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Log No. 9355

**VIA EMAIL/FACSIMILE**  
wjandrews@shaw.ca

September 15, 2005

**BCH – 2005 REAP**  
**Exhibit No. A-12**

Mr. William J. Andrews  
Barrister & Solicitor  
Counsel to BC Sustainable Energy Association and Sierra Club of Canada  
1958 Parkside Lane  
North Vancouver, B.C. V7G 1X5

Dear Sir:

Re: British Columbia Hydro and Power Authority (“BC Hydro”)  
Resource Expenditure and Acquisition Plan (“REAP”)

Attached please find Commission Information Request No. 1 to the BC Sustainable Energy Association and the Sierra Club of Canada (“BCSEA et al.”). Please provide a hard copy and an e-mail file in response. Please include a fully functional Excel spreadsheet wherever there is a request for a numerical calculation. Pursuant to Commission letter No. L-69-05, BCSEA et al. is requested to respond by Monday, October 3, 2005.

Yours truly,

*Original signed by:*

Robert J. Pellatt

JWF/rt

Enclosure

cc: Mr. Tony Morris  
British Columbia Hydro and Power Authority  
Registered Intervenors

**BC Hydro March 2005 Resource Expenditure and Acquisition Plan**

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**1.0 Reference: Exhibit C5-6, Direct Testimony of Paul Chernick, p. 8**

- 1.1 The testimony states that a 2003 technical potential study for New York State found efficiency technical potential in the commercial sector of 42.1 percent in 2012 and 40.4 percent in 2022.
- 1.2 Please provide the relevant sections of the study.
- 1.3 How comparable and applicable is the New York study to British Columbia?

**2.0 Reference: Exhibit C5-6, Direct Testimony of Paul Chernick, p. 13**

- 2.1 Lines 21 to 23 refer to the firmness of energy efficiency “...which will generally persist as long as the installed equipment remains in place, and certainly will not fail abruptly to any significant extent.”
- 2.2 To what extent are the firmness of energy efficiency and diversity at odds? In other words, does the diversity offered by DSM (as noted on line 11 of page 13) imply that the firmness of energy efficiency will depend on the type of measure adopted? If not, why not?
- 2.3 To what extent are there risks that the persistence of the full energy efficiency benefit will diminish over time as a result, for example, of degradation of materials or operating practices? Please explain your answer.

**3.0 Reference: Exhibit C5-6, Direct Testimony of Paul Chernick, p. 18**

- 3.1 Mr. Chernick’s testimony states more typical results for commercial energy-efficiency programs are in the neighborhood of a cost of saved energy of 2.5 ¢/kWh and benefit/cost ratio exceeding 2.0.
- 3.2 Please provide documentation or other support for this statement.

**4.0 Reference: Exhibit C5-6, Direct Testimony of Paul Chernick, p. 20**

- 4.1 The testimony states that “Over the past generation, utilities with industrial rates far above 6¢/kWh (for example in California, New York, New Jersey, Connecticut, and Massachusetts) have found financial incentives to be necessary to achieve the significant and highly cost-effective savings they realize from their industrial programs.”
- 4.2 Please provide documentation or other evidence to support that statement.
- 4.3 If possible, please explain the reasons why incentives are needed to achieve energy efficiency gains at the rate levels suggested.

**5.0 Reference: Exhibit C5-6, Direct Testimony of Paul Chernick, p. 24**

The testimony states that “For example, in Massachusetts in 2005, power suppliers are paying a premium of \$53.19/MWh (U.S.) for renewable energy attributes.”

Please provide supporting documentation or evidence for the above statement, and expand on the statement so that it is clear whether the \$53.19/MWh is the average price, the marginal price, or some other price.

**6.0 Reference: Exhibit C5-6, Direct Testimony of Paul Chernick, Exhibit 2**

Please provide the referenced pages for all of the non-BC Hydro sources listed in Exhibit 2.

**7.0 Reference: Exhibit C5-6, Direct Testimony of Paul Chernick, Exhibit 3**

Please provide the referenced pages for all of the non-BC Hydro sources listed in Exhibit 3.

**8.0 Reference: Exhibit C5-6, Direct Testimony of Matthew Bramley, p. 10**

Dr. Bramley’s testimony states on page 10 that “In reality, financial liability due to GHG emissions *induced* by a new facility upstream or downstream of the facility itself can impinge indirectly on the new facility.” (emphasis in original)

8.1 Please clarify the above statement and describe the mechanism or mechanisms by which such financial liability can be induced or transferred.

8.2 How, if at all, should such potential impacts be accounted for in the BC Hydro proposal?

**9.0 Reference: Exhibit C5-6, Direct Testimony of Matthew Bramley, Attached Paper, p. 2**

Footnote 5 references an article titled “The Scientific Consensus on Climate Change”.

Please provide a copy of the article.

**10.0 Reference: Exhibit C5-6, Direct Testimony of Matthew Bramley, Attached Paper, pp. 34-35**

On page 34, the paper describes three tables on page 35 as presenting the undiscounted liabilities for oil sands extraction and upgrading, coal-fired electricity generation and natural gas-fired electricity generation.

Please provide tables for coal-fired electricity generation and natural gas-fired electricity generation showing the discounted liabilities, using the same discount rates as used in the table on page 34.