

REQUESTOR NAME: BCOAPO
INFORMATION REQUEST ROUND NO: 2
TO: BC HYDRO
DATE: MARCH 8, 2016
PROJECT NO: 3698781
APPLICATION NAME: 2015 RATE DESIGN
APPLICATION (2015 RDA)

CHAPTER 1

236.0 Reference: BCOAPO 1.2.1

236.1 Why are directly assigned costs deemed to be demand-related as opposed to customer-related (i.e. since they are directly assigned to a specific customer class)?

237.0 Reference: BCOAPO 1.7.1

237.1 Is it sufficient, from the utility viewpoint of efficient investments and operational decisions, that savings related to the RIB rate (and RS1823 and DSM programs and costs and standards) decrease the amount of supply side energy and capacity resources that would be required to meet service obligations, or must they also do so in a cost-effective manner when compared to supply side alternatives that are available to BC Hydro?

CHAPTER 2

238.0 Reference: Exhibit B-17, pages 3-6 and 12-13 (Tables 3 & 4) BCOAPO 1.19.2 COPE378 1.6.1.1

238.1 Based on Update Tables 3 and 4, if BC Hydro acquires sufficient resources to satisfy its energy balance, will the capacity that is acquired in conjunction with such resources be sufficient to satisfy its capacity balance?

239.0 Reference: Exhibit B-17, pages 6-8 BCOAPO 1.19.2 & 1.22.3 COPE378 1.6.1.1

Preamble: The Update indicates that both EPA renewals and additional DSM can be acquired at or below a LRMC of \$85/MWh.

239.1 Please confirm that, as indicated in BCOAPO 1.19.2, the DSM and IPP resources used to establish the energy LRMC of \$85 / MWh provide both capacity and energy.

239.1.1 If EPA Renewals and new DSM measures provide both energy and capacity, why isn't the LRMC value of \$85/MWh considered to be the LRMC for obtaining both capacity and energy?

239.1.2 If such is the case, then why isn't the energy LRMC determined by subtracting from the cost of acquiring DSM and IPP renewals the deemed value of the capacity provided by each?

239.2 The response to BCOAPO 1.22.3 indicates that for the DSM programs listed, the generation capacity benefit ranges from \$0 / MWh to \$14 / MWh. What is the value of capacity (\$/MWh) associated with the EPA renewals?

239.2.1 If these values are netted out of the cost of acquiring additional DSM and EPA renewals, what would be the resulting value (or range of values) one could attribute to the cost of acquiring additional energy and, therefore, a representative energy LRMC?

**240.0 Reference: Exhibit B-17, pages 9 and 12-13
BCUC 1.11.1 and 1.13.1**

240.1 The response to BCUC 1.13.1 states that BC Hydro believes the RIB rate is designed to produce energy conservation and that while the RIB rate may result in capacity savings they are just a byproduct of the customer energy reductions. Given the new energy and peak capacity resource balances in Exhibit B-17, should energy conservation (as opposed to energy and capacity conservation or just capacity conservation) continue to be the focus of the RIB?

240.2 Does BC Hydro believe that the Stepped Rate for Transmission customers was also designed to produce energy conservation?

240.2.1 If yes, given the new energy and peak capacity resource balances should energy conservation continue to be the primary design focus of RS1823?

240.2.2 If not, what was the primary design objective underlying RS1823 and, given the current LRBs, is this objective still appropriate?

**241.0 Reference: Exhibit B-17, pages 1 and 9
BCUC 1.60.5 and AMPC 1.8.4 & 1.8.5**

241.1 The responses to BCUC 1.60.5 and AMPC 1.8.4 indicate that there is uncertainty associated with the estimate for LRMC and that a range was developed to represent this uncertainty. However, in the Update (Exhibit B-17) BC Hydro has not provided a range but rather a single value (\$85/MWh) for the LRMC. Is there a “range” associated with the \$85/MWh value that would reflect the uncertainty that goes into the LRMC determination?

242.0 Reference: Exhibit B-17, page 9
BCUC 1.13.1
BCOAPO 1.19.2
COPE378 1.6.3.1

Preamble: In responses to BCUC 1.13.1 and COPE378 1.6.3.1, BC Hydro rejected the view that the benchmark for the RIB Step 2 rate should include a generation capacity value. However, in the Update, BC Hydro suggests there may be merit in exploring the inclusion of a capacity value.

242.1 What is the rationale for BC Hydro’s change in view as to the need or merit of including a capacity value in the RIB Step 2 benchmark?

242.2 In response to BCOAPO 1.19.2, BC Hydro indicated that the DSM measures and EPA renewals used to establish the \$85/MWh value for the energy LRMC provide both energy and capacity. If this is the case, would adding a generation capacity value to the energy LRMC not lead to a double counting of generation capacity benefits?

242.2.1 If not, why not?

243.0 Reference: BCOAPO 1.22.3 and 1.25.2
BCUC 1.12.1

Preamble: In response to BCUC 1.12.1 BC Hydro indicates that it does not have estimates for the “transmission LRMC” or the “network (transmission plus distribution) LRMC”. Similarly, in response to BCOAPO 1.25.2 BC Hydro indicated that it did not have avoided transmission and distribution costs. However, in response to BCOAPO 1.22.3 BC Hydro provides an estimate of T&D capacity benefits associated with various DSM programs.

243.1 What is the basis for the T&D capacity benefit values used in response to BCOAPO 1.22.3 and how does it differ from what would be the LRMC for transmission and distribution?

243.2 Based on the analysis used to establish the T&D capacity benefits set out in BCOAPO 1.22.3, please provide: i) the \$/kW capacity

benefit for T&D and ii) a breakdown of the \$/kW benefit as between Transmission and Distribution.

CHAPTER 4

244.0 Reference: BCOAPO 1.50.1 & 1.29.2

244.1 Please explain more fully why the impact of making Residential E-Plus customers a separate class is too insignificant to justify the change when the usage of residential E-Plus customers on RS1105 exceeds that of the Irrigation class, which is a separate “class”.

245.0 Reference: BCOAPO 1.50.3

245.1 What would be required to establish that a truly interruptible RS1105 is a long-term resource that BC Hydro can rely on to meet capacity needs?

245.2 Does BC Hydro consider the savings obtained from its industrial load curtailment program (per Exhibit B-1, page 2-44) to be a long term resource that can be relied upon to meet capacity needs?

245.2.1 If so, what differentiates its terms and conditions from the requirements for curtailment/interruption of Residential E-Plus customers under Option 3 that justifies the different treatment?

246.0 Reference: CEC 1.31.2

246.1 Even if customer classes are segmented using considerations that are not cost-based, assuming the COSS appropriately allocates costs to each customer class (and segment) and rates are derived to recover these costs, how does this result in some customer classes (and segments) being required to pay an amount greater than the cost of providing their service while others would be paying less than the cost of serving them?

246.2 Is it not more likely that creating sub-classes using considerations that are not cost-based will lead to the sub-classes being allocated similar costs and therefore having similar rates, thus raising the question as to why segment the existing class at all?

CHAPTER 5

247.0 Reference: Exhibit B-5, BCOAPO IR 1.48.3

**BC Hydro 2017 to F2019 Revenue Requirements
Application – February 26, 2016 Request to the BCUC for
Interim F2017 Rates**

Exhibit B-3, BCSEA IR 1.4.6 in BC Hydro's Debt Management Regulatory Account proceeding found at: <http://www.bcuc.com/Documents/Proceedings/2016/DO C 45753 B-3 BCH Responses IRES 1.pdf>

Preamble: BC Hydro 2017 to F2019 Revenue Requirements Application – February 26, 2016 Request to the BCUC for Interim F2017 Rates, pages 1-2:

“While BC Hydro continues to forecast long-term demand growth across all customer classes, driven by factors such as an expected population increase of over 1 million people over the next 20 years, in certain sectors, our industrial customers have very recently been faced with significant declines in prices for the commodities they produce. There have also been more recent developments with respect to liquefied natural gas load including the announcement of the delay of a final investment decision on a liquefied natural gas project. Additionally, on February 5, 2016 the Government of British Columbia announced a program to allow mining companies to defer a portion of their electricity payments, to help mines remain in operation.

BC Hydro believes these changes will have a material impact on the load and revenue forecasts and other financial projections underpinning our revenue requirements. We are undertaking a comprehensive review and expect an updated forecast of revenue requirements to be completed in summer.

In order to ensure an effective and efficient process for the review of our F2017 to F2019 Revenue Requirements Application that is conducted on the basis of forecasts and other information taking into account these recent events, we propose to submit a complete F2017 to F2019 Revenue Requirements Application in summer 2016.”

Exhibit B-3, BCSEA IR 1.4.6 in BC Hydro's Debt Management Regulatory Account proceeding:

“The Ten Year Rates Plan has been available since late 2013 at <https://news.gov.bc.ca/stories/10-year-plan>. It is primarily a set of Government documents, but BC Hydro accepts it as its own in the sense that it was developed in conjunction with BC Hydro and has guided BC Hydro's decision-making since its release in 2013. The original Ten Year Rates Plan has not been updated; instead, it has stood as a guidepost for BC Hydro since its inception in late 2013.

The Ten Year Rates Plan includes forecast rate increases through F2019, and notes on page 23 that “BC Hydro and government will ensure increases remain low and predictable” over the remainder of the plan. Note that some elements of the plan, such as planned reductions to water rentals, are still to be implemented. BC Hydro will be providing a discussion of the 10 Year Rates Plan with its F2017 to F2019 Revenue Requirements Application.”

247.1 Will BC Hydro be filing its complete F2017 – F2019 RRA, including the 10 year rates plan, prior to the oral public hearing that is currently scheduled to take place in July, 2016?

248.0 Reference: BCOAPO 1.60.5

248.1 BCOAPO notes that, with respect to low income accounts in the North region, the median and mean usage by Non-Electric Heated accounts is greater than that for Electric Heated accounts. Please confirm that this is correct.

248.2 If so, can BC Hydro offer any insight as to why?

249.0 Reference: BCOAPO 1.62.2

249.1 Please provide a table using the same account segments but setting out the % of customers in the segment that, in moving to the flat rate, would see a bill reduction of more than 10%.

**250.0 Reference: Exhibit B-17
Exhibit B-1, pages 5-34 to 5-35**

250.1 Please re-do Figures 5-18 and 5-19 based on the updated energy LRMC per Exhibit B-17.

**251.0 Reference: Exhibit B-1, pages 5-64 to 5-67 & Appendix C-3F
REUS**

251.1 Please confirm whether BC Hydro’s Residential End Use Survey covered all customer zones, or whether it was only directed to Zone 1 customers.

252.0 Reference: BCOAPO 1.92.1

252.1 Please revise the Table at the above noted reference to also include the total number of accounts associated with each row.

253.0 Reference: BCOAPO 1.100.1 & 1.100.2

253.1 Do the 0.3% of Residential accounts referred to in BCOAPO 1.100.1 and the 0.2% referred to in BCOAPO 1.100.2 represent the number that would see a bill decrease in moving from the RIB rate to the Flat Energy rate based on a comparison of: i) F2016 RIB rates vs. F2017 Flat rates or ii) F2017 RIB rates v. F2017 Flat rates?

253.1.1 If based on alternative ii) please provide the percentage values if alternative i) was used in the calculation.

**254.0 Reference: BCOAPO 1.103.1
Exhibit B-1, page 5-12**

254.1 Is the “about 170,000 low income customers” referenced in BCOAPO 1.103.1 based on the 161,287 Residential low income accounts noted in Exhibit B-1 or are the two numbers drawn from/based on different sources?

254.1.1 If the sources/bases are different, please explain each.

**255.0 Reference: BCOAPO 1.103.1
BCOAPO IR 1.208.1 Attachment 1 p. 3 & 10**

255.1 BC Hydro states that “[o]f the about 170,000 low income customers estimated using LICO as the threshold, about 50 per cent have received ESKs”. Please confirm that ESKs are not income-tested. As it is BCOAPO’s understanding that ESKs are not income-tested (e.g. BCOAPO IR 1.208.1 Attachment 1 p. 3 & 10), how does BC Hydro know that the number of ESKs it has distributed have actually gone to low income customers?

**256.0 Reference: BCOAPO 1.103.1 and 1.103.2
Exhibit B-1, page 5-74 (lines 10-12) and page 5-76 (lines 1-2)**

256.1 The Application states that almost 85,000 low income houses had received energy saving kits (ESKs) as of August 31, 2015. It also states that for purposes of low income program eligibility the definition of low income was changed to 1.3 times LICO as of July 10, 2014. Does the 85,000 include low income customers who received the kits after the definition changed, but would not have met the earlier definition?

256.1.1 If yes, please reconcile the statement that 85,000 low income customers have received ESKs with the response to BCOAPO 1.103.1 that indicates that 85,000 low income customers (using LICO as the threshold) have received ESKs.

256.1.2 If yes, please indicate the number of low income houses (using the LICO definition for low income) that have received ESKs.

257.0 Reference: BCOAPO 1.103.4

257.1 Of the 1845 participants who met the LICO x 1.3 criteria, how many would have met the previous “LICO and under” criteria and of these how many had electric heat?

**258.0 Reference: Exhibit B-14, BCOAPO 1.105.1 REVISED Attachment 2, page 10
Energy Conservation Assistance Program (ECAP)**

Preamble: The conclusion of BC Hydro’s ECAP Program Evaluation F2010 and F2011 (Final Report) at the above noted reference states the following: “Although average savings per household were validated, program participation was significantly below expectation for both fiscal years examined in this report. Approximately 3,750 basic and 1,500 advanced program deliveries (5,250 in total) were anticipated by the end of fiscal year 2011. These business case projections were based on results from programs with some market history such as the California Low Income Energy-Efficiency Program. Actual participation was much lower with only 2,193 basic and 133 advanced program completions (2,326 in total).

Better penetration and understanding of the target market would result in a higher program participation rate and savings value. A possible barrier to higher penetration levels in British Columbia may be the difficulty in identifying low income customers in electrically heated homes who require significant insulation upgrades. As this may be the result of insufficient outreach methods, a rigorous process review might identify important areas for improvement. Finding the detail for such a review requires more program experience.

This process review should precede any further impact assessment of ECAP by program stream”.

258.1 Please provide details of any “rigorous process review [to] identify important areas for improvement” that BC Hydro undertook before expanding the eligibility for ECAP in 2012.

259.0 Reference: Exhibit B-14, BCOAPO 1.106.1 REVISED Attachment 1, p. 1

Statistics Canada LICO Table 2012
Table 1 Regional Distribution of Low-income
Households in BC

259.1 Please update the two tables found on page 1 to reflect 2015 data.

260.0 Reference: Exhibit B-1, Section 5.5.1.3, p. 5-68
Other LICO Definitions considered

260.1 Why was the definition of “low income households” in the Demand Side Measures Regulation, B.C. Reg. 326/2008, found at <https://www.canlii.org/en/bc/laws/regu/bc-reg-326-2008/latest/bc-reg-326-2008.html>, amended in 2014 to increase the LICO qualification criteria to LICO multiplied by 1.3?

261.0 Reference: Exhibit B-14, BCOAPO 1.106.1 REVISED Attachment 2

261.1 Has BC Hydro updated the Sampson Research Inc. report found at the above noted reference in preparation for its DSM filing? If so, please provide.

262.0 Reference: Exhibit B-14, BCOAPO 1.106.1 REVISED Attachment 4

Preamble: At BCOAPO 1.106.1 REVISED Attachment 4, the recommendations of the Split Incentive Working Group include the following (at p.5):

“Working in conjunction with both landlord and tenant organizations, such as the BC Apartment Owners and Managers Association (BCAOMA), the BC Non-Profit Housing Association (BCNPHA) and the Tenants Resource and Advisory Centre (TRAC), to develop a pilot project to promote energy efficiency measures where the benefit is derived by both the owner and the tenant”.

262.1 Please state what action, if any, BC Hydro has taken with respect to this recommendation.

262.2 Given the number of BC Hydro’s low income customers who are renters, please set out the current status of BC Hydro’s efforts to promote energy efficiency measures where the benefit is derived by both the owner and the tenant

263.0 Reference: BCOAPO 1.108.4
Exhibit B-14, 1.106.1 REVISED Attachment 3
Energy Savings Kits

Preamble: BCOAPO 1.106.1 REVISED Attachment 3 states that “BC Hydro estimates energy savings per ESK of 199 kWh per ESK installed by the customer and 346 kWh per ESK installed by building managers. These energy saving estimates include free rider adjustment to account for the customers in the rental market who qualify for BC Hydro’s low-income programs”.

263.1 Please provide a breakdown between kits installed by customer and by building manager, and explain the difference in energy saved.

263.2 Please discuss the amount of free ridership in the context of ESKs.

263.3 BCOAPO 1.106.1 Rev Att 3 states at p.28 line 1 that: “BC Hydro uses an average persistence of 9 years for energy savings resulting from installing ESK.” Please describe how BC Hydro arrived at this persistence factor, and provide any studies that may have informed such a choice. Is BC Hydro aware of what other jurisdictions use as a persistence factor for such programs?

**264.0 Reference: BCUC 1.41.2
Exhibit B-17**

264.1 Given the reduction in the energy LRMC, does BC Hydro consider the proposed RIB rate step 2 price to still be “reasonably close enough to LRMC to continue to encourage efficient use”?

264.1.1 If yes, what differential would be required such that this would not be the case?

265.0 Reference: BCUC 1.49.1 & 1.49.2

265.1 The response to BCUC 1.49.1 states that BC Hydro plans on calculating the costs of serving both groups (i.e., customers with and without access to natural gas) on a cents/kWh basis along with R/C ratios for both groups. Exhibit A-9 (page 3) from the RIB Rate Report proceeding directs BC Hydro to do so using its FACOS methodology to allocate costs to the two groups.

265.1.1 Please confirm that to undertake the analysis BC Hydro will be developing CP and NCP allocators for each “group”.

265.2 Given the response to BCUC 1.49.2, when does BC Hydro anticipate this analysis being completed and available to the BCUC and other parties?

266.0 Reference: BCSEA 1.8.1

Exhibit B-1, page 5-12 and 5-25 (Table 5-4)

Preamble: The response to BCSEA 1.8.1 indicates that 137,701 low income accounts are worse off under the alternative flat rate as compare to the default RIB rate in F2017. Exhibit B-1, page 5-12 states that 161,287 Residential Accounts are low income. Table 5-4 indicates that 9% of low income accounts will be better off under the flat rate.

266.1 Please reconcile these three statements, as 137,701 is only 85.4% of 161,287, suggesting that 14.6% would be better off under the flat rate (not 9%, as indicated in Table 5-4).

266.2 With respect to Table 5-4, please provide a revised version that indicates the total number of accounts associated with each segment.

267.0 Reference: BCSEA 1.8.5.1

267.1 Please provide the Flat and RIB rates used for the analysis underlying Table 5-4.

267.2 Please clarify whether the “Annual bill of median customer under the F2017 existing RIB rate” was calculated using: i) the F2016 RIB rate or ii) the FF2017 (Option 1) RIB rate as calculated by BC Hydro (including the F2017 RRA)

267.2.1 If calculated per (ii), please explain why the RRA isn't effectively netted out as both the Flat and RIB rates used incorporate the general rate increase between F2016 and F2017.

267.2.2 If calculated per alternative (i), please provide a revised table where the last column is calculated per alternative (ii).

268.0 Reference: BCSEA 1.16.1.1 BCUC RIB Rate Report Proceeding, Exhibit A-9, page 6

268.1 Does BC Hydro agree that options for additional DSM programs as requested in Question 5 of the Minister RIB Report Letter would include existing programs with higher incentives that could apply to low income customers and customers without access to natural gas?

268.1.1 If not, why not?

268.1.2 If yes, will these be addressed in BC Hydro's RIB Report?

269.0 Reference: BCSEA 1.14.3

BCUC 1.51.1 & 1.51.3
CEC 1.35.11
COPE378 1.8.4

Preamble: BC Hydro has indicated that it will be modelling bill impacts and providing the results as part of its responses to Round 2 IRs. BCOAPO requests that the following (or similar) information be provided as part of this exercise.

269.1 Please provide a table that sets out:

- (a) The total number of Residential accounts;
- (b) The number of “low income” Residential accounts per the definition in Exhibit A-9 of the RIB Rate Report proceeding;
- (c) The number of Residential accounts “without access to natural gas” per the definition in Exhibit A-9 of the RIB Rate Report proceeding; and
- (d) The number of low income Residential accounts without access to natural gas.

Please also indicate the source and year on which the data is based.

269.2 Using data consistent with that from part (1), please provide a table that indicates the following:

- (a) The total number of Residential accounts that would see a bill decrease of 10% or more (F2017 over F2016) if a flat energy rate was implemented in F2017;
- (b) The total number of low income Residential accounts that would see a bill decrease of 10% or more (F2017 over F2016) if a flat energy rate was implemented in F2017;
- (c) The total number of Residential accounts without access to natural gas that would see a bill decrease of 10% or more (F2017 over F2016) if a flat energy rate was implemented in F2017; and
- (d) The total number of low income Residential accounts without access to natural gas that would see a bill decrease of 10% or more (F2017 over F2016) if a flat energy rate was implemented in F2017.

CHAPTER 6

270.0 Reference: BCUC 1.53.1

270.1 Please provide the derivation of the \$347.6 M in revenues from the SGS energy rate shown in Table 2. In particular, please:

- (a) Indicate whether the energy rate 11.01 cents/kWh was used;
- (b) Confirm the GWh used; and

- (c) Reconcile the GWh value used with the F2016 value from the COSS (3,703 GWh per BCOAPO 1.27.1), the F2016 value for the rate modelling (3,680.32 GWh per BCOAPO 1.139.1) and the F2017 value from the rate modelling (3,881.7 GWh per Appendix H-1A, Table H-1A-40).

271.0 Reference: BCUC 1.53.2

271.1 Please provide the derivation of the \$1,919.3 M in revenues from the Residential energy rates shown in Table 2. In particular, please:

- (a) Indicate the rates used;
- (b) Confirm the GWh used; and
- (c) Reconcile the GWh value used with the F2016 value from the COSS (18,743 GWh per BCOAPO 1.27.1) and the F2017 value from the rate modeling (17,282 GWh per Table H-1A-4).

Note: It is assumed that the reference in Table H1A-4 to F16 Steps A and B was meant to refer to F2017.

**272.0 Reference Exhibit B-17, page 9
BCUC 1.53.3
BCOAPO 1.141.1
Exhibit B-1, page 6-12 (lines 21-27)**

272.1 BCUC 1.53.3 indicated that the proposed SGS flat energy rate was reflective of the energy LRMC for the period F2017-F2019. Please contrast the SGS flat energy rate as proposed by BC Hydro with the updated energy LRMC for the F2017-F2019 period.

272.2 Does the reduction in the energy LRMC now mean there are trade-offs to be made between the rate design objectives in proposing a rate design for the SGS class (contrary to Exhibit B-1, page 6-12)?

272.2.1 If yes, please discuss the trade-offs required and whether they lead to BC Hydro to revising its proposal with respect to the SGS rate design?

272.2.2 If not, why not?

273.0 Reference: BCOAPO 1.137.2 & 1.139.1

273.1 Please reconcile the number of accounts for F2016 as used in BCOAPO 1.137.2 (185,817) with the number used in BCOAPO 1.139.1 (180,367). Is the difference due entirely to the exclusion of NIAs from the later value?

274.0 Reference: BCOAPO 1.140.1 & 1.148.1 & 1.54.1

274.1 What does BC Hydro anticipate will be the “best available data at the time of the F2018 compliance filing” that it will use to set the SGS basic charge, the MGS demand charge and the LGS demand charge for F2018?

275.0 Reference: BCOAPO 1.140.3 & 1.148.3 & 1.154.3

275.1 Please explain how the SGS, MGS and LGS F2019 “target revenue” will be determined, and specifically indicate which approach outlined in the original questions will be used.

275.1.1 If another approach is to be used, please fully explain what it will be and provide an illustrative example.

**276.0 Reference: CEC 1.51.1
Exhibit B-1-1, Attachment G-1A, Section 4.2.1**

276.1 Please explain more fully why BC Hydro would not be able to use the demand calculated using the hourly interval data from smart meters for billing purposes.

277.0 Reference BCOAPO 1.144.2, 1.144.3 and 1.146.1

277.1 The response to BCOAPO 1.144.2 uses F2016 revenue and the results from the F2016 COSS whereas BCOAPO 1.144.3 uses F2017 revenues and the results from the F2016 COSS to perform the calculations. Please re-do the response to BCOAPO 1.144.3 using the F2016 MGS basic charge revenue.

277.2 Is the difference between the F2016 demand revenue reported in BCOAPO 1.144.2 and that reported in BCOAPO 1.146.1 simply due to rounding?

278.0 Reference: CEC 1.61.3

278.1 Is it BC Hydro’s view that MGS customers are not “responding to price signals” because i) MGS customers are not price responsive or ii) the current MGS rate structure is difficult for customers to understand thus making it difficult for customers to determine how they should/can respond?

279.0 Reference: BCUC 1.6.1 & 1.73.1

279.1 Given the priority that BC Hydro has assigned to Bonbright’s fairness and customer understanding criteria, please discuss why BC Hydro did not proposed an MGS rate design with a higher demand charge recovery of demand-related costs.

280.0 Reference: BCUC 1.76.1

280.1 Does the estimated \$0.1 to \$0.2 M in annual savings include savings from reduced customer complaints/queries regarding the LGS rate design?

280.2 Are there additional savings attributable to the MGS flat energy rate proposal?

281.0 Reference BCOAPO 1.150.1; 1.150.2 and 1.152.1

281.1 The response to BCOAPO 1.150.1 uses F2016 revenue and the results from the F2016 COSS whereas BCOAPO 1.150.2 uses F2017 revenues and the results from the F2016 COSS to perform the calculations. Please re-do the response to BCOAPO 1.150.2 using the F2016 LGS basic charge revenue.

281.2 Please reconcile the difference between the F2016 demand revenue reported in BCOAPO 1.150.1 (\$207 M) and that reported in BCOAPO 1.152.1 (\$213.9 M).

CHAPTER 7

**282.0 Reference: BCOAPO 1.160.3, 1.60.4 and 1.161.1
Exhibit B-1, Appendix C-5A, Attachment 4**

282.1 Please reconcile the “Revenue at F2016 Rates” for F2017 through F2019 shown in Attachment 4 with that set out in BCOAPO 1.160.3.

282.2 Please reconcile the Option 1 Revenues for F2017-F2019 shown in Attachment 4 with those set out in BCOAPO 1.160.4.

282.3 Attachment 4 indicates the under recovery of revenue in F2017 under Option 1 is \$2.2 M relative to forecast revenue neutrality. A similar \$2.2 M value is noted at Exhibit B-1, page 7-13. However, a comparison of BCOAPO 1.160.3 and 1.160.4 suggests that the under recovery is only \$0.5 M.

282.3.1 Please reconcile the two values and explain why they are different.

282.3.2 Please explain which value properly reflects the under recovery for F2017 of using customer bill neutrality as opposed to forecast revenue neutrality as the definition of “revenue neutrality” for F2017 and why.

283.0 Reference: Exhibit B-1, page 7-13

283.1 The equation (lines 4-7) used to define forecast revenue neutrality does not match the written description provided at lines 1-3. In each part of the equation the “RRA per cent increase” appears both in the numerator and denominator such that it is “cancelled

out” and effectively removed from the calculation. For example, in the first half of the equation as set out below, the RRA increase (noted in italics) appears twice – once in the numerator and once in the denominator:

$$\frac{[\text{Forecast Tier 1 GWh} \times \text{current Tier 1 Rate} \times \textit{RRA increase}]}{\textit{x} [\text{Tier 1 Rate Increase}/\textit{RRA increase}]}$$

Please reconcile.

283.2 Please explain why forecast revenue neutrality isn't defined by the following equation:

$$\text{Target RS1823 Revenue} = [\text{Forecast Tier 1 GWh} \times \text{Current Tier 1 Rate} \times \textit{RRA increase}] + [\text{Forecast Tier 2 GWh} \times \text{Current Tier 2 Rate} \times \textit{RRA Increase}]$$

284.0 Reference: BCOAPO 1.159.1, 1.159.2, 1.159.4, 1.160.3 and 1.160.4

284.1 Given that the lower RS1823 revenues produced using the customer bill neutrality definition (per BCOAPO 1.160.3 and 1.160.4) do not affect the RRA increase for F2017-F2019 (per BCOAPO 1.159.4), does the under recovery affect the amounts recorded in the Rate Smoothing Account?

284.1.1 If not, how and where are these amounts recognized?

285.0 Reference: BCOAPO 1.160.1

285.1 AMPC 1.10.1 does not provide the requested F2016 Tier 1 and Tier 2 energy quantities for RS 1823. Please respond to the original question which was to provide the Transmission Service billing quantities used to generate the Transmission Services revenues used in the COSS.

**286.0 Reference: BCOAPO 1.160.5
Exhibit B-1, Table 7.3
Exhibit B-17**

286.1 Please update Table 7.3 and the response to BCOAPO 1.160.5 based on the revised LRMC forecast per Exhibit B-17.

CHAPTER 8

287.0 Reference: Exhibit B-1, Chapter 8 & Exhibit B-1-1

287.1 Please confirm whether the provisions in BC Hydro's Electric Tariff apply to Zone II residential customers, except where otherwise stated in the Tariff.

288.0 Reference: BCUC 1.128.7

288.1 What has been BC Hydro's recent experience as to the annual bad debt costs resulting from accounts created in fraudulent names?

**289.0 Reference: BCUC 1.131.1.1
Exhibit B-1, Appendix G-1B**

289.1 The response to BCUC 1.31.1.1 indicates that the SLR for a Meter Technician is \$116.60 / hour, including vehicle costs. However, the \$143.57 SLR for a PLT does not appear to include vehicle costs (per BCUC 1.120.1). What is the SLR for a Meter Technician calculated on a comparable basis to the \$143.57 SLR for a PLT?

289.2 In general, what percentage of meter removals is done by Meter Technicians as opposed to PLTs?

289.3 It is noted that the Standard Labour Rate for PLTs is used for the various Minimum Connection Charges in Appendix G-1B when establishing the costs for the Standard Service Charges. Are there any of these Standard Service Charges for which the associated labour activities ascribed to a PLT could be performed by another classification of employee?

289.3.1 If yes, please indicate: i) the associated Standard Service Charges, ii) the alternative employee classification(s) that could perform the work and iii) their SLRs (comparable to the \$143.57 cost of a PLT).

290.0 Reference: BCUC 1.134.1, 1.134.2 and 1.134.6

290.1 Please confirm that currently the DataPlus Service Charge is recovering less than 1/3 of the cost of providing the service.

290.2 The Application states (page 8-18) that BC Hydro proposes to eliminate the DataPlus Service Charge. It also indicates that BC Hydro plans to discontinue the service once existing customers have been transitioned to new self-service tools. Does BC Hydro plan to continue charging existing customers from the DataPlus Service until the service is discontinued?

290.2.1 If not, why not?

290.3 With respect to BCUC 1.134.6, please confirm the current status of the IT project and when it is expected the current DataPlus Service will be discontinued.

291.0 Reference: BCOAPO 1.176.1

291.1 Does the application of the Service Connection Call-Back charge involve only those situations where BC Hydro staff actually visited the site as initially scheduled, was unable to complete the work for the reasons cited, and had to visit the site a second time?

291.1.1 If yes, is the customer also charged for the first visit?

292.0 Reference: Exhibit B-1-1, Attachment G-1A, Section 2.6.3

Preamble: The revised wording indicates that BC Hydro will determine the amount of the security deposit based on factors such as energy consumption and the customer's account and credit history (emphasis added).

292.1 What other factors could/will BC Hydro use in determining the amount of security deposit required?

293.0 Reference: Exhibit B-1-1, Attachment G-1A, Sections 2.10 & 5.5

293.1 Is "minimum charge(s)" a defined term and, if so, where is it defined in the Terms and Conditions?

294.0 Reference: Exhibit B-1-1, Attachment G-1A, Section 3.10

294.1 Will the Customer be required to pay for the meter/apparatus if it is shown that the damage occurred due to act/event beyond the customer's control such as storm damage?

294.1.1 If not, is this reflected in the proposed wording?

294.1.2 If so, why is this appropriate?

295.0 Reference: Exhibit B-1-1, Attachment G-1A, Section 5.5

295.1 Please explain why it is appropriate to waive the minimum charge(s) under the circumstances set out in Section 5.5.

296.0 Reference: Exhibit B-1-1, Attachment G-1A, Section 5.7, parts 5 & 6

296.1 What amount of adjustment is considered to be minor per part 5 (b)?

296.2 Is the interest rate referred to in the last paragraph of part 5 (b) which would be applicable in under-billing circumstance noted the 1.5%/month late payment charge or BC Hydro's weighted average cost of debt?

296.2.1 If the former, why is a different rate applicable in circumstance of over-billing as described in part 6?

297.0 Reference: Exhibit B-1-1, Attachment G-1A, Section 6.1.2

297.1 Is Residential Service available to a farm where customer's demand is 35 kW or greater?

298.0 Reference: Exhibit B-1-1, Attachment G-1A, Section 6.3

298.1 The section outlines one circumstance where BC Hydro may (at its discretion) waive the Late Payment Charges. Are there other circumstances where the Late Payment Charge may be waived and, if so, what are they?

299.0 Reference: BCOAPO 1.179.1, 1.186.1 & 1.222.1

299.1 In response to various BCOAPO Round 1 Information Requests, BC Hydro indicated that it would not respond given the time constraints imposed on responding to Round 1 requests. For each such request, BC Hydro further indicated, however, that it "acknowledges the usefulness of this information and so is attempting to extract and analyze account-level transactional data from the billing system." BC Hydro stated that "given the complexity of this analysis...it will be provided as part of BC Hydro's responses to Round 2 IRs." It was not clear whether this response indicated that BC Hydro expected the Round 1 IRs to be restated in Round 2. With that background, please provide the information which BC Hydro indicated it would have available at the time of its responses to Round 2 Information Requests from:

- (a) BCOAPO 1.179.1
- (b) BCOAPO 1.186.1
- (c) BCOAPO 1.222.1

**300.0 Reference: BCOAPO 1.192.1, Attachment 1, pages 5 & 18
Low Income Customer Terms & Conditions**

300.1 Please confirm or deny whether the 130,000 BC Hydro residential customers who are also MSDSI recipients are a subset of the 170,000 estimated number of low-income BH Hydro customers. If denied, please provide a detailed explanation of the basis for the denial.

**301.0 Reference: BCOAPO 1.192.1, Attachment 1, pages 5 & 18
Low Income Customer Terms & Conditions**

301.1 Please confirm or deny whether the 6,000 BC Hydro customers who have their bills directly paid by MSDSI are not a static group. Over the course of time, in other words, even if the 6,000 remains a constant number, the number of unduplicated BC Hydro customers who have their bills directly paid by MSDSI is likely to be greater than 6,000.

302.0 Reference: BCOAPO 1.192.1, Attachment 1, page 6

Low Income Customer Terms & Conditions

302.1 Please confirm or deny whether when BC Hydro states that it “agrees with BCOAPO’s proposed DSM Regulation approach to determine eligibility,” that “DSM Regulation approach” refers to BCOAPO’s proposal to use “a list of pre-qualified recipients of various government income and housing assistance programs.” If denied, please provide a detailed explanation of the basis for the denial.

303.0 Reference: BCOAPO 1.192.1, Attachment 1, pages 6 & 18 Low Income Customer Terms & Conditions

303.1 Please confirm or deny whether BC Hydro’s information technology is already structured to accept direct payment of electricity bills of MSDSI clients from MSDSI. If denied, please provide a detailed explanation of the basis for the denial.

304.0 Reference: BCOAPO 1.192.1, Attachment 1, pages 6 & 18 Low Income Customer Terms & Conditions

304.1 Please indicate whether, all else being equal, an increase in the number of MSDSI clients for whom direct payment is made would require additional modifications to the BC Hydro system for accepting such direct payments.

304.1.1 If yes, please explain how and why this would be the case.

305.0 Reference: BCOAPO 1.192.1, Attachment 1, page 6 Low Income Customer Terms & Conditions

305.1 Please confirm or deny whether the statement that “BC Hydro and BCOAPO agreed that the Ontario Energy Board (OEB) Low Income Customer Rules would serve a starting point for the review” did not evidence an agreement that the OEB’s Low Income Customer Rules would represent the entire universe of low income Terms and Conditions that might be considered in this proceeding. If denied, please provide a detailed explanation of the basis for the denial.

306.0 Reference: BCOAPO 1.192.1, Attachment 1, page 24 Low Income Customer Terms & Conditions

306.1 Please provide a single copy of any report, evaluation, study or other written document of any nature, within the custody or control of BC Hydro, whether or not prepared by or for BC Hydro, dated within the past five years, identifying, evaluating or otherwise discussing why non-paying residential customers do not make contact with the utility when, in response to bill nonpayment,

those nonpaying customers receive a request or notice to contact a utility to avoid the disconnection of service. Please make reasonable efforts to search for readily available documents.

**307.0 Reference: BCOAPO 1.192.1, Attachment 1, page 24
Low Income Customer Terms & Conditions**

307.1 Please provide a single copy of any report, evaluation, study or other written document of any nature, within the custody or control of BC Hydro, whether or not prepared by or for BC Hydro, dated within the past five years, identifying, evaluating or otherwise discussing why residential customers do not successfully complete deferred payment plans (sometimes known as payment agreements or other similar terms) in order to avoid the disconnection of service for nonpayment. Please make reasonable efforts to search for readily available documents.

**308.0 Reference: BCOAPO 1.192.1, Attachment 1, pages 18 & 27
Low Income Customer Terms & Conditions**

308.1 Please provide evidence of to what extent, if at all, MSDSI has requested a BC Hydro budget contribution for:

- (a) Engaging in direct payment of bills for MSDSI recipients;
- (b) Engaging in “information sharing” with BC Hydro regarding MSDSI recipients;
- (c) Engaging in Daily conference calls with Employment Assistance Workers.

Please include within this response the dollars requested by MSDSI and the dollars provided by BC Hydro in response to such request for each year for the most recent two years available. Further disaggregate, within this response, dollars requested and dollars provided for: (1) start-up costs; and (2) ongoing costs.

**309.0 Reference: BCOAPO 1.192.1, Attachment 1, page 28
Low Income Customer Terms & Conditions**

309.1 Please provide the budget presented in Table 3 by line-item expenditure in as much detail as is available.

**310.0 Reference: BCOAPO 1.192.1, Attachment 1, page 24
Low Income Customer Terms & Conditions**

310.1 Please provide the budget represented by the \$0.4 million annually in “incremental operational costs” by line-item expenditure in as much detail as is available.

**311.0 Reference: BCOAPO 1.192.1, Attachment 1, page 24
BCOAPO 1.178.1**

Low Income Customer Terms & Conditions

311.1 Please confirm or deny whether, since the “Dunning Process” is based on creditworthiness, which includes “demerit points whenever dunning actions take place on one of a customer’s accounts” (BCOAPO 1.178.1), each dunning action that occurs resulting in demerit points makes it even more likely that a dunning action will occur in a future month given nonpayment all else equal. If denied, please provide a detailed explanation of the basis for the denial.

312.0 Reference: BCOAPO 1.192.1, Attachment 1, page 29 Low Income Customer Terms & Conditions

312.1 Please provide a sample consent required for MSDSI to make a direct payment to BC Hydro on behalf of an MSDSI client, including:

- (a) Any consent form by or for MSDSI; and
- (b) Any consent form by or for BC Hydro.

313.0 Reference: BCOAPO 1.192.1, Attachment 1, page 24 Low Income Customer Terms & Conditions

313.1 Please confirm that the direct payments from MSDSI to BC Hydro occurring at present are made using the existing consent on the application form of MSDSI.

313.1.1 If not confirmed, please provide a detailed description of the consent provided currently under which MSDSI makes direct payments to BC Hydro.

313.2 Please separately explain the role that BC Hydro played in the design and content of that consent form.

314.0 Reference: BCOAPO 1.192.1, Attachment 1, pages 18 & 29 Low Income Customer Terms & Conditions (Late Payment Charge)

314.1 Please confirm that BC Hydro and MSDSI are already working on a new Information Sharing Agreement.

314.1.1 If not confirmed, please provide a detailed explanation of the difference between the Information Sharing Agreement referenced at Attachment 1 to BCOAPO 1.192.1 (page 18) and the Information Sharing Agreement referenced at Attachment 1 to BCOAPO 1.192.1 (page 29).

315.0 Reference: BCOAPO 1.192.1, Attachment 1, page 36 Low Income Customer Terms & Conditions

315.1 Please confirm that the \$15.94 only includes the costs of dunning communications and disconnections for nonpayment.

315.1.1 If not confirmed, please provide a detailed itemization, by dollar and cents amount, of the costs included in the \$15.94.

315.2 Please confirm that the “dunning” listed on page 36 refers to “late payment communications” from Table 2, page 15, BCOAPO 1.192.1 Attachment 1.

315.2.1 If not confirmed, please provide a detailed explanation of the basis for the denial.

315.3 Please confirm that the “disconnections” listed on page 36 refer to “disconnection” from Table 2, page 15, BCOAPO 1.192.1 Attachment 1.

315.3.1 If not confirmed, please provide a detailed explanation of the basis for the denial.

**316.0 Reference: BCOAPO 1.192.1, Attachment 1, pages 15 & 36
Low Income Customer Terms & Conditions**

316.1 Please confirm that for each cost listed below, the \$15.94 does not include the following expenditures from Table 2 (page 15, BCOAPO 1.192.1):

- (a) Credit and call center;
- (b) BY Hydro Operations and Maintenance;
- (c) Credit Checks for New Customers;
- (d) Interest on Borrowings for Delayed Revenues;
- (e) Interest paid on Security Deposits;
- (f) Reconnections;
- (g) Bad Debt Expense;
- (h) Collection Agency Commissions.

**317.0 Reference: BCOAPO 1.192.1, Attachment 1, page 40
Low Income Customer Terms & Conditions (Security
Deposit Waiver)**

317.1 BC Hydro states that it “does not support extending the security deposit waiver without some other form(s) of guarantee” (emphasis added). Please provide a comprehensive list of the “some other form(s) of guarantee” that BC Hydro would find acceptable.

**318.0 Reference: BCOAPO 1.192.1, Attachment 1, page 41
Low Income Customer Terms & Conditions**

- 318.1 Please provide a comprehensive and detailed description of the “project to delay cancellation in its billing system work plan for 2017.” The description should include, but not necessarily be limited to: the customers to which the delays will apply, the length of the delay, and the circumstances under which such a delay will be granted.
- 318.2 Please separately provide both the front-end costs of providing such a delay and the ongoing costs of providing such a delay.
- 318.3 Please separately provide the complete financial analysis, including all written documents of any nature, that present or otherwise discuss the extent to which the proposed delay will result in a reduction of costs that exceeds the costs of designing and implementing the delay (i.e., showing that implementing the delay has a positive cost-benefit analysis as that term is used in Attachment 1 to BCOAPO 1.192.1).

**319.0 Reference: BCOAPO 1.192.1, Attachment 1, page 37
Low Income Customer Terms & Conditions**

319.1 For each percentage presented on this page, please provide the integer number that was used in the numerator and in the denominator to derive the percentage. Define the population represented by the numerator and the denominator. The percentages for which the underlying numbers are sought include:

- (a) 13 percent
- (b) 27 percent
- (c) 54 percent
- (d) 83 percent
- (e) 97 percent

This question seeks “x” and “y” for each percentage, as follows:
 $\% = x / y$, WHERE: $x = \underline{\quad}$; and $y = \underline{\quad}$.

**320.0 Reference: BCOAPO 1.192.1, Attachment 1, page 37
Low Income Customer Terms & Conditions**

320.1 Using the relevant integer numbers identified in the immediately preceding question, please provide as follows:

- (a) The number of new accounts represented in the 13%;
- (b) Of the accounts in the 13%, the number of accounts that received final bills showing arrears at the time of the final bill;
- (c) Of the accounts represented in the 13%, the number of accounts who had final bills resulting in uncollectible dollars;
- (d) Of the number of accounts represented in the 13%, the number of accounts where deposits were returned to them;

- (e) Of the number of accounts represented in the 13%, the number where deposits were returned with no subsequent uncollectible dollars (whether due to no final bill or due to a final bill with no resulting uncollectible).

**321.0 Reference: BCOAPO 1.192.1, Attachment 1, page 37
Low Income Customer Terms & Conditions**

321.1 Using the relevant integer numbers identified in the Information Request above, please provide the following:

- (a) The number of new accounts represented in the 87% of new residential accounts on which deposits had *not* been assessed (i.e., 100% minus the 13% of new residential accounts on which security deposits had been assessed);
- (b) Of the number of accounts in the 87%, the number of accounts that received final bills showing arrears at the time of the final bill;
- (c) Of the number of accounts represented in the 87%, the number of accounts who had final bills resulting in uncollectible dollars;
- (d) Of the number of accounts represented in the 87%, the number of accounts where deposits were returned to them;
- (e) Of the number of accounts represented in the 87%, the number of accounts where deposits were returned with no subsequent uncollectible dollars (whether due to no final bill or due to a final bill with no resulting uncollectible).

**322.0 Reference: BCOAPO 1.192.1, Attachment 1, page 37
Low Income Customer Terms & Conditions**

322.1 Using the integer numbers identified in the Information Request above, please provide the following:

- (a) The number of new accounts represented in the 83% of closed residential accounts with aged balances on which accounts a deposit had never been assessed;
- (b) Of the number of accounts in the 83%, the number of accounts that received final bills showing arrears at the time of the final bill;
- (c) Of the number of accounts represented in the 83%, the number of accounts who had final bills resulting in uncollectible dollars;
- (d) Of the number of accounts represented in the 83%, the number of accounts where deposits were returned to them;
- (e) Of the number of accounts represented in the 83%, the number of accounts where deposits were returned with no

- subsequent uncollectible dollars (whether due to no final bill or due to a final bill with no resulting uncollectible);
- (f) Of the number of accounts represented in the 83%, the number of accounts by aging bucket at the time the final bill was rendered.

**323.0 Reference: BCOAPO 1.192.1, Attachment 1, page 37
Low Income Customer Terms & Conditions**

323.1 Using the integer numbers identified in the Information Request above, please provide the following:

- (a) The number of new accounts represented in the 97% of new or deteriorating residential accounts on which deposits had been reversed or returned before the accounts were closed;
- (b) Of the accounts in the 97%, the number of accounts that received final bills showing arrears at the time of the final bill;
- (c) Of the accounts represented in the 97%, the number of accounts who had final bills resulting in uncollectible dollars;
- (d) Of the number of accounts represented in the 97%, the number of accounts where deposits were returned to them;
- (e) Of the number of accounts represented in the 97%, the number of accounts where deposits were returned with no subsequent uncollectible dollars;
- (f) Please explain the difference between a deposit being “reversed” and a deposit being “returned”;
- (g) Please define a “deteriorating” account;
- (h) Please explain the circumstances under which a “deteriorating account” will have a deposit “reversed or returned.”

**324.0 Reference: BCOAPO 1.192.1, Attachment 1, page 37
Low Income Customer Terms & Conditions**

324.1 Please provide the number and percent of accounts represented by closed residential accounts with no aged balances (indicating for each percentage the number in the numerator and in the denominator):

- (a) on which accounts a deposit had never been assessed;
- (b) on which accounts a deposit had been assessed and returned;
- (c) on which accounts a deposit had been assessed but not returned.

**325.0 Reference: BCOAPO 1.192.1, Attachment 1, page 37
Low Income Customer Terms & Conditions**

325.1 Please confirm that while apartments represent 27% of total accounts, they represent only 23% of bad debt expense.

325.1.1 If not confirmed, please provide a detailed explanation of the basis for the denial.

325.2 Please confirm that while non-apartments with average monthly bills under \$500 represent 73% of total accounts, they represent only 45% of accounts in bad debt.

325.2.1 If not confirmed, please provide a detailed explanation of the basis for the denial.

**326.0 Reference: BCOAPO 1.192.1, Attachment 1, page 37
Low Income Customer Terms & Conditions**

Preamble: The percentage figures presented under the statement that “security deposits are not assessed from the right customers” appear to show the extent to which deposits are not requested from some customers who had resulted in bad debt or in accounts that were closed with an aged balance.

326.1 Please provide the equivalent numbers showing the extent to which deposits were requested from customers who had not resulted in bad debt or in accounts that were not closed with an aged balance.

**327.0 Reference: BCOAPO 1.192.1, Attachment 1, page 37
Low Income Customer Terms & Conditions**

Preamble: The percentage figures presented under the statement that “security deposits are not held long enough” appear to show the extent to which deposits were reversed or returned on accounts that ultimately led to bad debt or to closed accounts with an aged balance.

327.1 Please provide the equivalent numbers showing the extent to which deposits were imposed, and were not reversed or returned on accounts that ultimately did not lead to bad debt or that were not closed with an aged balance.

**328.0 Reference: BCOAPO 1.192.1, Attachment 1
Low Income Customer Terms & Conditions**

328.1 Please confirm that a low income BC Hydro residential customer who does not receive income or disability assistance from the BC Ministry of Social Development and Social Innovation may still be

eligible for social assistance on reserve, and/or for one of the following programs:

- (a) guaranteed income supplement under the *Old Age Security Act* (Canada);
- (b) allowance under the *Old Age Security Act* (Canada) for persons aged 60 to 64 with spouses or common-law partners who receive a pension under that Act and are eligible for a guaranteed income supplement;
- (c) survivor's allowance under the *Old Age Security Act* (Canada);
- (d) disability benefits under the *Canada Pension Plan* (Canada)
- (e) National Child Benefit Supplement;
- (f) shelter aid for elderly renters under the *Shelter Aid for Elderly Renters Act*;
- (g) Provincial senior's supplement under the *Employment and Assistance Act*;
- (h) hardship assistance under the *Employment and Assistance Act*, and/or
- (i) rental assistance provided by the British Columbia Housing Management Commission.

**329.0 Reference: BCOAPO 1.130.1
Low Income DSM**

Preamble: BC Hydro objected to the above-referenced IR during IR Round 1 on the grounds that it was too broadly stated. This request is intended to further explain and restate, more clearly and narrowly, the information sought by that data request.

329.1 Please describe any BC Hydro efforts within the past five years directed toward identifying and listing organizations, whether private contractors or non-profit organizations, with the capability of delivering low-income DSM.

329.1.1 If BC Hydro has made such an effort, please provide any existing document (if any) that quantifies the number of low-income units that could be treated in any given year with existing capacity.

329.1.2 If BC Hydro has made such an effort, please further provide any existing document (if any) discussing whether, and if so to what extent, that capacity might be ramped-up if additional resources were provided.

**330.0 Reference: BCOAPO 1.113.1
Low Income DSM**

Preamble: BC Hydro declined to respond to BCOAPO IR 1.113.1 on the grounds that it was too broad. The Information Request below seeks to restate, narrow and clarify the information sought.

- 330.1 Assuming the same number of units treated by BC Hydro's ESK and ECAP programs in its most recently completed program year, please state the number of years it would take to treat the 130,000 customers receiving MSDSI assistance. Assume that each MSDSI recipient receives treatments only once (i.e., they never need to be retreated) and that each recipient receives treatments from one but not both programs.
- 330.2 Assuming the same average annual usage reductions achieved by BC Hydro's ESK and ECAP programs in its most recently completed program year, please state the average annual bill reduction under current rates for each program. Please state both the usage reduction assumed and the calculation of the bill reduction.
- 330.3 Assuming the same average annual usage reductions achieved by BC Hydro's ESK and ECAP programs in its most recently completed program year, please state the average annual bill reduction under the rates BC Hydro has proposed in this proceeding. Please state both the usage reduction and the calculation of the bill reduction.
- 330.4 Please confirm or deny whether the ESK program has been found by BC Hydro to be a cost-effective DSM program. If denied, provide a detailed explanation of the basis for the denial.
- 330.5 Please confirm or deny whether ECAP has been found by BC Hydro to be a cost-effective DSM program. If denied, provide a detailed explanation of the basis for the denial.
- 330.6 Please provide the most recent cost-benefit calculation for the ESK program.
- 330.7 Please provide the most recent cost-benefit calculation for ECAP.
- 330.8 Please confirm or deny that the ESK program is not designed to ascertain all cost-effective investments in a program participant's home and does not seek to install all cost-effective measures. If denied, provide a detailed explanation of the basis for the denial.
- 330.9 Please confirm or deny that ECAP is not designed to ascertain all cost-effective investments in a program participant's home and does not seek to install all cost-effective measures. If denied, provide a detailed explanation of the basis for the denial.

330.10 Please confirm or deny that if BC Hydro's annual budget for its ESK program were doubled, all other things equal, BC Hydro could reasonably expect to double the number of annual participants. If denied, provide a detailed explanation of the basis for the denial.

330.11 Please confirm or deny that if the BC Hydro's annual budget for ECAP were doubled, all other things equal, BC Hydro could reasonably expect to double the number of annual participants. If denied, provide a detailed explanation of the basis for the denial.

**331.0 Reference: BCOAPO 1.113.1
Low Income DSM**

Preamble: BC Hydro declined to respond to BCOAPO IR 1.113.1 on the grounds that it was too broad. The Information Request below seeks to restate, narrow and clarify the information sought.

331.1 Please provide any outcome and/or process evaluation of the ESK and/or the ECAP programs prepared by or for BC Hydro within the past five years.

**332.0 Reference: BCOAPO 1.113.1
Low Income DSM**

Preamble: BC Hydro declined to respond to BCOAPO IR 1.113.1 on the grounds that it was too broad. The Information Request below seeks to restate, narrow and clarify the information sought.

332.1 Please provide all written documents of any nature that explain for the most recently completed two program years the basis for determining the number of low-income program participants BC Hydro budgeted to treat through the ESK program.

332.2 Please provide all written documents of any nature that explain for the most recently completed two program years the basis for determining the number of low-income program participants BC Hydro budgeted to treat through the ECAP program.

**333.0 Reference: BCOAPO 1.113.1
Low Income DSM**

Preamble: BC Hydro declined to respond to BCOAPO IR 1.113.1 on the grounds that it was too broad. The Information Request below seeks to restate, narrow and clarify the information sought.

333.1 For each year for the two most recently completed program years, please provide:

- (a) The budget expenditures for the ESK program;
- (b) The actual expenditures for the ESK program;
- (c) The budgeted expenditures for the ECAP program;
- (d) The actual expenditures for the ECAP program.

**334.0 Reference: BCOAPO 1.113.1
Low Income DSM**

Preamble: BC Hydro declined to respond to BCOAPO IR 1.113.1 on the grounds that it was too broad. The Information Request below seeks to restate, narrow and clarify the information sought.

334.1 For each year for the most recently completed two program years, provide a comprehensive list of energy efficiency measures that were considered for inclusion in the ESK program planning but which were not included.

334.2 For each such excluded measure, provide a brief statement of the reason the measure was excluded.

334.3 For each year for the most recently completed two program years, provide a comprehensive list of energy efficiency measures that were considered for inclusion in the ECAP program planning but which were not included.

334.4 For each such excluded measure, provide a brief statement of the reason the measure was excluded.

**335.0 Reference: BCOAPO 1.117.0
Low Income DSM**

Preamble: BC Hydro declined to respond to BCOAPO IR 1.117.0 on the grounds that it was too broad and that it was ambiguous. The Information Request below seeks to restate, narrow and clarify the information sought.

335.1 Please confirm or deny that without external assistance to defray the costs of installing energy efficiency measures, low-income households have empirically been found to install fewer energy efficiency measures in their homes than non-low-income households on a per-household basis. If denied, please provide a detailed explanation of the basis for the denial.

336.0 Reference: BCOAPO 1.183.1 (p. 3)

Low Income Terms & Conditions

336.1 Please provide a detailed definition of “customer service” as used for purposes of ABC_F15 (Attachment 3).

337.0 Reference: BCOAPO 1.187.1 Low Income Terms & Conditions

337.1 By month for the most recent 36 months available, please provide the total number of notices of disconnection for nonpayment that became “stale” (as that term is used here).

338.0 Reference: BCOAPO 1.198.2 (Attachment 2) Low Income Terms & Conditions

Preamble: BC Hydro states that it “recognizes it could sharpen its business decision rules for determining when a deposit should be required without adversely affecting bad debt expense.” (BCOAPO 1.191.1). BC Hydro further states that “security deposits are not assessed from the right customers.” (BCOAPO 1.191.1).

338.1 Please identify all elements in the “proposed security deposit revision” under which:

- (a) deposits would not be requested when they had previously been requested without the proposed revision;
- (b) a smaller deposit would be requested than had previously been requested without the proposed revision.

339.0 Reference: BCOAPO 1.198.2 (Attachment 2) Low Income Terms & Conditions

Preamble: BC Hydro states that “apartments comprise a disproportionate number of accounts that are written off as bad debt (although smaller bills made the actual write-off less).” BC Hydro further states that “new accounts with estimated monthly bills under \$55, mostly apartments, are currently not assessed security deposits to avoid administration and interest costs.” Nonetheless, BC Hydro proposes to “apply a fixed \$50 security deposit for small accounts” to “address the lack of security currently obtained for apartments.”

339.1 For this proposal to apply a \$50 security deposit for small accounts, please provide the cost-benefit analysis performed by BC Hydro, as that analysis is defined in Attachment 1 to the BC Hydro response to BCOAPO 1.192.1 (page 31), showing that the “implementation and operational costs would be offset by

savings.” The attached cost-benefit analysis for the security deposit proposal should separately identify all start-up costs, as well as all “implementation and operational costs” identified for low-income terms and conditions (e.g., additional credit and call centre costs; additional BC Hydro operations and maintenance costs; additional costs of doing credit checks for new customers; additional information technology costs; additional staffing costs, including overhead and benefits).

**340.0 Reference: BCOAPO 1.198.2 Attachment 2, page 2-3
Low Income Terms & Conditions**

Preamble: In its Proposed Security Deposit Policy Revision at the above-noted reference, BC Hydro proposes to change the default duration that security deposits are held to 24 months “to better align with the typical length of a rental agreement” (p.3). Elsewhere in the same document, BC Hydro states that its analysis for apartments found that “the average account length was 14 months” (p.2).

BC Hydro also notes that no tariff changes are required to change the default duration to 24 months (i.e. from the current 12 months), as BC Hydro still “may” return the security deposit after 12 months, but is not obligated to do so, and that if a customer requests their security deposit after 12 months, account reviews for after the minimum 12 months could be done at a customer’s request (p. 3).

340.1 Does BC Hydro agree that a default duration of 14 months for holding security deposits for apartments would better reflect average account length?

340.1.1 If not, please explain why not.

340.2 Does BC Hydro agree that amending its tariff to reflect the default duration that security deposits are held (whether that be 12 months, 14 months, or 24 months), as well as setting out the option for customers to have their accounts reviewed for earlier deposit return, would provide more clarity to customers?

340.2.1 If not, please explain why not.

**341.0 Reference: Exhibit B-1-1, Attachment 2 (Electric Tariff Amendments–Clean) p.22 & 23;
BCOAPO 1.198.2 Attachment 3 (Bad Debt End-to-End Overview), pp. 5 & 8
Debt Collection**

Preamble: BC Hydro’s Terms and Conditions say the following (section2.1) about refusal of an application for service:

“BC Hydro may refuse to accept an application for Service for any of the reasons listed in section 2.4 (BC Hydro Refusal to Provide Service and Termination).”

In section 2.4, the Terms and Conditions state:

“BC Hydro may, without liability of any kind, refuse to provide Service to any Person or may without notice Terminate Service to any Customer (whether by disconnection or otherwise) who:

1. Fails to pay for Service;
2. Fails to apply for Service or fails to provide information or identification acceptable to BC Hydro when applying for Service or at any subsequent time on request by BC Hydro;
3. Occupies the Premises with another occupant who has an amount outstanding under a Service Agreement or Financing Agreement in respect of the current Premises or another Premises previously occupied by the Person or Customer and such other occupant at the same time;
4. Fails to provide access as required by section (9.3) (Access to Premises);
5. Fails to pay any amount owing under a Financing Agreement; or
6. Otherwise fails to comply with the Service Agreement.”

Similarly, in BCOAPO 1.198.2 Attachment 3 (Bad Debt End-to-End Overview), p. 5, BC Hydro states:

"Credit and collections policies first come into play when a customer applies for service. At that time, customers are screened to determine if they have outstanding balances from other current or prior accounts, or are closely associated (e.g., spouse, roommate) with outstanding balances.

In these cases, the application for service is not granted until any outstanding debts are paid. "

BC Hydro also states the following in BCOAPO 1.198.2 Attachment 3:

"Collection Agency Process

Collection agencies are used to assist in the collections process, after ABS has exhausted its dunning activities. BC Hydro uses four collections agencies. Only closed accounts are referred to collection agencies. These uncollected accounts are first assigned to one agency (the primary agency) and if they are unable to collect after 180 days, the account is reassigned to a secondary agency where it remains until collected or until the 2 year Statute of Limitations expires."

341.1 When a customer applies for service, please confirm that when a customer is screened for outstanding balances, the customer would not be refused service for outstanding debt that is outside of any limitation period under the BC Limitation Act.

341.1.1 If not confirmed, in what circumstances could a customer be refused service for outstanding debt that is outside any limitation period under the BC Limitation Act?

341.2 Please confirm that BC Hydro can refuse service to an applicant if someone else in the applicant's household was the previous account holder and owed BC Hydro money.

**342.0 Reference: BCOAPO 1.202.1
Low Income Terms & Conditions**

342.1 Please confirm that the following is a correct restatement of the statement that "the \$30 threshold for application of the Late Payment Charge also applies separately for each of these calculations." A late charge is not applied against a late charge (i.e., compounded) unless the outstanding unpaid late charge, standing alone, is \$30. Since an outstanding late charge would not be \$30 on a stand-alone basis unless the total outstanding balance not represented by late charges is \$2,000 (i.e., $\$30 / 0.015 = \$2,000$), in practice, late charges are not applied against late charges unless the outstanding balance not including late charges is \$2,000.

326.1.1 If denied, please restate and explain the response to BCOAPO 1.202.1 to clarify.

**343.0 Reference: BCOAPO 1.231.1
Low Income Terms & Conditions**

343.1 Please provide an example of a payment agreement between MSDSI and BC Hydro on behalf of an MSDSI recipient.

343.2 Please separately provide an example of all correspondence or written communications from BC Hydro to the customer relating to such an agreement, occurring:

- (a) before the agreement is reached; and
- (b) after the agreement is reached.

**344.0 Reference: BCOAPO 1.232
Low Income Terms & Conditions**

344.1 Please provide a detailed description / explanation of the context in which MSDSI estimated that 130,000 recipients are BC Hydro customers.

**345.0 Reference: BCOAPO 1.230 et seq.
Low Income Terms & Conditions**

345.1 When MSDSI pays toward a customer's arrears, does BC Hydro henceforth keep a record in its system of the fact that the customer is an MSDSI recipient?

345.1.1 If not, please provide a detailed explanation of the information technology changes that would be required to maintain such a record.

**346.0 Reference: BCOAPO 1.230 et seq.
Low Income Terms & Conditions**

346.1 Please provide on a monthly or annual basis for the most recent 12 months available:

- (a) The aggregate billing to accounts directly paid by MSDSI;
- (b) The aggregate payments received on accounts directly paid by MSDSI if that payment is less than 100% of the billing. Indicate if payments are equal to 100% of billings.

**347.0 Reference: BCOAPO 1.230 et seq.
Low Income Terms & Conditions**

347.1 Please provide a detailed description of the circumstances, if any, under which an account directly paid by MSDSI would go unpaid or otherwise carry an arrears.

347.2 Please provide a detailed description of the circumstances, if any, under which an account directly paid by MSDSI would be subject to dunning.

347.3 Please provide a detailed description of the circumstances, if any, under which account directly paid by MSDSI would result in an uncollectible balance.

**348.0 Reference: BCOAPO 1.230 et seq.
Low Income Terms & Conditions**

348.1 Please provide for accounts known to be directly paid by MSDSI:

- (a) The average and/or median annual usage;
- (b) Any available information on housing characteristics, including owner/renter status;
- (c) The proportion that are heating and non-heating accounts;
- (d) Any available demographic characteristics.