REQUESTOR NAME:	BCOAPO
INFORMATION REQUEST ROUND NO:	#1
TO:	COMMERCIAL ENERGY CONSUMERS ASSOCIATION OF BRITISH COLUMBIA
DATE:	MAY 30, 2016
PROJECT NO:	3698781
APPLICATION NAME:	2015 RATE DESIGN APPLICATION

1.0 Reference: CEC Evidence, page 7 (lines 79-90); page 8 (lines 111-125); page 9 (lines 150-152) and page 36 (lines 788-791)

Preamble: At page 7 the evidence states**: "**To the extent that customer load that may otherwise be on the peak could be moved off the coincident electric system peak this would enable BC Hydro to defer adding capacity in the future to the serve such load at the peak".

At page 8 the evidence also states: "Staying off the BC Hydro peak could involve approximately 5 days of interruption typically no more than twice per year to offset the first increment of about 750 MW of peak".

At page 9 the evidence states: "Incremental additions to the transmission system can be avoided, if the demand is kept off the coincident electric system peak".

At page 36 the evidence states: "BC Hydro is planning for additional capacity to be added to the hydroelectric system, which would involve the addition of the 6th unit at the Revelstoke Generating Station. This capacity is anticipated to cost approximately $50/kW -year or $50,000/MW -year. The Revelstoke GS capacity may be required for contingency planning as early as 2021 or 2031 in the base plan."

1.1 Does CEC accept that there could be regional transmission supply issues that occur at times other than the "system peak" and during which transmission loads would have to be reduced in order to defer adding capacity in the future?

1.2 If not, why not?

1.3 If yes, how would this change the proposed rate structure terms as set out at pages 24-28?

1.4 Please confirm that additional generating capacity is not expected to be required until 2021. If so, should the referenced $50/kW cost be "discounted" if it is to represent the value of capacity in 2017?

2.0 Reference: CEC Evidence, page 6 (lines 73-74); page 10 (lines 174-176)

Preamble: At page 6 the evidence states: "Similarly there is an economic case for providing customers with a credit for when they are able to reduce load to reduce BC Hydro's capacity requirements".

At page 10 the evidence states: "The consequence for BC Hydro of providing a non-firm interruptible rate would be to remove these loads from its firm service load forecasting and avoid the costs of acquiring generation capacity and transmission resources to meet these loads".

2.1 Please demonstrate that there is an economic case to support the proposed demand charge reductions set out at pages 24 and 26 based on BC Hydro's current avoided costs.

3.0 Reference: CEC Evidence, pages 11-12

3.1 Are BC's greenhouses located/concentrated in particular areas of the province and, if so, where?

4.0 Reference: CEC Evidence, page 13

Preamble: The evidence states: "The potential for growers to enhance production through increased lighting is particularly relevant because it potentially represents offsetting revenue for BC Hydro to replace the revenue reduction in demand charges with additional energy sale".

4.1 Please contrast BC Hydro's proposed MGS and LGS energy rates with BC Hydro's avoided energy costs.

4.2 Will increased greenhouse energy sales lead to additional "net revenues" for BC Hydro (i.e., will the additional revenue less the incremental cost of providing the associated energy be positive?)?

4.3 If the response to part (2) is no, what adjustments would be required to the proposed interruptible rate structure to address this shortfall?

5.0 Reference: CEC Evidence, page 15, (lines 297-299 and 311-313)

Preamble: At page 15 the evidence states:

"The pumping is required whenever the volumes are sufficient to overwhelm the natural runoff capabilities of the water flows, which happens when the Fraser levels reach certain critical levels".

"The evidence shows that the flood pumping requirements can fall very near to or on the BC Hydro peak demand because the rainfall in this case, November 30th, preceeded the cold snap."

5.1 The evidence appears to suggest that the requirement for flood pumping agencies to operate depends on rainfalls and snow melts such that the agencies have little control over when they must operate. Please confirm whether or not this is the case and, if not, please clarify.

5.2 If the response to part (1) is affirmative, please explain how flood pumping agencies could ensure that their operations are not coincident with BC Hydro's peak demand.

6.0 Reference: CEC Evidence, page 20 (lines 386-393) and page 32 (lines 716-721)

6.1 Please confirm that the supply of power under the Shore Power rate can be terminated in circumstances where BC Hydro does not have sufficient energy or capacity.

6.1.1 Would similar terms be appropriate for interruptible LGS and MGS customers? If not, why not?

6.1.2 Would a comparable supply condition that focused just on the availability of capacity be appropriate?

7.0 Reference: CEC Evidence, page 21 (lines 415-434)

7.1 Which of the options set out on page 21 most closely matches the frequency at which customers under the proposed MGS and LGS interruptible rates would be interrupted?

7.2 Please explain why the proposed MGS and LGS interruptible rate structures do not specify the allowed periods of interruption. Wouldn't such an approach provide greater clarity to both BC Hydro (in terms of when it can interrupt) and the customers (in terms of when they will be interrupted)?

8.0 Reference: CEC Evidence, pages 24 and 26
BCUC 1.12.1

8.1 Why is there such a material difference in the proposed discount to be provided to MGS versus LGS customers for what is effectively the same benefit to the system?

9.0 Reference: CEC Evidence, pages 24-28

9.1 With respect to the metering provisions, would separate metering of firm and non-firm load be required during the pilot? If so, who would pay for it if such metering was not already in place? If not, why not?

9.2 It is noted that there is a proposed $150/month administration charge to handle the cost of registering and qualifying customers. Will there be an additional charge to cover incremental billing/account maintenance costs (per lines 540-542 and 616-618)?

9.3 The terms for LGS customers (lines 545-547) limits interruptions to "avoiding the electric system coincident peak". However, terms for MGS customers (lines 620-632) have no similar restriction. Please explain.

9.4 Please confirm whether BC Hydro would be able to interrupt LGS customers (and MGS customers) to address regional transmission supply constraints.