

VIA COMMISSION E-FILING

July 18, 2016

British Columbia Utilities Commission
6th Floor - 900 Howe Street
Vancouver, BC
V6Z 2N3

Attention: Ms. Laurel Ross, Acting Commission Secretary

Dear Madam:

**Re: BC Hydro 2015 Rate Design Application (Project No. 3698781/G-156-15)
Zone II Ratepayers Group (ZonellRPG)
Submission on review process for CEC's proposal**

Further to the Commission's July 11, 2016 letter (Exhibit A-35) requesting written submissions on the review process for the Commercial Energy Consumers Association of British Columbia's (CEC) proposal to establish a non-firm interruptible rate pilot for medium and large general service customers (Exhibit C1-10), ZonellRPG has the following comments:

1. Voluntary General Service rate options are not in scope for Module 1 and are included as part of Module 2. BC Hydro states in its Application (Exhibit B-1, pages 1-22) that:

"BC Hydro believes that before it pursues optional rates for General Service customers it is imperative that the issues with the default rates for MGS and LGS customers be addressed.....Accordingly, BC Hydro plans to address voluntary Residential and General Service options as part of 2015 RDA Module 2. In this way, Module 1 sets the foundation for future BC Hydro proposals concerning Residential and General Service customers rate options to offer such customers additional choice."

As such addressing the CEC's proposal as part of Module 2 would provide the necessary time for consultation and evaluation of the issues some of which have been discussed in the ZoneIIIRPG's previous submission (Exhibit C36-14) on this matter.

2. Other customer groups, such as the ZoneIIIRPG in its submission (Exhibit C36-4), brought forward rate matters in advance of the timetable set forth by BC Hydro. Advancing the CEC proposal at this time in advance of Module 2 is preferential and unfair to those customers whose issues are deferred until the Module 2 proceedings such as the ZoneIIIRPG's submission (Exhibit A-15).
3. Proceeding with the CEC proposal and review at this time distracts from the existing Module 1 Rate Design proceeding and with the pending update to the Revenue Requirements and hearing.
4. ZoneIIIRPG agrees with BCSEA-SCBC's submission (Exhibit C3-15) that it would not be realistic to have the CEC proposal approved and in place in time for the Winter of 2016-2017 and that such a short timeframe would preclude proper review.
5. ZoneIIIRPG shares NIARG's concerns in its submission (Exhibit C22-7) that in light of the summer vacation months and necessary preparation for the 2015 RDA oral hearing, the one month period proposed by CEC for Stakeholder Consultation on the Pilot seems insufficient.

Under these circumstances, this matter should be addressed as part of Module 2 of the Rate Design Application. If it is determined that an expedited process rather than inclusion as part of the Module 2 proceedings is desirable for a non-firm interruptible rate for medium and large general service customers and that adequate information is on the record or can be put on the record for the expedited process that does not interfere with the Rate Design and Revenue Requirements proceedings, then a written process may be appropriate and be determined at that time.

Yours truly,



Linda Dong
Representing Zone II Ratepayers Group