those legal or practical, and urge all parties to start these discussions at the earliest. BC Hydro need not contemplate all these issues fully and in isolation, *prior to* the start of bilateral discussions.

- v) As it concerns Panel Questions 6.3 and 6.3.1 regarding the Bear Mountain and North Montney projects, BC Hydro states: "BC Hydro does not have any plans at this time to bring the Bear Mountain and North Montney projects forward for an advanced assessment, because these projects may or may not be prescribed undertakings under the GGRR"⁵. On the same page, BC Hydro further states: "As indicated in BC Hydro's response to BCUC IR 254.2, these projects are in the identification phase only. That means that BC Hydro hasn't made a final determination on whether to proceed with the projects, and therefore the expected in-service date for the purpose of satisfying the criteria in the GGRR isn't known yet."⁶

Comment: In the course of its transmission project planning, BC Hydro develops identification phase cost estimates for projects that are in the identification phase. For full disclosure, BC Hydro must provide identification phase cost estimates for these projects, in light of public interest considerations related to identification phase project spending associated with these projects, whether they ultimately advance as prescribed undertakings under the GGRR, or not. It would be helpful for the Commission and interveners to have a line of sight to the cost magnitude of projects, whose identification phase project spending is later deemed necessary to be recovered in rates; or which could potentially advance through future regulatory processes.

⁴ Oral Argument, June 12, 2020; Volume 16, Page 2972, Lines 22-26

⁵ Oral Argument, June 12, 2020; Volume 16, Page 2977, Lines 4-7

⁶ Oral Argument, June 12, 2020; Volume 16, Page 2977, Lines 15-21

All of which is respectfully submitted.

Sincerely,

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