

REQUESTOR NAME: Fred. Olsen Renewables (Canada) Ltd.
INFORMATION REQUEST ROUND NO: 1
TO: BRITISH COLUMBIA HYDRO & POWER AUTHORITY
DATE: July 11, 2008

PROJECT NO: 3698514

APPLICATION NAME: **2008 LTAP**

1.0 Reference: Exhibit B-1 (Section 6.2.6.3), Exhibit B-1-1 (Appendix M – Schedule 2) and Exhibit B-1-1 (Appendix M – Schedule 7)

Topic: 37. Clean Power Call LTAP Action Items

The response provided to Fred. Olsen Renewables (Canada) Ltd.’s round 1 IR 1.4.1 was that “no allocation between Network Upgrades and Transmission Provider Interconnection Facilities (TPIF) is possible at the Interconnection Feasibility Study stage”.

- 1.1 Please identify and explain factors that would alter the TPIF costs from one project to another.
- 1.2 Can BC Hydro please confirm whether or not the TPIFs are identified in the impact studies and/or facilities studies. If confirmed, please provide the costs of the TPIFs identified in the impact studies and/or facilities studies for those projects that were awarded a contract in the F2006 Open Call for Power and attribute the TPIF cost with the respective project. If not confirmed, please provide an estimate of the cost of a TPIF for a wind project and a run-of-river hydro project based on a “single span of transmission line entering the substation from the substation boundary” and provide the basis of the estimate.

2.0 Reference: Exhibit B-1 (Section 6.2.6.3), Exhibit B-1-1 (Appendix F3) and Exhibit B-1-1 (Appendix M)

Topic: 20. Wind ROU and 37. Clean Power Call LTAP Action Items

The response provided to Fred. Olsen Renewables (Canada) Ltd.’s round 1 IR 1.6.3 states that “Regulation and Load following commitment reserves are primarily capacity impacts that restrict BC Hydro’s ability to transact in the market”. On page 9 of 17 of Appendix F3 it states that “Energy shift costs represents lost opportunity costs of having to forego low price imports/high price exports due to these reserve commitments.”

- 2.1 Please confirm “transact in the market” refers to the importing and exporting of energy. If not confirmed please explain what is meant by “transact in the market” and how that differs from the importing and exporting of energy.
- 2.2 What is the difference between “Regulation and Load following commitment reserves” and “reserve commitments” for energy shift costs.

2.3 After “capacity impacts that restrict BC Hydro’s ability to transact in the market” have been accounted for by way of the Regulation and Load following commitment reserves for energy generated from wind projects, please explain the difference of the lost opportunity costs of having to forego low price imports/high price exports for energy generated from wind projects and energy generated by other non-dispatchable facilities (e.g. run-of-river hydro).