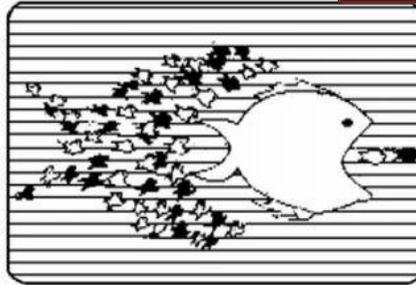


The British Columbia Public Interest Advocacy Centre

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Via Email : Commission.Secretary@bcuc.com

May 2, 2012

Our File: 7481

Ms. Alanna Gillis
Acting Commission Secretary
BC Utilities Commission
6th Floor 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Ms. Gillis:

**RE: British Columbia Hydro and Power Authority (“BC Hydro”)
F2012-14 Revenue Requirements Application
Project No. 3698622/Order G-40-11**

Please see attached BCOAPO'S IR's on intervener evidence in this process that were due yesterday. We apologize for the unavoidable delay and ask that they be accepted and answered by the affected parties as they do not, in our respectful submission, involve a volume of work or level of detail that should prejudice the recipients.

Please do not hesitate to contact the undersigned should you have any questions or problems.

Yours truly,

BC PUBLIC INTEREST ADVOCACY CENTRE

Original on file signed by:

Leigha Worth
Executive Director

cc: parties of record via email

encl.

REQUESTOR NAME: **BCOAPO**
INFORMATION REQUEST ROUND NO: **1**
TO: **British Columbia Sustainable Energy Association and the Sierra Club of British Columbia (BCSEA-SCBC)**
DATE: **May 1, 2012**
PROJECT NO: **3698622**
APPLICATION NAME: **BC Hydro Amended F2012-F2014 Revenue Requirements Application**

1.0 Reference: Direct Testimony of John Plunkett (Exhibit C10-13), page 12 (lines 5-9)

- 1.1 Please confirm that the levelized cost of \$0.0219/kWh does not include participant costs not funded by incentive payments from BC Hydro.
- 1.2 If this is the case, please explain why and from what perspective this levelized cost can be considered comparable to BC Hydro's avoided marginal-cost of energy supply.

2.0 Reference: Direct Testimony of John Plunkett (Exhibit C10-13), page 12 (lines 10-17)

- 2.1 Please explain what is meant by "cost effective" in this context. In particular, is Mr. Plunkett using the Utility Cost Test or the Total Resource Cost Test as the measure of cost effectiveness?

3.0 Reference: Direct Testimony of John Plunkett (Exhibit C10-13), page 14

- 3.1 Based on the sample surveyed, how many program years of results fell into Tier 4?
- 3.2 Out of the total sample of program years, how many fell into either Tier 1 or Tier 2?

4.0 Reference: i) Direct Testimony of John Plunkett (Exhibit C10-13), page 19 (lines 14-20)

ii) Electric Energy Efficiency Resource Acquisition Options for BC Hydro (Exhibit C10-13), page 8

- 4.1 Given the discussion in Reference (i), pages 11-12 about measure life and the need to consider the levelized cost per kWh of measures, why is it appropriate to compare average cost per kWh saved annually across jurisdictions which may use different measures and/or discount rates?
- 4.2 With respect to Reference (ii), why is it appropriate to assume a common measure life and discount rate for all utilities when calculating the levelized cost?

5.0 Reference: Direct Testimony of John Plunkett (Exhibit C10-13), pages 21-22

- 5.1 Using the GEEG model please estimate the program costs for F2013 and F2014 required for BC Hydro to deliver its planned level of Residential and C&I savings in those years.
- 5.2 Please contrast these model results with BC Hydro's forecast planned spending in these years.

6.0 Reference: Direct Testimony of John Plunkett (Exhibit C10-13), page 25

- 6.1 Please confirm that the levelized costs quoted are utility costs and do not take into account any additional cost that may be incurred by those participating in the DSM programs.
- 6.2 Please provide the calculation of the \$142.68/MWh avoided cost quoted for BC Hydro.

7.0 Reference: Direct Testimony of John Plunkett (Exhibit C10-13), page 26

- 7.1 The claim is made that if DSM measures are cost-effective under the utility cost test then they will lead to lower rates. Please confirm that this may not always be the case since DSM reduces the number of kWh's over which costs can be recovered (relative to a supply side alternative).
- 7.2 If not confirmed, please demonstrate why lower rates will always result if DSM measures pass the utility cost test.
- 7.3 What is Mr. Plunkett's understanding as to the basis for the cost (vis-à-vis the revenue requirement) savings that BC Hydro has attributed to DSM in the short run when there is surplus system supply? In Mr. Plunkett's view is this an appropriate value to use for "cost savings" and why?

8.0 Reference: Direct Testimony of John Plunkett (Exhibit C10-13), pages 27, 29 and 32

- 8.1 Why is it appropriate to value the increased DSM at BC Hydro's long run avoided supply cost when the proposed level of DSM activity will create a supply surplus for the next 10 year or more?
- 8.2 Given the comments on pages 29 and 32 about controlling the pace of efficient acquisition, why is it appropriate to target DSM savings that result in a significant supply surplus for an extended period?

9.0 Reference: Direct Testimony of John Plunkett (Exhibit C10-13), pages 37-43

- 9.1 Has Mr. Plunkett reviewed BC Hydro's current/proposed DSM programs and assessed the extent to which they do or do not follow the "best practices" set out here? If yes, please provide the results of this analysis.
- 9.2 With respect to page 43, please clarify/reconcile the references made to FortisBC's efficiency measures and service area.

10.0 Reference: Electric Energy Efficiency Resource Acquisition Options for BC Hydro (Exhibit C10-13), pages 10 and 14

10.1 Based on the results set out in Figures 2 and 3, for either set of data is there any statistically significant correlation between the dollars spent/kWh and the savings achieved as a percentage of sales?

11.0 Reference: Electric Energy Efficiency Resource Acquisition Options for BC Hydro (Exhibit C10-13), page 26-27

11.1 Was BC Hydro data used in the estimation of the model?

11.2 What distinguishes California and New England from the other jurisdictions that leads to a higher cost for DSM?

11.3 Has GEEG assessed the extent to which these same conditions do/do not exist for BC Hydro?