



SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC CANADA V6Z 2N3
TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

Log No: 51126

ERICA M. HAMILTON
COMMISSION SECRETARY
Commission.Secretary@bcuc.com
web site: <http://www.bcuc.com>

VIA EMAIL

January 12, 2016

**BC HYDRO
2015 RATE DESIGN**

EXHIBIT A-10

To: British Columbia Hydro and Power Authority
Registered Parties

Re: British Columbia Hydro and Power Authorities
Project No. 3698781/G-156-15
2015 Rate Design Application Module 1
Procedural Conference – January 19, 2016

Commission Order G-175-15 established a Procedural Conference for the afternoon of January 12, 2016. The Commission rescheduled the Procedural Conference to take place on January 19, 2016, commencing at 9:00 a.m. in the Commission's Hearing Room, Twelfth Floor, 1125 Howe Street, Vancouver, BC. This letter also confirms that there were no objections to the proposed dates provided in Exhibit A-8.

The purpose of the Procedural Conference is to hear from all parties so that the Commission Panel can determine the best regulatory processes and procedures to review the various requests made by BC Hydro in its 2015 Rate Design Application (2015 RDA). The Commission Panel also wants to provide an opportunity for all parties to present their issues which may not have been addressed in the Application, and to determine whether certain issues could be better addressed in another proceeding.

The Commission Panel requests that participants address the following at the Procedural Conference:

1. Whether the evidentiary record on a number of overarching issues, that is, issues that apply to all rate classes in Module 1 should be expanded. Examples: tests used to analyze bill impact, the re-prioritization of Bonbright criteria for the 2015 RDA from previous rate design studies, Long-Run Marginal Cost (LRMC) as referent pricing for energy rates and the level of precision, assumptions related to elasticity for estimates on conservation savings, etc.
2. Whether the evidentiary record on a number of jurisdictional issues should be expanded prior to the Argument Phase of the proceeding. Examples: the Commission's obligation under the Clean Energy Act British Columbia's Energy Objectives as it pertains to the 2015 RDA, the BCUC jurisdiction with regards to tariffs for low income customers, etc.

3. The Minister's letter to the Commission regarding a Residential Inclining Block (RIB) Rate Report, made reference to the 2015 RDA as follows:

FortisBC and BC Hydro have both demonstrated that their respective residential inclining block rates are resulting in residential electricity conservation, and that they are revenue neutral to the utilities. The Government is unaware of any evidence that the residential inclining block rates result in higher greenhouse gas emissions, and BC Hydro has indicated that they have no evidence of this. Any analysis of alternative rate structures and the issues listed in this paragraph would be best left to existing regulatory processes, which in BC Hydro's case is the 2015 Rate Design Application (RDA).

Should this be interpreted to mean that the 2015 RDA is required to address higher greenhouse gas emissions from the RIB rate and the potential fuel switching as a result of the RIB rate? If so, address whether the evidentiary record is sufficient or needs to be expanded.

4. In reasons attached to Order G-175-15 dated November 3, 2015, the Commission indicated that it would make a determination on the issues of BC Hydro's request for endorsement of its 2016 Cost of Service Study (COSS). Parties have provided submissions on this matter leading to Order G-175-15. Have parties changed their positions as a result of BC Hydro's responses to Information Request No. 1?
5. Whether there is sufficient evidence on the record for each of the proposed categories of rate class design and proposed Terms and Conditions (T&C)? Submissions for each item below should also include the appropriate review process (written, oral, streamlined review process or negotiated settlement process or a combination of processes):
- Residential
 - Small General Service (SGS)
 - Medium General Service (MGC)
 - Large General Service (LGS)
 - Transmission Service Rate (TSR)
 - Irrigation
 - Street lighting
 - T&C's
6. The appropriate review process for subsequent filings:
- a. Exhibit B-1-1, proposed amendments to Electric Tariffs;
 - b. BC Hydro's Assessment of Potential Low Income T&C's filed as Appendix A to BCOAPO IR 1.192.1;
 - c. Other?
7. Whether you will participate in the Freshet SRP scheduled for the afternoon of January 25th, 2016.
8. Whether the Panel assigned to hear this Application should also make determinations on participant costs incurred during BC Hydro's workshop engagement process, or should this matter be addressed in BC Hydro's upcoming Revenue Requirements Application? Should the participant costs accrued during BC Hydro's workshop engagement process be determined in accordance with the Commission's Participant Assistance Cost Award (PACA) Guidelines outlines in Appendix A to Order G-72-07?

If parties find it more efficient to provide their submissions in writing prior to the Procedural Conference, they should do so before Friday, January 15th. If you have questions, you can contact me directly, or you can reach lead staff, Eileen Cheng or Yolanda Domingo at (604) 660-4700, for more information.

Participants are requested to inform the Commission counsel, Mr. Paul Miller, at pmiller@boughtonlaw.com to confirm their attendance at the procedural conference by Friday, January 15, 2016.

Yours truly,

Erica Hamilton

EC/yl