

From: MS. Ilse C. Leis  
Via e-mail  
Marc 16, 2012

British Columbia Utilities Commission  
Sixth Floor, 900 Howe Street, Box 250  
Vancouver. B.C.

Attention: Alana Gillis, Acting Secretary

Dear Ms. Gillis:

Re: Project No. 3698622 British Columbia Utilities Commission  
British Columbia Hydro and Power Authority (BC Hydro)  
Amended F2012 to F2014 Revenue Requirement Application  
**Establishment of a Negotiated Settlement Process (NSP) for Week of April 30, 2012**

Due to prior commitments, I was unable to adequately articulate and submit my reasons for my serious objections to B C Hydro's application for a **Negotiated Settlement Process in the F12-F14 RRA at this stage of the RRA process, and more importantly, the need and urgency to advance the to the week of April 30, 2012.**

BC Hydro provides elaborate reasons (paragraphs 2, 3, 4, and 5, page 2 of the March 13, 2012 letter for not only of NEED for a NSP but also for **sudden urgency of the advanced April 30<sup>th</sup>** date.

I would like to point out that the **REGULATORY TIMETABLE** was established by BCUC Commission ORDER NUMBER **G-206-11 on December 7<sup>th</sup>, 2011.** An **AMENDED REGULATORY TIMETABLE** was issued by BC Utilities Commission on **February 14, 2012.** Both Timetables clearly listed the "Commencement of Negotiated Settle Process (if necessary) as scheduled for **May 28<sup>th</sup> 2012.** Therefore, BC Hydro **has been aware of the NSP date since December 7<sup>th</sup>.** Surely, BC Hydro **must also be aware of the BC Hydro's Financial statements date (April 1<sup>st</sup> to March 31 ) and the Heritage Directive No. HC1 since its adoption and inception respective.** Since BC Hydro had been privy to these and other details stated in the arguments on page 2 (see above) I considers BC Hydro's arguments a **deliberate tactic to derail a rigorous examination** of the Amended F2012 to F2014 Revenue Requirement Application. Hence, it is **completely unacceptable.**

Secondly, I would like to express my serious concern regarding BC Hydro's **publicly undisclosed details of discussions** with BCOAPO, CEC, AMPC and BCSEA groups each of whom represent **specific** interest. It **suggests, that secret negotiations** ( or deals) have already occurred when these discussions should have been held in the presence of all interveners.

With the exception of those Residential Customers represented by BCOAP most of the **6.3 Million** Residential Customers who provide the largest amount of REVENUE ( **ONE BILLION , 370.1 MILLION DOLLARS F2011 ACTUAL {ref. Amended F2012 to F2014 Revenue Requirements App. Chapter 3. Pae 3-13}** ) are complete unaware of the **enormous increases** in cost BC Hydro is incurring year after year. These costs will have to be paid by the young adults in the future and future generations.

The Deferral Accounts ( \$295 Million Actual in 2011 and another \$215 MILION plus interest of \$118 Million Interest during the test period F2012-F214, hence a planned total of \$857 Million by F 2012) will take either large Rate Riders or optimistically 10 years to be recovered – if ever.

The DSM accounts have risen from 46.4 in 2007 to \$137.9 Million in 2011 and are planned to be \$184. 6 Milliion in 2012, \$199.8 Million in 2013 and a staggering \$236.3 Million by 2014.

Yet “Approximately 80 % of planned incentive costs in F2012 and 2013 are associated with industrial commercial programs.{ref Revision 1-February 28<sup>th</sup>, 2012, page 60 of 271.}

**Residential Rate Payers would be aghast and outraged if the facts of BC Hydro’s uncontrolled spending behaviours were known by residential electricity consumers.**

**To truncate this RRA by an advanced NSP is unfair, unjustifiable, no matter what the discussions with legal counsel of the named groups were about and no matter what or how many support letters the above named groups send to the BCUC.**

**Respectfully submitted, unread and unedited,**

**MS. Ilse Leis**