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June 17, 2016

Ms. Laurel Ross  
 Acting Commission Secretary  
 British Columbia Utilities Commission  
 Sixth Floor – 900 Howe Street  
 Vancouver, BC V6Z 2N3

Dear Ms. Ross:

**RE: Project No. 3698781  
 British Columbia Utilities Commission (BCUC or Commission)  
 British Columbia Hydro and Power Authority (BC Hydro)  
 2015 Rate Design Application (2015 RDA)  
 E-Plus Homeowners Group (EPHG) Evidence**

BC Hydro writes in regard to the 2015 RDA and the evidence filed by the EPHG on May 18, 2016 (Exhibit C10-4).

BC Hydro has reviewed EPHG's evidence and notes that a number of the documents and attachments referenced in its evidence are not currently on the record of this proceeding. Those documents are the following:

| <b>EPHG Evidence Reference</b> | <b>Document Name</b>                                                                |
|--------------------------------|-------------------------------------------------------------------------------------|
| Reference 4                    | BC Hydro - Electric Plus Owner's Guide – January 1989                               |
| Reference 4                    | BC Hydro Letter (John P. Sheehan) to Individual E-Plus Customers - January 7, 1991  |
| Reference 6                    | BC Hydro Residential Dual Fuel Interruptible Electric Service Agreement             |
| Reference 6                    | BC Hydro Letter (John P. Sheehan) to Individual E-Plus Customers - October 17, 1990 |
| Reference 48                   | 2007 RDA Phase 1- E-Plus Groups Final Argument, page 13 – August 17, 2007           |

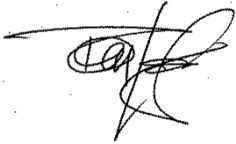
BC Hydro contacted EPHG's representative, Mr. Gary McCaig, and offered to file this request on EPHG's behalf to place the above-noted documents on the record of this proceeding and we can advise that he is in agreement with the approach. As such, please provide "C10" exhibit numbers for the above-noted documents, also attached to this filing for convenience.

June 17, 2016  
Ms. Laurel Ross  
Acting Commission Secretary  
British Columbia Utilities Commission  
2015 Rate Design Application (2015 RDA)  
E-Plus Homeowners Group (EPHG) Evidence

**Page 2 of 2**

For further information, please contact Gordon Doyle at 604-623-3815 or by email at [bchydroregulatorygroup@bchydro.com](mailto:bchydroregulatorygroup@bchydro.com).

Yours sincerely,



Tom Loski  
Chief Regulatory Officer

jc/ma

Enclosures (5)

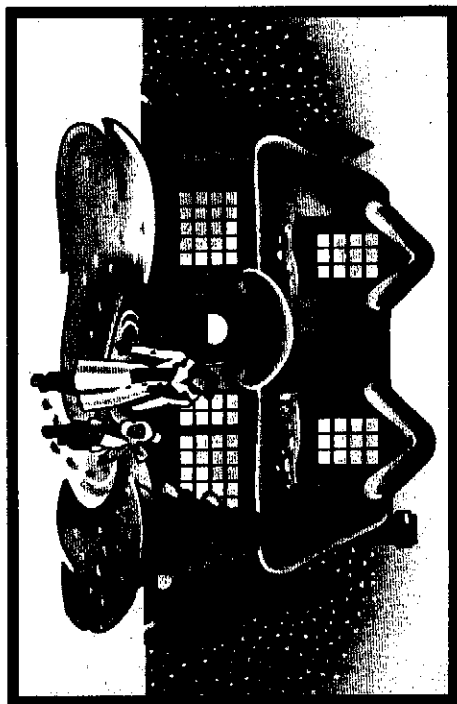
Copy to: BCUC Project No. 3698781 (2015 RDA) Registered Intervener Distribution List.

14/11

# Electric Plus

## Owner's Guide

Welcome to Low-Cost  
Dual-Fuel Energy  
for Your Home



January 1989

 **BC Hydro**  
PROUD OF OUR  
*Service*

**Welcome to Electric Plus, a program designed to provide you with low-cost energy to meet your heating needs. Electric Plus also helps B.C. Hydro because it provides an attractive British Columbia market for this energy.**

*This pamphlet is designed to help you better understand Electric Plus, what your obligations are, and what our obligations are. It also provides some tips on how to get the best from your dual-fuel heating system. If, after reading this pamphlet, you have further questions, please call your local B.C. Hydro office for answers.*

*Thank you for joining us in this new program. I'm sure you will enjoy saving on your heating costs for many years to come.*

Sincerely,



John Sheehan  
Vice-President, Customer Services  
B.C. Hydro

*Electric Plus* is an innovative program offered by B.C.Hydro to residential, commercial and industrial customers so they may purchase surplus interruptible secondary energy at reduced rates.

You can use *Electric Plus* for space heating and water heating applications but must have a complete propane, butane, oil, wood or coal back-up heating system in good operating condition for each application. The back-up heating system must operate when the secondary *Electric Plus* energy is interrupted and is not available.

#### **What is Surplus Secondary Energy?**

B.C.Hydro's electric generation capacity is based on water flow rates and the amount of water stored in our reservoirs. The snowpacks and stored water represent stored kilowatt-hours of electricity. We evaluate this potential continuously.

Our hydroelectric system is designed to serve B.C.Hydro's **firm** energy commitments even during a series of years when rainfall and snowpacks are substantially less than normal. In most years, however, precipitation is substantially above these minimum levels. This gives us surplus secondary energy, which we can sell at a much lower cost than firm energy because it can be supplied without requiring new dams to be built.

#### **Why Must *Electric Plus* Electricity Be Interruptible?**

Secondary energy is only available when there is more than enough water in our reservoirs to produce electricity for the needs of B.C.Hydro's firm customers. When the secondary energy is not available, therefore, secondary energy users (including export customers) must switch to another energy source.

For *Electric Plus* customers such interruptions are expected to be infrequent, but may last for up to one heating season when they do occur. Customers are notified well in advance of any long-term interruptions.

### **What can *Electric Plus* Be Used For?**

The low *Electric Plus* rate is available for space heating and water heating in homes or parts of homes and buildings where a full back-up heating system exists. The back-up system may not use firm electricity or natural gas. A separate meter measures consumption on the special *Electric Plus* rate.

Electric stoves, fridges, other appliances or lighting may not be connected to the *Electric Plus* meter. Should B.C. Hydro find these connected or find that space or water heating is cross-connected to the regular meter, then the *Electric Plus* rate will be cancelled and its meter removed. In such a case the total amount of energy used through the *Electric Plus* meter will be billed at the regular rate back to the date of installation.

### **Our Obligations**

- B.C. Hydro will endeavor to limit interruptions to a total of 120 days up to March 31, 1991.
- *Electric Plus* customers will receive written notice at least 30 days before a scheduled interruption. This notice will ask you to shut off your main breaker to the *Electric Plus* sub-panel and start using your back-up fuel. Also, our meter reader will turn off the locked outdoor *Electric Plus* switch on a specified day. **NOTE:** Electric energy recorded on your *Electric Plus* meter during an interruption would be billed at the penalty rate.

- The special low *Electric Plus* rate is expected to remain fixed until March 31, 1991. After that we will keep the *Electric Plus* rate at least one third lower than the firm electric rate, subject to B.C. Utilities Commission concurrence.

- To ensure a good level of service to *Electric Plus* customers and to avoid overselling the surplus, B.C. Hydro will limit the number of customers on the *Electric Plus* rate.

### **Your Obligations**

- You must provide and maintain a back-up heating system for all areas heated by *Electric Plus*.
- You must switch to your back-up heating system when notified.

• The area heated by *Electric Plus* must not be heated by firm electricity or natural gas during the period of interruption.

• You should maintain a fuel supply adequate for at least 50 hours of operation of your fossil-fuel or wood back-up system.

• The minimum recommended fuel storage for 50 hours of full furnace or boiler operation is:

|                                           |                                           |
|-------------------------------------------|-------------------------------------------|
| Oil furnace<br>(168,000 BTU/hr input)     | 50 Imp. gal. or<br>228 litres of oil.     |
| Propane furnace<br>(110,000 BTU/hr input) | 50 Imp. gal. or<br>228 litres of propane. |
| Wood stoves                               | 1/2 a cord or<br>64 cu. ft. of wood.      |

### Helpful Hints on Back-up Systems

It is your responsibility to test and maintain your back-up system regularly. Upon receiving a notice of interruption, be sure to test your back-up heating system right away so you can be sure it will function correctly when the interruption occurs.

• Recommended yearly maintenance schedule for oil and propane systems.

| Oil system: *          | Feb. | Aug |
|------------------------|------|-----|
| Clean ignitor tips     |      | x   |
| Replace oil nozzle     |      | x   |
| Check oil for moisture | x    | x   |
| Check oil tank         | x    | x   |
| Fill oil tank          |      | x   |
| Test oil furnace       | x    | x   |

\* The furnace filter should be checked and cleaned or replaced every 3 months or as required.

| Propane System: *            | Feb. | Aug. |
|------------------------------|------|------|
| Check propane tank condition | X    | X    |
| Fill propane tank            |      | X    |
| Check for propane leaks      | X    | X    |
| Light pilot and test furnace | X    | X    |

\* The propane gas supply may be shut off after testing to prevent leakage and to save on pilot light consumption.

\* The furnace filter should be checked and cleaned or replaced every 3 months or as required.

**Wood Stoves and Furnaces:** Store an adequate supply of wood and keep it at least 50 feet away from your home. In coastal areas at least six months of air-drying under cover are needed before wood is suitable for use as fuel. Wet or green cut wood, particularly in coastal areas, can produce larger quantities of creosote, creating a real danger of chimney fire. Avoid burning wood containing salt (obtained from ocean beaches), since the resulting corrosion can destroy the wood burner.

If you use wood for heating and need more information, please see the pamphlet 'Safe Installation and use of Solid-Fuel Burning Appliances' available from the Office of the Fire Commissioner or your local B.C.Hydro office.

### For More Information

Additional brochures and technical data sheets on *Electric Plus* equipment, savings, and wood back-up are also available through your local B.C.Hydro office.



John P. Sheehan  
Vice-President, Customer Services

7 January 1991

File: 430.1

Dear Electric Plus Customer:

## ELECTRIC PLUS ELECTRICITY

In our previous letter of 17 October 1990 concerning Electric Plus, we outlined some of the background to the program and specifically discussed our intention to apply for an increase in the rates in April, 1991.

We had previously indicated when the program was introduced in 1987 that the Electric Plus rate would be fixed until at least 31 March 1991 and thereafter the rate **WOULD NEVER EXCEED** two thirds of the regular price of electricity. Naturally, **WE STAND BY THAT COMMITMENT.**

The response from our customers to the 17 October letter indicates confusion about the program. We will therefore delay any action with respect to the rates pending further communication with customers and the British Columbia Utilities Commission. We plan to take steps to ensure customers are very clear about the program and their options for the future.

Our original Electric Plus program offered from the launching date in 1987 to March 1991, fixed Electric Plus rates and to limit interruptions to a total of 120 days. The fixed rates were natural gas equivalents which offered savings of up to 50% over oil or propane. These features were designed to ensure customers would have sufficient time to recover costs of converting to Electric Plus. Electric Plus rates have remained fixed and there have been no interruptions. Nonetheless, some customers, particularly those who joined the program later, indicated concern about having their investment returned if rates were increased at this stage. The delay in application for rate changes will allow time to address this concern. Electric Plus savings and return on investments is determined by the amount of Electric Plus electricity used to displace the original heating fuel.



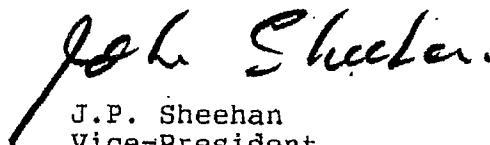
- 2 -

Originally the Electric Plus rate was 56% of the regular rate and it appears that customers feel the rate should not now increase all at once to the level of two thirds of regular rates. One alternative is to phase this increase over two or three years and this delay will allow time to review these possibilities.

Over the next several months we will be exploring options with our regulator, the B.C. Utilities Commission (BCUC), and with customers to see how Electric Plus can be best administered and to deal with specific situations in some areas such as the upcoming gas supply to Vancouver Island, the Sunshine Coast and Squamish. Any increase in rates will be by way of an application to the BCUC and customers will be advised in advance. The BCUC will determine whether or not a hearing is held to consider the application.

I am sorry for any confusion which may be caused by my letter of 17 October. We do appreciate the feedback from customers and wish to assure you that your voices are heard.

Sincerely,



J.P. Sheehan  
Vice-President  
Customer Services

cc: B.C. Utilities Commission

# BChydro

RESIDENTIAL DUAL FUEL INTERRUPTIBLE ELECTRIC SERVICE AGREEMENT made the  
\_\_\_\_\_ day of \_\_\_\_\_ 19\_\_.

BETWEEN:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(the "Customer")

AND:

British Columbia Hydro and Power Authority  
("B.C. Hydro")

1. In this agreement the Customer's premises means the premises located at \_\_\_\_\_
2. B.C. Hydro will deliver interruptible electricity for use on the Customer's premises and the Customer shall pay according to the terms of this Agreement.
3. Electricity is supplied and taken upon and subject to the terms and conditions from time to time contained in B.C. Hydro's Electric Tariff and at the rate set out in Rate Schedule 1105, or any replacement thereof, in the said Electric Tariff which is available for inspection at any general office of B.C. Hydro. A copy of Rate Schedule 1105 in effect as of the date of this Agreement is attached.
4. B.C. Hydro owns, and is responsible for the maintenance of, only the following electrical equipment installed or to be installed on the Customer's premises:
  - meters and metering transformers for the purpose of billing. (Insert list of applicable equipment.)
5. The load shall be limited to \_\_\_\_\_ kW of connected load consisting of the following equipment and shall not be increased or added to without the prior written approval of B.C. Hydro. The listed equipment shall be energized only through the metering equipment applicable to this rate.

|               |       |    |
|---------------|-------|----|
| Space heating | _____ | kW |
| Water heating | _____ | kW |
6. The Customer confirms that he has a backup heating system which is certified or inspected and rated for continuous operation and which satisfactorily heats the entire area heated by the Electric Plus interruptible electricity. The Customer also agrees that during a period of interruption, the area heated by Electric Plus will be heated entirely by his backup system and no electricity from B.C. Hydro's system will be used for this purpose.

Customer's  
initials

Customer's initials

7. The Customer understands that, in addition to normal system interruptions generally applicable to all classes of Customers, interruptions in service under the Electric Plus (Rate Schedule 1105) rate will be of two types:

- (a) infrequent interruptions of long duration (possibly several months), following advance notice;
- (b) interruptions of short duration (usually only hours), without notice, to prevent local system overload.

8. The backup heating system(s) is/are [oil] [propane] [butane] [wood] [coal] or [an independent electrical generator]. (Wood or coal will require a Safety Inspection Certificate.)

Customer's initials

9. The Customer confirms that B.C. Hydro will not be held responsible for any loss or damage which may occur due to interruption of the Electric Plus service.

10. The Customer acknowledges his right to inspect a copy of B.C. Hydro's Electric Tariff and agrees that such right is sufficient notice of the rates and terms it contains

11. The Customer agrees to have and to maintain at all times, in working condition and with an adequate supply of fuel, a permanent backup heating system that meets the specifications of Rate Schedule 1105.

12. The Customer acknowledges that B.C. Hydro has the right of access referred to in Rate Schedule 1105.

**Customer**

**British Columbia Hydro and Power Authority**

PER: \_\_\_\_\_  
 Name (Print)  
 \_\_\_\_\_  
 Signature  
 \_\_\_\_\_  
 Position  
 \_\_\_\_\_

PER: \_\_\_\_\_  
 Name (Print)  
 \_\_\_\_\_  
 Signature  
 \_\_\_\_\_  
 Position  
 \_\_\_\_\_

The following is for B.C. Hydro office use only and does not form part of the Agreement between B.C. Hydro and the Customer

E+ Heating Code \_\_\_\_\_

|                            |                                                                                                                                                                |        |       |       |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-------|-------|
| Name                       | Mailing Address                                                                                                                                                |        |       |       |
|                            | Area                                                                                                                                                           | Ledger | Folio | Page  |
| Service Address            |                                                                                                                                                                |        |       |       |
| Customer Account Number    |                                                                                                                                                                |        |       |       |
| Date of Energization       |                                                                                                                                                                |        |       |       |
| Electric Service Order No. | Wires                                                                                                                                                          | Amper  | Volts | Phase |
| Service Details            | Amount                                                                                                                                                         |        |       |       |
| Connection Charge          | Receipt No.                                                                                                                                                    |        |       |       |
| Loan Security Required     | <input type="checkbox"/> Yes <input type="checkbox"/> No<br><input type="checkbox"/> Pre-qualifier Letter<br><input type="checkbox"/> Grant for Indemnity Bond |        |       |       |
| Rate Schedule              |                                                                                                                                                                |        |       |       |
| Premises Code              |                                                                                                                                                                |        |       |       |
| Issuing Office             |                                                                                                                                                                |        |       |       |

**John P. Sheehan**  
Vice-President, Customer Services

17 October 1990

Dear Electric Plus Customer:

As one of the 15,000 Electric Plus customers in British Columbia, you enjoy the benefits of electric heating at a reduced price. The rate you pay (which has not changed since May 1987) will be going up on April 2, 1991. However, it will remain 33% below your regular electricity rate. We would like to explain this change to you and take the opportunity to review a few key points of your Electric Plus Agreement.

Please take a minute to read this letter, and if you have any questions, you can call your local Hydro office or 1-800-663-0431.

**1. What has happened to the Electric Plus program?**

The program is no longer accepting any further applications. The reason for closing the program is to ensure a reasonable level of service to you as one of our existing Electric Plus customers.

**2. What is going to happen to the Electric Plus rate?**

Currently you are paying 2.5¢ per kilowatt-hour for your Electric Plus consumption. This is virtually half of your regular electricity rate. This rate has remained the same since May 15, 1987. Due to rising costs, B.C. Hydro will apply to the British Columbia Utilities Commission for a rate increase to two-thirds of the regular residential rate on April 2, 1991. That should be approximately 3.3¢ per kilowatt-hour.

**3. What will happen during an interruption?**

Electric Plus is an interruptible rate, which is why it is cheaper than regular electricity. If there is not enough water and no alternative way to supply electricity economically, we will need to interrupt your Electric Plus service. You will be given at least 30 days' notice of an interruption. After that point, you will have to rely on your back-up heating system to heat your house for the duration of the interruption, which could continue for a whole heating season.

B.C. Hydro will not actually disconnect your Electric Plus service. Instead, you will be notified about an upcoming interruption and asked not to use your electric heating after a specific date. If you use your Electric Plus service during an interruption, you will be charged at the penalty rate of 15¢ per kilowatt-hour. In addition, if you use your Electric Plus service during an interruption, we will interpret that to mean your back-up system is not adequate to provide you with necessary heating and you will forfeit your Electric Plus rate.

**4. What are my options?**

You could switch to natural gas heating when it becomes available in your area. Natural gas really is the fuel of choice when it comes to home heating. If you choose to convert to natural gas or pipe propane, then you must give up your Electric Plus rate.

You may switch to regular electricity service at any time prior to the announcement of an interruption. Once an interruption has been announced, you will have to wait until the interruption is over before you may switch to regular electricity service.

To change from Electric Plus, just get in contact with your local Hydro office and they will show you how easy it is.



5. What are my responsibilities while benefiting from Electric Plus?

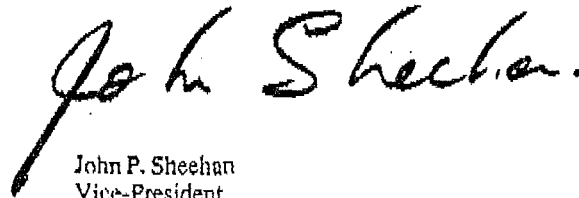
As an Electric Plus customer, you have agreed to maintain an adequate back-up heating system which may be wood, oil, propane, butane or coal fuelled. This includes keeping sufficient fuel on hand. We suggest that you test your back-up system at least annually to ensure that it will function properly during an interruption. Back-up systems such as wood stoves and oil furnaces can become a problem if they are not used for a year or two. A seasonal inspection of burners, chimneys, etc. with appropriate maintenance and cleaning will ensure that you will be ready when the time comes to use your back-up system.

*Electric Plus is a very specialised product for a very specialised type of customer. To our customers who have confidence in their back-up system, Electric Plus offers true value for their heating dollar.*

In closing, we would like to say that thanks to the wet spring we had, we are not anticipating an interruption this 1990/91 heating season. It is best, however, that you test your back-up system sometime this autumn.

If you have any questions, please contact your local Hydro office or call 1-800-663-0431.

Yours very truly,



John P. Sheehan  
Vice-President  
Customer Services

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THOMAS BUTLER  
— LLP —

BARRISTERS ♦ SOLICITORS

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Telephone: 250.763.0200

Facsimile: 250.762.8848

August 17, 2007

Mr. Robert J. Pellatt

Commission Secretary

British Columbia Utilities Commission

Sixth Floor – 900 Howe Street

Vancouver, BC V6Z 2N3

Via email: [Commission.secretary@bcuc.com](mailto:Commission.secretary@bcuc.com)

Re: Project No. 3698455 – BC Hydro 2007 Rate Design Application – Phase I

Dear Mr. Pellatt:

Please find enclosed the E-Plus Group's Final Argument with respect to this proceeding.

If you have any questions, please don't hesitate to call me.

Yours truly,



Kelly A. Cairns

- 1           • Sales of surplus to others would be cut off before sales to EP customers would be cut  
2           off (EPlus brochures).

3  
4   As accurately described by Mr. McCaig during his testimony<sup>19</sup>, EP does not believe it necessary  
5   to abrogate the EP contracts to increase EP rates. BCH has some flexibility within the  
6   boundaries of the EP contract and RS 1105 (and other EP rate schedules) to increase EP rates.  
7   EP customers do not dispute this. In other words, EP customers agree that BCH may impose on  
8   EP customers the same general rate increases that the Commission authorizes BCH to impose on  
9   all its rate payers. Such increases have been accepted by EP customers for many years.

10  
11   Furthermore, EP customers agree that their rates may be increased beyond general rate increases  
12   but only if BCH provides compelling evidence that such additional rate increases specific to  
13   EPlus are justified and those approved increases do not exceed limits that might otherwise  
14   constrain BCH's ability to raise the rates of EP customers (the 2/3's limit in the Sheehan letter  
15   and increases that, combined with other general increases, would impose rate shocks on EP  
16   customers). The test BCH must meet in order to impose any additional increases, and the extent  
17   to which such increases are limited, are explored below.

18  
19   And just to be clear, EP is not conceding that the EP rate should automatically rise to two thirds  
20   of the residential rate. EP is saying their rates should only rise to levels that can be properly  
21   justified. For example, if the incremental cost of servicing EP customers goes up, that would be  
22   justification for raising EP rates beyond any general rate increases. EP also continues to submit  
23   that the current Application seeking to justify an increase solely because the EP rate is lower than  
24   the residential rate has not been made out. Not by a long shot. And as for the future, EP's  
25   position is that additional rate increases need to pass two tests. The first test is whether any rate  
26   increase specific to EP customers can be justified on logical and substantiated grounds (e.g. have  
27   EP customers' incremental costs of service risen)? The second test is, if so would such an  
28   increase be considered a rate shock or exceed the two thirds ceiling placed on the price by Mr.

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<sup>18</sup> Exhibit B-1, Appendix I, last page ("We had previously indicated when the program was introduced in 1987 that the Electric Plus rate would be fixed until at least 31 March 1991 and thereafter the rate WOULD NEVER EXCEED two thirds of the regular price of electricity. Naturally, WE STAND BY THAT COMMITMENT." [Emphasis added by Sheehan])

<sup>19</sup> T10: 1681/11 – 1683/21