

WEISBERG LAW
C O R P O R A T I O N

2730 Ailsa Crescent
North Vancouver BC V7K 2B2
Reply to: Fred J. Weisberg
Telephone: (604) 980-4069
Email: fredweislaw@gmail.com

VIA EMAIL

February 16, 2016

Ms. Erica Hamilton, Commission Secretary
British Columbia Utilities Commission
6th Floor 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Ms. Hamilton:

**RE: BC Hydro and Power Authority
2015 Rate Design Application
Non-Integrated Areas Ratepayers Group
Submissions Regarding Negotiated Settlement Process for
2016 Cost of Service Study and Rate Class Segmentation**

We are writing on behalf of our clients, the Heiltsuk Tribal Council and Shearwater Marine Limited, collectively registered as the Non-Integrated Areas Ratepayers Group (“NIARG”) in the above-captioned proceeding, to provide submissions regarding the Negotiated Settlement Process (“NSP”) for BC Hydro’s 2016 Cost of Service Study (“COSS”) and rate class segmentation.

NIARG’s submissions are in response to the four matters identified in the Commission’s letter dated February 11, 2016 (Exhibit A-18).

1. Confirmation from the parties who intend to participate in the settlement discussions

NIARG will actively participate in the NSP, represented by its counsel Mr. Fred Weisberg and perhaps one additional representative.

2. Submissions regarding BC Hydro’s position in its letter dated January 21, 2016 (Exhibit B-10) that those Commission staff identified by the Chair at the commencement of the procedural conference should be established by the Panel

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as Active Participants for any F2016 COS NSP in accordance with Part IV, section 1(iv) (a) of the NSP Guidelines

NIARG does not agree that those Commission staff identified by the Chair ***at the commencement of the procedural conference*** necessarily should be established by the Panel as Active Participants for the F2016 COSS NSP. Part IV, section 1(iv) (a) of the NSP Guidelines contemplates that staff may take one of four different roles in the NSP:

“Commission staff’s role may be as an Active Participant, an Advisor, an Observer or a Facilitator.”

NIARG believes that it is appropriate for the Panel to exercise its discretion in designating Active Participant, Advisor or Observer roles to individual staff as it sees fit, regardless of whether or not such staff were identified at the Procedural Conference. In NIARG’s view the most crucial aspect is that the Panel clearly identify and establish the respective role of each participating Commission staff ***prior to the commencement of negotiations.***

3. Comments on the specific issues related to the COSS and rate class segmentation including the street lighting rate class proposal that parties wish to have addressed in the NSP

NIARG anticipates engaging with other participants on all issues addressed in the NSP, but expects to focus on the following:

- Identifying the specific use(s) of the COSS in both Module 1 and Module 2, and confirming that a full review of a COSS will take place in 2019;
- Exploring the specific relationship between the 2016 COSS and rate design;
- Examining the classification of Heritage Hydro as it may apply to the Non-Integrated Areas;
- Examining the appropriateness of cost allocations as they may apply to the Non-Integrated Areas.

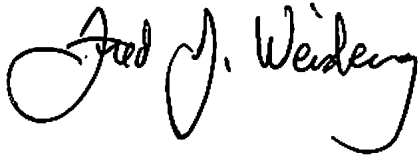
4. Comments on the recommendation by the Commission Panel that the Facilitator of the NSP be Ms. Liisa O’Hara

NIARG fully supports the Panel’s recommendation to have Ms. Liisa O’Hara act as Facilitator of the COSS NSP.

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All the above is respectfully submitted.

Yours truly,

A handwritten signature in black ink that reads "Fred J. Weisberg". The signature is written in a cursive style with a large, looping initial "F".

Fred J. Weisberg
Barrister & Solicitor
Weisberg Law Corporation
Counsel to the Non-Integrated Areas Ratepayers Group