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Our File No.: 05497-0265

January 22, 2018

BY EMAIL

British Columbia Utilities Commission  
410 – 900 Howe Street  
Vancouver, BC V6Z 2N3

**Attention: Mr. Patrick Wruck, Commission Secretary and Manager, Regulatory Support**

Dear Sirs/Mesdames:

**Re: BC Hydro and Power Authority (BC Hydro) – Waneta 2017  
Transaction Application (the Application) – Project No. 1598933**

### **Part 1 - Overview**

We write further to the Commission's letter dated January 12, 2018 (Exhibit A-19) and BC Hydro's submission dated January 17, 2018 (Exhibit B-7). Exhibit B-7 contains BC Hydro's redaction-by-redaction arguments in favour of the confidential treatment that it sought in Exhibit B-1.

BC Hydro's arguments fall into several categories. For efficiency we address these arguments by category. To allow cross-referencing to specific redactions, we include:

- as Schedule "1" a table that replicates BC Hydro's "Redaction Reference" column from its Attachment 1 ("**Waneta 2017 Business Case** – Explanation of Redactions") in Exhibit B-7, but adds row numbering and a column cross-referencing to FBC comments in this letter; and
- as Schedule "2" a series of tables based on BC Hydro's Attachment 2 ("**Excel Working Models** – Explanation of Redactions") in Exhibit B-7. Those tables already contained an "ID #" column per numbered table, so for model-related comments we have relied on that numbering scheme. However, as in Schedule "1", in Schedule "2" we have added a column cross-referencing to FBC comments in this letter. The Commission also asked in Exhibit A-19 that interveners address BC Hydro's redactions from the **associated overviews**; those redactions appear to be related to Teck-specific concerns and our comments in Part 3-B(1) of this letter deal with those.

While we have attempted to address specific redactions as directly as BC Hydro's explanations allow, it remains important in all cases to refer to the entirety of this letter and FBC's letter of January 9, 2018 (Exhibit C1-6).

As of Exhibit B-7, BC Hydro no longer claims confidential treatment for the information in Rows 12, 37, 38, 42, 49, 53 and 56 of Schedule "1" (the Waneta 2017 Business Case).

For the record, FBC lawyers have not provided undertakings to BC Hydro and we therefore make the arguments below based on Exhibit B-7, without review of the redacted material. As noted in FBC's Exhibit C1-6, the provision by lawyers of undertakings that exclude clients (to whom lawyers owe a professional obligation of disclosure) from accessed information drives a wedge into the solicitor-client relationship that could only be warranted in extraordinary circumstances.<sup>1</sup> The Supreme Court of Canada has warned in the strongest terms against such undertakings,<sup>2</sup> "lawyers only" access orders "represent a serious inroad into the right that an opposite party ordinarily has of seeing all documents that [contain] evidence of relevance to the issues in the dispute",<sup>3</sup> and in proceedings (like the one presently before the Commission) related to specialized factual subject matter, they block meaningful review by excluding those with the subject-matter expertise to evaluate the information provided.<sup>4</sup>

BC Hydro's explanations in Exhibit B-7 confirm that (1) the exceptional circumstances required to exclude non-lawyer clients from the access offered to FBC lawyers do not exist in this case and that, (2) to the contrary, access should be given to all five of the individuals (Ms. Martin, Mr. Egolf, Mr. King, Ms. Pratch and the undersigned) for whom FBC has sought access on undertakings.

As a backdrop for the submissions that follow and as stated in Exhibit C1-6, the Supreme Court of Canada has said that any restriction on access (the restriction focused on in this letter being a denial of access to FBC non-lawyers, given already offered to lawyers) must, to be allowed, satisfy two requirements, which are to be established by the person seeking to restrict access. First, the restriction must be "necessary" to prevent a "serious risk" (that is "real and substantial", in that "the risk is well grounded in the evidence" and "poses a serious threat") to "an important interest" "because reasonably alternative measures will not prevent the risk".<sup>5</sup> Second, "the salutary effects" of the requested restriction on access must "outweigh its deleterious effects."<sup>6</sup> Exhibit B-7 does not establish that the deleterious effects (on the solicitor-client relationship, procedural fairness, the presumption of openness, and the efficient conduct of the proceeding, as set out in FBC's Exhibit C1-6) of confining access to FBC lawyers are somehow outweighed by a "serious" threat from providing access to three FBC non-lawyers, or that any threat that may exist cannot reasonably be addressed by means (such as requiring an undertaking) short of denying access.

## **Part 2 - "Public" Disclosure**

Many of BC Hydro's expressed concerns in Exhibit B-7 are about whether or not there should be disclosure of the material to the "public". For example, in relation to the Waneta 2017 Business Case (see Schedule "1"), in Row 1, BC Hydro says the Business Case "was not intended by the primary author...to necessarily be a public document". In each of its arguments related to Rows 2-11, 13-15, 17-33, 35, 36, 39-41, 43-48, 50-52, 54, 55 and 57- 61, BC Hydro warns against "public disclosure"; essentially the same can be said of its generic "personal privacy" argument in relation to Row 34. BC Hydro adopts a similar approach in relation to certain cells in the

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<sup>1</sup> *Deprenyl Research Ltd. v. CanGuard Health Technologies Inc.* (1992) 41 C.P.R. (3<sup>d</sup>) 228 (F.C.T.D.). This case and those cited in footnotes 2-4 are addressed in more detail in FBC's Exhibit C1-6.

<sup>2</sup> *R. v. Basi*, 2009 SCC 52 at paras. 45-47.

<sup>3</sup> *Glaxo Group Limited v. Novopharm Ltd.*, 1998 CanLII 7667 at para. 2 (F.C.A.).

<sup>4</sup> *Zeneca Pharma Inc. v. Canada (Minister of National Health and Welfare)*, [1994] F.C.J. No. 543 at para. 19 (T.D.).

<sup>5</sup> *Sierra Club of Canada v. Canada (Minister of Finance)*, 2002 SCC 41 at paras. 53-57.

<sup>6</sup> *Ibid.*

models addressed in its Attachment 2. For example, in Table 1, ID # “R1”, BC Hydro warns against “public disclosure” of the information there addressed.

A party seeking to justify the very existence of redactions on the public record must of course make arguments directed to the “public” in order to be successful. However, such arguments address only one issue (should material be redacted on the public record?). In themselves arguments against “public” access do not justify preventing participants in the proceeding from obtaining access to redacted material on undertakings. Whether that access should be allowed is addressed in Part 3 below.

Whether information should be redacted on the public record at all is a logical first issue, as the structure of the Commission’s Rules of Practice and Procedure<sup>7</sup> makes clear.<sup>8</sup> At this stage, however, if FBC receives the access it seeks on undertakings, FBC is prepared not to press the issue of public access further in this case. The burden on FBC to date of advancing arguments sequentially or in the alternative under the rules has been extraordinary, and according to its second-to-last paragraph in Exhibit B-7, BC Hydro seeks yet a further round argument “prior to the Commission putting any particular piece of information on the public record that is currently held in confidence”. That would be its *seventh* opportunity (counting only those submissions that are publicly available<sup>9</sup>) to make confidentiality-related submissions.

It should not be surprising – and is not, contrary to BC Hydro’s suggestion, a comment on the merits of opposition to a redacted public record – that interveners may not routinely challenge the sort of practice that BC Hydro has adopted in this case. If faced with the lengthy and burdensome process that BC Hydro has attempted to structure, the time and resources available to stakeholders may not ordinarily allow for the issue to be pursued. We note, however, the consequences that acceding to BC Hydro’s suggested process may create without vigilance by the stakeholders on whom this structure is sought to be imposed. For example, had FBC lawyers acceded to BC Hydro’s insistence on initial “lawyers only” access in its December 20, 2017 letter (Exhibit B-4), as it turns out their undertaking would have prevented them from discussing with their client redacted information that contained pricing found in FBC’s own 1987 letter agreement with Teck. That is now apparent from Rows 37 and 38 in the Waneta 2017 Business Case explanation dated January 17 (in relation to which BC Hydro now has withdrawn its claim to confidentiality).

FBC said as soon as asked (and would have said earlier if it had suspected this was in issue) that it has no difficulty with the 1987 letter agreement being disclosed publicly, much less to its own employees. Indeed BC

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<sup>7</sup> See, for example, Rule 21.03 (“A party may object to a request for confidentiality”) prior to Rule 24 (entitled “Requests for access to confidential documents in a proceeding”).

<sup>8</sup> With respect to BC Hydro’s comment in Exhibit B-7 that “its approach to date has been entirely consistent with its past practice and the practice of other parties requesting confidential treatment of information before the Commission”, FBC cannot comment on what BC Hydro has sought or obtained (if unopposed) in other, past proceedings. Nor does this Panel have before it the benefit of the facts, arguments and circumstances that pertained in two FBC proceedings that in Exhibit B-6 BC Hydro sought to claim were analogous. This case is not a re-hearing of past attempts to obtain confidential treatment. Rather, in this proceeding FBC has sought access as it is entitled to do and as the Rules of Practice and Procedure contemplate parties will do.

<sup>9</sup> The others have been Exhibit B-1 and its cover letter (setting out BC Hydro’s original confidentiality-related points), Exhibit B-1-2 (BC Hydro’s letter of December 14, 2017), Exhibit B-3 (BC Hydro’s letter of December 12, 2017), Exhibit B-4 (BC Hydro’s letter of December 20, 2017, advocating for FBC lawyers-only review at this stage), Exhibit B-6 (BC Hydro’s letter of January 9, 2018), and of course Exhibit B-7.

Hydro had filed the letter agreement publicly in the 2009-2010 Waneta proceeding (Exhibit B-13: BC Hydro's response to BCUC IR 2.14.1, Attachment 9).

We also note that BC Hydro's redaction-by-redaction review in Exhibit B-7 makes clear the very large extent to which BC Hydro's redactions are directed specifically to concerns that it expresses there regarding Teck. See Part 3-B(1) below, later in this letter, for the long list of items to which this Teck-related concern applies; concerns with access by Teck are the dominant reason for redactions in most of BC Hydro's Attachment 2 tables, for example. Without the benefit of the redaction-specific explanations in Exhibit B-7, we had not previously realized the dominance of these concerns in BC Hydro's reasoning for the redactions. These Teck-related concerns do not prevent disclosure to FBC non-lawyers on undertakings, as returned to in Part 3-B(1), but FBC acknowledges that disclosure to the public would involve the disclosure to Teck that it appears from Exhibit B-7 BC Hydro is anxious to avoid.

### **Part 3 - Access to FBC Representatives on Undertakings**

In some of the items in which it has argued in Exhibit B-7 against "public" disclosure, BC Hydro has also proceeded to raise arguments specifically about FBC (the **FBC-Specific Items**). The FBC-Specific Items are addressed in detail under subheading (A) of this part of this letter. While BC Hydro has in those cases made arguments about FBC access, those arguments fall far short of the test that BC Hydro would have to meet for access to be denied to the three FBC non-lawyers whose access on undertakings remains in issue.

In numerous other rows explaining redactions to the Waneta 2017 Business Case and in relation to the vast bulk of its redactions in its Excel models (its Attachment 2 in Exhibit B-7), BC Hydro has said nothing about FBC specifically when seeking to justify its redactions (the **Generic Items**; on occasion these are specific to *other* entities, such as Teck, but are "generic" from the perspective of FBC in the sense of having no relation on the face of Exhibit B-7 to FBC). In those instances, there is not even a *prima facie* basis for treating FBC non-lawyers differently from the Commission, the CEC/BCSEA non-legal and legal representatives who have provided undertakings, and the FBC lawyers to whom BC Hydro has offered access on undertakings. The Generic Items are addressed under subheading (B) of this part of the letter. While FBC reviews the Generic Items in some detail so there is no lingering doubt about the propriety of its access, BC Hydro has not raised a case to meet. Exhibit B-7 is BC Hydro's *sixth* public submission to date on confidentiality-related matters and that should, respectfully, be the end of the matter.

#### **A. FBC-Specific Items**

As noted above, in relation to some redactions to its Waneta 2017 Business Case and in relation to a few model-related items, BC Hydro has attempted to justify its redactions in a manner directed specifically to FBC.

BC Hydro's explanations underline the need for FBC to access the information. This is both for the integrity of the Commission decision on the Application, in order to ensure the best evidence is before it, and in order for procedural fairness for FBC and its ratepayers to be achieved. While as FBC has noted in its earlier submissions, the test for determining whether access (which is presumptive) should be given is not whether access is "needed" by the person seeking it, if that were the test FBC's request would easily pass. Conversely, BC Hydro's suggestions of potential harm to it from FBC access are in the context of this case unconvincing and misplaced.

We underline again that BC Hydro chose to file the evidence that it now seeks to withhold from FBC personnel. Though BC Hydro liberally uses the term “inside information” in characterizing the information that has been redacted (Rows 2, 3, 5, 15, 18, 20, 21, 22, 24, 25, 28, 30, 41, 44, 52 and 54 of the Waneta 2017 Business Case [Schedule “1”]; also numerous rows in BC Hydro’s Attachment 2, including ID # R21 in Table 1 [p. 9 of 55]), that characterization is wrong.

“Inside information” is a loaded term that does not describe any of the redactions at issue. Whereas “inside information” is information that is “not accessible to outsiders”<sup>10</sup> and is obtained (as in the context of securities law violations) from a person within the company who owes a duty to the company to keep it confidential, all the information at issue here is information that BC Hydro put, by choice, “outside” the company, by filing it as evidence with the Commission. FBC is not asking that the Commission order BC Hydro to file or provide FBC with access to previously unfiled information that presently resides only “within” BC Hydro’s offices. FBC seeks access only to the material that BC Hydro chose to file for the Commission to review and take into account on an Application where FBC interests are directly engaged both as a customer of BC Hydro (who will experience the rate impact if the transaction proceeds) and as a utility that depends on assets that are the subject of the Application.

BC Hydro has attempted to suggest more generally – especially in Exhibit B-6 – that the Commission should regard FBC access with suspicion because of the fact FBC has sought to vindicate its rights by making the objections and requests it has made to date. BC Hydro said this in Exhibit B-6, at p. 5 of 6:

FortisBC’s approach to the confidentiality issues has only served to cause BC Hydro more concern. To date FortisBC has challenged BC Hydro’s confidentiality claim, has not availed itself of any of the usual confidentiality processes employed by the Commission and other interveners, has not acknowledged the challenges its request for confidential information poses to BC Hydro interests and those parties whose information is being sought, and has offered nothing that would allow this issue to be resolved on anything other than an “all or nothing” basis.

This essentially amounts to a suggestion that a party should be punished, by being branded as less worthy of obtaining access, (i) for having pursued before the Commission what it believes to be its legal rights, (ii) for not acceding to the “lawyers-only” undertaking process that BC Hydro sought to impose on FBC in Exhibit B-4, (iii) for not being convinced by BC Hydro’s very general and brief original description of the bases for its confidentiality request or by the examples BC Hydro gave in Exhibits B-3 and B-4 even after being pressed, and (iv) for not negotiating away parts of the full extent of access to which FBC believes it is entitled.

It is accurate to say that FBC has been assiduous in seeking to uphold its full rights of access, and in documenting its efforts to do so. This is because of how critically important the matters that arise on this Application are to FBC and its ratepayers. That fact can hardly count against being provided with the access sought.

Turning to BC Hydro’s redaction-by-redaction arguments, the FBC-Specific Items fall into categories relevant to the following subjects.

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<sup>10</sup> “Inside information”, *Shorter Oxford English Dictionary*, 6<sup>th</sup> ed. (Oxford University Press, 2007) at 1394.

1. **FBC's Transmission Access and Costs** (Rows 32, 41, 44, 45, 46, 47, 48, 50, 51, 52 and 54 of the Waneta 2017 Business Case [Schedule "1"]; ID # R36-R41 of Table 1 (the Valuation Model discussed in BC Hydro's Attachment 2, at pp. 12-13 of 55).

Dependable and cost-effective access to Line 71, which is presently owned by Teck, is extremely important to FBC in serving its customers, as its filings in countless proceedings before the Commission make clear. BC Hydro seeks acceptance in this Application of an expenditure schedule for the purchase of Line 71 (in dollars at the time of purchase) once its lease arrangement with Teck concludes.

BC Hydro's explanations in Exhibit B-7 makes clear that various of the redacted information is relevant to (a) BC Hydro's anticipated conduct as owner of Line 71 and, correspondingly, the impact of the Line 71 purchase on FBC and its ratepayers; and (b) the anticipated benefits of ownership to BC Hydro and, correspondingly, the arguments available to FBC that any such benefits do not outweigh the harm to FBC and its customers. In Rows 32 (and 46 and 48) of Schedule "1", BC Hydro has redacted "the present value to ratepayers of charging OATT" (which is higher than charged to FBC under FBC's arrangement with Teck) "when BC Hydro owns Line 71 following the Lease Period." Rows 45 and 47 are also described as comparing the rate charged under the 1987 letter agreement to BC Hydro's OATT. Row 50 apparently deals with redactions that show "potential benefits to BC Hydro under various transmission scenarios", as Row 51 seems to as well. With respect to its Valuation Model (Table 1), BC Hydro has redacted "the estimated revenue from Line 71" (see ID # R38, R40-41, at p. 13 of 55 of BC Hydro's Attachment 2). In Table 11, BC Hydro has frozen a cell containing "the total present value of Line 71 rights" (F10, at p. 53 of 55 of BC Hydro's Attachment 2).

The questions on this Application include "if" BC Hydro should own Line 71 rather than "when", and another is, if there is a "when", "on what terms". Denying access to FBC personnel equipped to analyze the information would be procedurally unfair as it would not allow FBC to know the case to be met or have the opportunity to respond. It would also deprive the Commission of important input. In the cases of many of the issues live on this Application, FBC is likely the entity best positioned, by virtue of its expertise, to provide comment on and test BC Hydro's evidence if provided to it.

BC Hydro says that public disclosure of the redacted information "would prejudice BC Hydro's competitive and/or future negotiating position with transmission counter-parties (including FortisBC and/or Fortis Inc.)". BC Hydro's stated concern is premised on BC Hydro obtaining ownership of Line 71 and relates to negotiations that might happen in 2036 or 2046 after the end of the lease arrangement with Teck. FBC personnel who gain access to information now might not even be involved at that future point.

Denying access to FBC, however, creates the prejudice to FBC now of impeding its ability to assess and argue about whether BC Hydro should obtain ownership at all or, if it does, only on certain terms. Recall, again, that the Commission is being asked to determine now, as part of this Application, whether the purchase in 2036 or later should occur – the decision would be made at the close of this proceeding. The negotiations that BC Hydro invokes as a basis for non-disclosure would not even occur if the Commission's answer to BC Hydro on the substantive relief sought in the Application is "no" or is only a qualified "yes".

In Row 41 of Schedule “1” (the Waneta 2017 Business Case), BC Hydro says it has redacted a “risk assessment with respect to potential counterparty objections related to BC Hydro’s acquisition of the Transmission Assets”, and suggests that “public disclosure...would provide counterparties (i.e. FortisBC) with inside information [see the earlier discussion in this letter with respect to misuse of this term] regarding the impact to BC Hydro of its actions.” Rows 44 and 52 contain similar wording. In this regard, BC Hydro seems presently to be making representations to the Commission regarding FBC “objections” and “actions”, as it does in the redacted material to which Row 54 refers if FBC is among the “third parties” referred to. In Row 54, BC Hydro admits outright that the redacted information “contains speculation regarding potential actions from third parties upon BC Hydro’s acquisition of the Transmission Assets”. Without informed personnel at FBC being able to review, comment on and test BC Hydro’s representations about FBC “objections” and “actions”, the evidence is fundamentally tainted – as the persons at FBC best placed to comment on it are excluded – and the process is not fair to FBC or its ratepayers.

Notably as well, in ID # R36 in Table 1 (the Valuation Model discussed in BC Hydro’s Attachment 2, at p. 12 of 55), BC Hydro indicates it has redacted cells that “contain the estimated use of Line 71 by FortisBC”, and it notes that “[t]his information is potentially commercially sensitive to FortisBC”. See also ID # R37 and R39, in the same table (p. 13 of 55 in BC Hydro’s Attachment 2). Obviously there is no basis to withhold from FBC information about FBC’s own usage of Line 71. This is another example where, without FBC input on the information that BC Hydro has filed with the Commission, the BC Hydro evidence cannot be relied on and the process is unfair.

Further, each of Rows 32, 41, 44, 45, 46, 47, 48 and 50 of Schedule “1”, and items including ID # R36 of Table 1 in BC Hydro’s Attachment 2 (p. 12 of 55), contain BC Hydro’s suggestion of disclosure “increas[ing] the potential for adverse outcomes during future negotiations which could reasonably be expected to result in harm to BC Hydro”. BC Hydro’s previous submissions in this process have suggested it has a “zero-sum” view of negotiations and one might surmise from that that the favourable negotiating outcome it wishes to extract would be at the expense of FBC and its ratepayers. FBC is both a customer of BC Hydro and another utility that the Commission regulates, whose interests (and those of its customers) are also part of the public interest to be considered on this Application. It is vital that FBC have the ability to access this information in this process through individuals who can meaningfully analyze it.

2. **Canal Plant Agreement (CPA)** (Rows 2, 18, 28 of the Waneta 2017 Business Case [Schedule “1”]). BC Hydro says it has redacted “BC Hydro’s assessment of potential actions third parties, including the entitlement parties [the “entitlement parties” are parties to the CPA], may take with respect to negotiating amendments to existing commercial agreements, including amendments to the CPA. The information contains a discussion of the possible impact these actions may have on the value of the Waneta 2017 Transaction and to BC Hydro” (Row 2). It says “[t]he public disclosure of the information would prejudice BC Hydro’s negotiating position with third parties (i.e., FortisBC) with respect to amendments required to existing agreements as a result of the Waneta 2017 Transaction including the CPA negotiations” (Row 2). Rows 18 and 28 are specific to “amendments required to the CPA as a result of the Waneta 2017 Transaction.”

What BC Hydro is saying underlines the importance of giving access to FBC personnel (non-lawyers as well as lawyers). In this regard:

- (a) BC Hydro has filed as evidence (that the Commission, CEC and BCSEA may review) its view of **“actions third parties may take”**. At the same time, if FBC non-lawyers do not obtain access, the third party about whose actions BC Hydro has speculated would be prevented from reviewing BC Hydro’s statement and confirming, correcting or testing it. Unless FBC has meaningful access, through qualified personnel, the worth of BC Hydro’s evidence would be fundamentally tainted and, over and above that, the process would be fundamentally unfair to FBC, which would be making its own arguments without knowing what BC Hydro has said on the record.
- (b) BC Hydro says that the redacted information relates to **“amendments required to existing agreements as a result of the Waneta 2017 Transaction”**. The relationship between the amendments and the **“Waneta 2017 Transaction”** (which is the transaction before the Commission in this proceeding) has several important implications:
- (i) The need to negotiate the amendments would not have materialized without the transaction that is the subject of the Application. It is not that information is falling into FBC’s lap to pursue some outside business opportunity.
  - (ii) What amendments are negotiated and their effect on FBC among others are relevant in determining how the Application should be decided. The Commission likewise considered the amendments required as a result of the **“Waneta 2010 Transaction”** in determining whether that transaction should proceed, despite the fact that the CPA itself is outside its jurisdiction.<sup>11</sup> See also FBC’s comments in Exhibit C1-6. In this regard, a section of the Commission’s reasons for Order G-12-10 dealt specifically with the **“Waneta Partial Sale Canal Plant Agreement Amending Agreement”** (2.1.3.2). Though noting that the Canal Plant Agreement itself was exempt from regulation and that it had no jurisdiction over the amendments themselves, the Commission specifically said in the course of its review of the transaction that it **“considers the amendments to the CPA to be appropriate”** and directed BC Hydro to file a copy of the amending agreement after its execution. If the Commission had not considered the amendments **“appropriate”**, presumably it would have been less inclined to view favourably the **“Waneta 2010 Transaction”** with which those amendments were associated. Also in its reasons for Order G-12-10, the Commission took note of whether the amendments to the CPA there in issue affected the rights or obligations of parties beyond Teck and BC Hydro (in that case it found they did not; in this case they would) and specifically referred to the positions taken by other parties to the CPA. The same considerations would be relevant here given that the proposed amendments are said to be tied to the matters that are the subject of the Application.
  - (iii) FBC is a party to the Application and entitled to know the case to be met and to respond, including in relation to amendments that affect it.
  - (iv) BC Hydro’s suggestion in Exhibit B-6, correspondingly, that FBC personnel like Mr. Egolf would be in a **“conflict of interest”** if he receives the redacted information that BC Hydro

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<sup>11</sup> See Reasons for Order G-12-10, s. 2.1.3.2.

believes may bear on the CPA is misplaced. Mr. Egolf is indeed an individual likely to be involved in negotiating an amended CPA given his knowledge and experience of the CPA; that knowledge and experience also make him necessary to FBC in responding to BC Hydro's Application.

BC Hydro cannot simply file an Application to which the CPA is relevant and then:

- (A) disqualify FBC either from properly responding to the Application (by requiring FBC to sacrifice its ability to access CPA-related information that BC Hydro has filed) or from advancing its ratepayers' interests in CPA-related negotiations made necessary by the Application (by requiring FBC to sacrifice its ability to participate in negotiations after receipt of the redacted information); and
  - (B) prevent the Commission from receiving the input, with the benefit of full access, of FBC, which is an entity familiar with and qualified to make submissions on CPA-related matters.
- (v) The Commission is in an impossible position if BC Hydro has filed information relevant to CPA amendments that FBC does not have. When measuring the public interest, is the Commission to find CPA amendments that FBC has been hobbled (through restrictions on access) in negotiating and arguing about to be appropriate? Is the Commission to view the Waneta 2017 Transaction favourably, and grant the Application, if FBC ratepayers do worse than they would have if their utility had had access (whether for negotiating purposes or submissions in the Application) to the same information as the Commission?

3. **FortisBC 3808 Agreement** (Rows 4, 5, 23, 31 of the Waneta 2017 Business Case [Schedule "1"]; ID # R21-34 in BC Hydro's Attachment 2). BC Hydro says that the redacted information "contains an assessment by BC Hydro of the position of the FortisBC 3808 Agreement in BC Hydro's resource planning stack" (Rows 4, 23 of Schedule "1") and "an assessment by BC Hydro of the impact of potential FortisBC actions regarding the renewal of the FortisBC 3808 Agreement" (Row 5 of Schedule "1"). In relation to ID # R21-R24 and R26 of Table 1 (its Valuation Model, discussed at BC Hydro's Attachment 2, at pp. 9-10 of 55), BC Hydro says it redacted "information regarding the potential change to FortisBC load under the FortisBC 3808 Agreement." BC Hydro contends in these items that "[t]he public disclosure of the information would prejudice BC Hydro's competitive and/or negotiating position with respect to potential future negotiations between BC Hydro and FortisBC regarding the FortisBC 3808 Agreement."

The "FortisBC 3808 Agreement" is the "Power Purchase Agreement" that the Commission approved in May 2014 (Order G-60-14) and underpins BC Hydro's "3808" rate schedule, under which FBC is served.

This is the first time in its six submissions to date that BC Hydro has identified a concern specifically with respect to future negotiations regarding the FortisBC 3808 Agreement.<sup>12</sup>

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<sup>12</sup> In Exhibit B-3, BC Hydro referred to Rate Schedule 3808 in another context: the fact that FBC takes service under 3808 makes it a ratepayer of BC Hydro.

As BC Hydro states in an unredacted portion of Appendix N (p. 17), immediately prior to the redaction it discusses at Row 4 of the Waneta 2017 Business Case redactions, the FortisBC 3808 Agreement “currently expires September 30, 2033. FortisBC has recently indicated in regulatory filings that they intend to extend the agreement past this point, although BC Hydro does not believe this is a unilateral right and would require BCUC approval.” In other words, the earliest – even on BC Hydro’s view – that the parties would be negotiating again is in relation to a potential expiry more than 15 years from now. The suggestion that allowing individuals at FBC, who might not even be involved in 2033, to obtain access today on undertakings could somehow create the serious risk to BC Hydro that it is required to establish for access to be denied, is not credible.

With respect to BC Hydro’s reference to FBC “load” information in Table 1 of BC Hydro’s Attachment 2, if the information is historical there is no reason to withhold it from FBC. If it is based on forecasts by BC Hydro, surely BC Hydro would reforecast this before any future negotiations begin, rather than referring for negotiating purposes to 15-year old numbers.

Further, Rows 4, 23 and 31 of Schedule “1” (Waneta 2017 Business Case redactions) describe redactions supposedly of “an assessment by BC Hydro of the position of the FortisBC 3808 Agreement in BC Hydro’s planning stack”. A resource planning stack is not inherently confidential. For example, the position of the FortisBC 3808 Agreement in FBC’s resource planning stack is information that is made readily available by FBC as part of its regulatory proceedings. BC Hydro has, in turn, filed publicly its forecasts of its sales to FBC: see its 2013 Integrated Resource Plan filing.<sup>13</sup>

In addition, BC Hydro has expressed its view in Exhibit B-7 that an extension of the FortisBC 3808 Agreement would need to come before the Commission – that is, the same decision-maker before whom BC Hydro has filed evidence in this proceeding about “potential FortisBC actions regarding the renewal of the FortisBC 3808 Agreement” (Row 5 of Schedule “1”). BC Hydro may also be referring to FBC “actions” in its ID # R21 and 22 in Table 1 of its Attachment 2. Not only is the party about whose actions BC Hydro has speculated (FBC) in the best position to confirm, correct or test BC Hydro’s assertions (without that input, the evidence is otherwise fundamentally tainted), but to tell one side of the story without the opportunity for FBC to know what is being said and respond to the regulator by whom it is also regulated would be a fundamental breach of procedural fairness.

4. **“Impact to BC Hydro of ... potential actions [of Teck and FortisBC]”** (Rows 20, 21, 22, 24, 25 and 30 of the Waneta 2017 Business Case [Schedule “1”]). In the redacted passages addressed in these rows, BC Hydro appears to be speculating (in filed evidence that the Commission, CEC and BCSEA can review) about FBC and Teck actions, then drawing some conclusions with respect to impact of these surmised actions. Mischaracterizing this as “inside information” (see the earlier discussion in this letter with respect to misuse of this term), BC Hydro says “public disclosure...would provide Teck and FortisBC”

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<sup>13</sup> See online: <https://www.bchydro.com/about/planning-for-our-future/irp/current-plan/document-centre/reports/november-2013-irp.html>. Appendix 2A includes Table 9.3 Sales to Other Utilities & Firm Export before DSM and Rate Impacts (GWh) at page 53 of 112). At p. 52, BC Hydro states: “Previously, BC Hydro’s forecast of sales to FortisBC was based on information received annually from that utility. For the 2012 Forecast, projected sales to FortisBC are additionally based on a comparison of the relative cost of purchasing electricity from BC Hydro (including rate projections) under the 3808 Tariff versus the cost of spot market purchases. The results of this analysis was to decrease the forecasted sales to FortisBC by about 500 GWh per year in the near and middle of the forecast period. Long-term sales forecasts were only slightly modified.”

with this information, and “[t]his would increase the potential for adverse outcomes during future negotiations which could reasonably be expected to result in harm to BC Hydro and therefore, its ratepayers.”

If BC Hydro has a concern about Teck’s use of this information, this is not relevant to FBC’s access on undertakings.

If FBC does not have an opportunity to review, comment on and test BC Hydro’s speculation about FBC actions, the evidence is fundamentally tainted. FBC is best placed to know whether the view that BC Hydro is conveying to the Commission is accurate.

These are important issues on which FBC’s position should be properly conveyed, and for FBC not to know what BC Hydro is suggesting to the Commission is procedurally unfair. For example, Rows 20 and 30 relate to the full redaction of columns associated with “Smelter Load” either being “Served by BC Hydro” or “Not Served by BC Hydro”. What implication the Waneta transaction can or should have on service in FBC’s service territory has become an issue in this Application, as the number of questions related to it in the first round of information requests makes clear. FBC must be equipped in order to respond fairly.

In relation to FBC’s use of this information, BC Hydro’s concerns are extremely vague. If the “future negotiations” are the ones addressed in items 2 and 3 above, see FBC’s response therein. If the “future negotiations” are also ones associated with the transaction to which the Application relates, see item 2 as well.

5. **“Counterparty Risk”** (Rows 26 and 27 of the Waneta 2017 Business Case [Schedule “1”]). The redactions at issue follow these words on p. 41 of Appendix N:

**“Counterparty Risk:** BC Hydro does not have a transactional counter-party under the No-Go scenario. However, the purchaser (Fortis Inc.) would become BC Hydro’s counterparty for the Co-Ownership Agreement (COA) and other contracts (for example CPA). As a result, BC Hydro would be impacted by the actions of Fortis Inc. Specific risk events that could occur are:”

BC Hydro’s lead-in to the redaction clearly relates only to Fortis Inc. However, BC Hydro in its description of the redacted information and in its stated reason for the redactions in Exhibit B-7 drops FBC into its discussion, without explanation. For Row 26 it says “[t]he information contains BC Hydro’s assessment of potential actions from FortisBC and/or Fortis Inc.” and “public disclosure...would provide FortisBC and/or Fortis Inc. with inside information [again, see the earlier discussion in this letter regarding misuse of this term] regarding the impact to BC Hydro of their potential actions”.

BC Hydro says that what it is communicating to the Commission and not to FBC is about “potential actions from FortisBC and/or Fortis Inc.” (Row 26) or “the impact that the Fortis Transaction could have on potential operating arrangements [at Waneta]” (Row 27). The lead-in to the redaction refers to “risk events”, presumably suggesting that a “No-Go” scenario (as might occur if the Commission were not to grant the relief sought in BC Hydro’s Application) would create risk for BC Hydro. Again, if FBC does not have an opportunity to review, comment on and test BC Hydro’s speculation about actions that it

associates with FBC and perhaps is using to argue in favour of Commission acceptance of the Application, the evidence is fundamentally tainted.

The views that BC Hydro is communicating may well not be accurate and, without scrutiny, may not be corrected. For example, from BC Hydro's lead-in and the reference in Row 27 to the "Fortis Transaction", the redacted discussion appears to be premised on Fortis Inc. being the "purchaser". However, as FBC noted in Exhibit C1-3, by virtue of BC Hydro's exercise of its right of first refusal, the agreement between Teck and Fortis Inc. was terminated, and Teck was obligated to pay Fortis Inc. a substantial break fee. As also stated in Exhibit C1-3, if the transaction with BC Hydro does not proceed, Teck could do any number of things, including not sell the assets.

Further, regardless of whose actions they are, this Application relates to important matters which will affect FBC and its customers. For FBC not to know what BC Hydro is suggesting to the Commission is procedurally unfair and the spectre that BC Hydro holds out that FBC will use information obtained here other than for the purpose of this proceeding, contrary to the undertaking, does not outweigh that reality of harm to FBC and the process if access is not granted.

6. **Fortis Inc. Opportunity Cost** (Row 62 of the Waneta 2017 Business Case [Schedule "1"]). This very lengthy redaction contains what BC Hydro describes as "an assessment of Fortis Inc.'s opportunity costs". One might wonder why BC Hydro would seek to exclude FBC – which in past submissions BC Hydro has suggested is imbued with Fortis Inc.'s knowledge – from reviewing, commenting on and testing BC Hydro's representations about Fortis Inc. If in fact the redacted representations are accurately stated, BC Hydro should have no concern about disclosure.

Further, while BC Hydro suggests in Row 62 that "[t]he information could prejudice future negotiations between BC Hydro and Fortis Inc." – even taking the leap that BC Hydro does of conflating FBC (the intervener) with Fortis Inc.:

- (a) we do not know what negotiations are being referred to. If the transaction presently before the Commission is not approved, BC Hydro would not be the owner of the 2/3 interest in the dam or of Line 71, and it is not clear what negotiations would be triggered; and
- (b) we do not see what prejudice could arise even if some negotiations occur. Either BC Hydro actually knows Fortis Inc.'s opportunity cost (in which case, with or without disclosure here, the two sides would be coming to any negotiations with the same number anyway, assuming that actually relevant to the negotiations) or BC Hydro believes Fortis Inc.'s opportunity cost is different than it actually is (in which case BC Hydro is giving the Commission the wrong number and would be entering negotiations based on a misconception of its own making).

## **B. Generic Items**

As noted above, we use the term "Generic Items" to refer to redactions that BC Hydro seeks to justify in Exhibit B-7 on grounds with no specific reference to FBC. Without further question the information in the Generic Items should be made available to FBC non-lawyers who provide undertakings, just as BC Hydro has provided it to others and offered to provide the information to FBC lawyers. There is no basis in Exhibit B-7 for drawing a distinction.

Though BC Hydro's FBC-related silence on the Generic Items in Exhibit B-7 should be the end of the matter, in order to provide further reassurance to the Commission FBC also notes the following with respect to the subcategories into which the Generic Items fall; there is no doubt that FBC access is appropriate. The Generic Items contain redactions based on the following BC Hydro justifications:

1. **BC Hydro's Concerns about Teck** (e.g., Rows 3, 10, 14, 35, 36, 39, 55, and possibly 58-60 of the Waneta 2017 Business Case [Schedule "1"]; most items in BC Hydro's Attachment 2 including all in Tables 2, 3, 4, 6, 7, 8, 9 and 10; BC Hydro's redactions in its "Overview" documents).

Many of BC Hydro's redactions are couched in relation to concerns about Teck, not FBC. Concerns about disclosure to Teck should not in any way impede provision to FBC personnel on undertakings. In this regard (with underlining added):

- In relation to the Waneta 2017 Business Case, in Row 3, BC Hydro states that "public" disclosure (of redacted material in a discussion related to "Trail smelter load" and BC Hydro's "Load Resource Balance") "would prejudice BC Hydro's negotiating position with Teck". In Row 10, BC Hydro states that "public" disclosure (of redacted material related to serving the Teck smelter load) "would prejudice BC Hydro's negotiating position with Teck with respect to future smelter service". In Row 14, BC Hydro states that "public" disclosure (of redacted material related to "potential actions that could be taken by Teck if their financial position is impaired") "would prejudice BC Hydro's competitive and/or negotiating position with Teck." In Row 35, BC Hydro says that "public" disclosure (of "identified capital requirements", with those requirements ironically – given the information would now be withheld from them – having been determined in part through questions BC Hydro "posed to...FortisBC staff" [Appendix B p. 2 of 11]) would "Prejudice future negotiations with Teck" or "Allow for reverse engineering" that if done by Teck could have certain negative consequences ("If Teck is able to reverse engineer the cost accountability it would prejudice future negotiations"). In Row 36, BC Hydro says that "public" disclosure (in relation to "Transmission Agreements" that it is negotiating with Teck) "would prejudice BC Hydro's competitive and/or negotiating position and would provide Teck with a competitive advantage". In Row 39, BC Hydro refers to "public" disclosure (in relation to BC Hydro's access to Line 71 if owned by Teck) as something that "may prejudice BC Hydro in regard to Teck's future Line 71 rights". In Row 55, BC Hydro again says that "public" disclosure (regarding "an assessment of the impact of a change in the structure of the transmission agreement during negotiations") "would prejudice BC Hydro's competitive and/or negotiating position and would provide Teck with a competitive advantage." Rows 58-60, in turn, relate to "Alternate Transaction Structures" or "Alternative Structures" to which presumably Teck – if the structures are related to the assets that are the subject of the Application – would be the other party to the "negotiation" or "potential negotiation" that BC Hydro references.
- BC Hydro also expresses heavily Teck-specific concerns in relation to its models. For example, in ID # R1 in Table 1 (p. 4 of 55 in its Attachment 2), BC Hydro states: "The public disclosure of this information would disclose BC Hydro's base expectations regarding cost allocation for these projects. This would prejudice BC Hydro's competitive and/or negotiating position with Teck regarding these projects". Cross-referencing later in the table points back to ID # R1 for various of the other justifications as well. Teck-specific impacts are the reason that BC Hydro gives for all the redactions in its Tables 2, 3, 4, 6, 7, 8, 9 and 10. BC Hydro states the same concern as

identified above in ID # R1 (and by cross-reference R2-8: that is, all the rows) in Table 2 (pp. 14-17 of 55 in its Attachment 2), in ID # R1 (and by cross-reference R2-8: that is, all the rows) in Table 3 (pp. 18-21 of 55 in its Attachment 2), in ID # R1 (and by cross-reference R2-8: that is, all the rows) in Table 4 (pp. 22-25 of 55 in its Attachment 2), in ID # R1 (and by cross-reference R2-8: that is, all the rows) in Table 6 (pp. 32-35 of 55 in its Attachment 2), in ID # R1 (and by cross-reference R2-8: that is, all the rows) in Table 7 (pp. 36-39 of 55 in its Attachment 2), in ID # R1 (and by cross-reference R2-8: that is, all the rows) in Table 8 (pp. 40-43 of 55 in its Attachment 2), in ID # R1 (and by cross-reference R2-8: that is, all the rows) in Table 9 (pp. 44-47 of 55 in its Attachment 2), and in ID # R1 (and by cross-reference R2-8: that is, all the rows) in Table 10 (pp. 48-51 of 55 in its Attachment 2).

There may also be Teck-related rows in Table 5 (though BC Hydro's stated justification for redactions throughout Table 5 in its Attachment 2 refers to Powerex, for ID # R1, R2 and R5-10 the justification may be Teck-related instead. The capital expenditure-related "Description of Redacted Information in Cell" for R1 (to which the other rows listed above refer back) is like that found in other BC Hydro tables where Teck-related justifications are given.

In ID # R2 in Table 1, BC Hydro says that "public disclosure of [schedule C expenditures] could materially impact procurement and negotiations regarding capital works in the future". Given that, as FBC notes in Exhibit C1-3, capital requirements at Waneta are not a subject of negotiation between Teck and FBC but are at the sole discretion of Teck, we assume these negotiations to be between Teck and BC Hydro. There is no reason that FBC should not have access. Procurement for the capital projects is the responsibility of FBC under the Waneta Management Agreement and as such the release of this information to FBC would not have any impact on procurement for Teck projects, as FBC acts no less prudently in the matter of capital work for Waneta than for its own.

- BC Hydro's redactions in its associated "Overview" material also appear to be specific to concerns regarding Teck, with BC Hydro stating in Exhibit B-7 (quoting from its January 9 letter) that "[t]hese assumed amortization periods are commercially sensitive vis-a-vis Teck...Revealing BC Hydro's current assumptions on these amortization periods will undermine BC Hydro's negotiating position with Teck" (underlining added; p. 2 of 4 of BC Hydro's January 17 cover letter).

Whether or not BC Hydro's concerns with "Teck" are justified, these are not concerns with FBC. There is no basis to withhold the information from FBC non-lawyers on undertakings, just as BC Hydro has agreed there is no basis to withhold the information from FBC lawyers and the legal and non-legal representatives of CEC and BCSEA who provide undertakings.

Further, even in relation to Teck, at least certain of BC Hydro's concerns presumably end with the conclusion of negotiations, which in relation to the "Transmission Agreements" were, according to Exhibit B-1, supposed to be at or near completion by this point.

For Teck-related reasons, BC Hydro has redacted considerable volumes of material that it believed sufficiently important to warrant filing as part of its Application for the Commission's review. FBC will be affected by the relief sought in the Application as a customer of BC Hydro and as a utility whose service

to its own ratepayers requires access to assets that are the subject of the Application, and not having access would be procedurally unfair. Further, FBC has the knowledge and expertise to provide comment of assistance to the Commission.

2. **Information from Powerex** (Rows 6, 7, 8, 9, 11, 13, 29, 33 of the Waneta 2017 Business Case [Schedule “1”]; ID # R20 and R35 of Table 1 in BC Hydro’s Attachment 2; ID # R3, 4, 11-13 of Table 5 in BC Hydro’s Attachment 2<sup>14</sup>).

The redactions addressed in these items were of information supplied by Powerex and, BC Hydro says, include prices “used by Powerex for trading decisions”. However:

- (a) If concerned about disclosure of Powerex-derived material, BC Hydro should not have filed Powerex-derived material in support of such fundamental aspects of its Application, or could subsequently have withdrawn it and substituted otherwise-derived analysis, such as from the Site C process (as FBC suggested in Exhibit C1-3). Whatever benefit BC Hydro believed it obtained from filing Powerex-derived information as the basis for such (now fully redacted but central) evidence as Figure 6 (“Cumulative Incremental Rate Impact – Core Scenarios”, at p. 44 of Appendix N) comes with the responsibility of disclosure at least to intervenors other than in unusual circumstances which do not exist here. In the CPCN context, the Commission has previously expressed concerns “with respect to the lack of transparency that exists when BC Hydro uses proprietary models to develop important decision-making tools. **In future applications, the Commission Panel expects BC Hydro to use assessment models which can be made public so that the various components and assumptions can be assessed and tested by intervenors**” (emphasis in original).<sup>15</sup>
- (b) Information from the summer of 2017 and from someone else’s forecast would not be useful to FBC for its own operations. Where it is of course of use is for the appropriate purpose of evaluating the Business Case and the Application more generally, which FBC is entitled to do as a participant affected, both as customer and as a utility, by the Application. As noted in Exhibit C1-3 (FBC’s letter of December 18, 2017), FBC obtains its own market forecasts when needed for its own purposes.

3. **Other Third Party Information** (Rows 19, 57 and parts of 59 and 60 of the Waneta 2017 Business Case [Schedule “1”]; in part ID # R2-20 in Table 1 in BC Hydro’s Attachment 2). Disclosure of this material to FBC is no different than the disclosure that BC Hydro has accepted to the Commission or to CEC and BCSEA non-legal and legal representatives.

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<sup>14</sup> As noted earlier, on the face of Table 5 in BC Hydro’s Attachment 2, all the redactions are stated to be Powerex-related. However, there may be Teck-related rows in Table 5 (1, 2, 5-10) for the reason explained in Schedule 2 to this letter. The capital expenditure-related “Description of Redacted Information in Cell” for R1 (to which the other rows listed above refer back) is like that found in other tables where Teck-related justifications are given.

<sup>15</sup> Reasons for Order G-55-03, p. 75 of 113 (on an application by a wholly owned BC Hydro subsidiary, Vancouver Island Energy Corporation, for a certificate of public convenience and necessity for the Vancouver Island Generating Project). The bolded words were noted in the B.C. Court of Appeal to reflect “[t]he generally accepted public interest principles of openness and disclosure”: *Joint Industry Electricity Steering Committee v. British Columbia (Utilities Commission)*, 2005 BCCA 330, per Rowles J.A. at para. 53; see also paras. 98, 101 and 105 per Levine J.A.

BC Hydro states that the redacted information in Row 19 of Schedule "1" "contains an overview of feedback received from Moody's with respect to the Waneta 2017 Transaction" and "public disclosure...would harm BC Hydro's future ability to receive input from Moody's and other rating agencies". However, this appears to be important information that FBC should be able to review no less than the Commission, CEC and BCSEA. The redaction is preceded by words which, unless the Moody's advice was very positive, bode poorly for the transaction that BC Hydro seeks that the Commission accept: "The Transaction represents a substantial capital investment which will be financed through debt. Such an increase in debt has the potential to have an impact on the financial performance and/or credit health of BC Hydro and/or the Province. In order to determine the magnitude of the risk, BC Hydro and Government consulted with Moody's regarding the Transaction. As a result of this discussion [rest redacted]."

BC Hydro believed Moody's input was important enough to the Application to warrant filing for the Commission's review. FBC is an intervener affected by the Application, as both customer and utility, and should have input.

BC Hydro states that the redacted information at Row 57 of Schedule "1" (the Waneta 2017 Business Case) "provides details of Teck's sales process" and that the redacted information at Rows 57 and 61 as well as part of Rows 59 and 60 "is covered under a non-disclosure agreement with Teck" (and/or others) and "cannot be publically disclosed without their consent". Similarly, at ID #R2 in Table 1 in BC Hydro's Attachment 2 (regarding its Valuation Model), at p. 5 of 55, BC Hydro refers to some information that it states is "confidential to BC Hydro and Teck".

Again there is nothing here that FBC should be denied access to if granted to the Commission, CEC and BCSEA. Further, as might be expected in the circumstances, the Waneta Purchase Agreement (Appendix E to Exhibit B-1) between BC Hydro (Purchaser) and Teck (Vendor) provides that "the Vendor will cooperate with and support the Purchaser's efforts to obtain the Regulatory Approvals including providing information requested by a participant in any BCUC proceeding initiated for the purpose of seeking Regulatory Approvals" (s. 4.4; underlining added). This appropriately reflects the fact that participants other than BC Hydro need to see materials relevant to the Application.

4. **"Regulatory Risk"** (Rows 15, 40, 43 of the Waneta 2017 Business Case [Schedule "1"]). BC Hydro says that the redaction at Row 15 contains its "assessment of the risk of potential future regulatory processes and its impact on the value of the Waneta 2017 Transaction to BC Hydro", and that "public disclosure of this information could provide third parties with inside information [see the earlier discussion in this letter with respect to misuse of this term] regarding the impact of their actions to BC Hydro during the regulatory processes". Rows 40 and 43 are even vaguer, with "public disclosure" of the assessment of "regulatory risks" addressed there supposedly being something that "could impact future regulatory processes and proceedings". Any actual concern that BC Hydro has would, even if valid, equally apply to CEC and BCSEA (whose non-lawyer representatives have also received access on undertakings) and not justify a denial of access to FBC personnel on undertakings.
5. **"Tax Filings"** (Row 17 of the Waneta 2017 Business Case [Schedule "1"]). BC Hydro describes the redacted information as containing "an assessment of BC Hydro's tax position as a result of the Waneta 2017 Transaction" and says that "[t]he public disclosure of this information could prejudice future BC Hydro tax filings and increase costs to BC Hydro and its ratepayers". FBC has no more of a role in

collecting taxes from BC Hydro than do CEC and BCSEA. At the same time, it is entitled to review and comment on the information, which BC Hydro believed sufficiently relevant to the Application to file for the Commission's review, as a participant that will be affected by the outcome.

6. **"Personal information"** (Rows 1 and 34 of the Waneta 2017 Business Case [Schedule "1"]). Row 1 deals with the redaction of the name of the "Document Owner" on every page of the Business Case. That person is, according to Exhibit B-7, the "primary author" of the Business Case, and a "BC Hydro employee". Row 34 deals with the redaction of the names of the "BC Hydro employees" that BC Hydro characterized in its Business Case as "subject matter experts" and who occupy such roles as sitting on the "Waneta Operating Committee". BC Hydro says in Rows 1 and 34 that "[t]his information contains the personal information of BC Hydro employees" and "[t]his information contains personal information which could be harmful to the personal privacy of individuals".

The names of BC Hydro employees identified in relation to their positions at work are not "personal information". The names are work-related information. As explained in FBC's Exhibit C1-3, under the *Freedom of Information and Protection of Privacy Act*, "personal information" excludes "contact information" such as name, position and title.

Further, the names are of individuals that, according to BC Hydro, do seem to have some significance to BC Hydro's Application. The name with which Row 1 deals is of "the primary author" of the Business Case, and BC Hydro said in Exhibit B-1 that "BC Hydro's decision to proceed with the transaction was based on the Waneta 2017 Business Case" (p. 4-1). The names associated with Row 34 are of individuals that BC Hydro represents to be "subject matter experts" who assisted in evaluating information for the Business Case (Exhibit B-7). At least FBC access on undertakings should be non-controversial.

7. **"Privilege"** (Rows 16 and 60 of the Waneta 2017 Business Case [Schedule "1"]). BC Hydro states the information addressed in Row 16 and part of Row 60 is "privileged" and "contains legal advice".

FBC fully agrees that (a) "legal advice"/"solicitor-client" privilege is very important and (b) if BC Hydro has not waived that privilege, FBC should not see the information.

However, if BC Hydro has not waived the privilege, the Commission, CEC, BCSEA or any other intervener also would not be able to see the information. If BC Hydro has chosen to make the redacted content available to the Commission, CEC, BCSEA or others outside BC Hydro and its legal team, BC Hydro has waived the privilege. In that event, the content should be available to FBC just as it has been to others.

Further, the full content of the redaction addressed in Row 60 would not be privileged (nor has BC Hydro claimed otherwise). BC Hydro says in Exhibit B-7 that it relates in part of "financial" and "strategic" matters apart from "identification of legal issues"; only the last category might be eligible for a claim of privilege, if not waived.

Again, with respect to each of the above categories of redactions, BC Hydro itself has offered in Exhibit B-7 no reason to treat FBC non-lawyers who provide undertakings differently than those to whom BC Hydro has provided access at the Commission, BCSEA or CEC, or than FBC lawyers to whom BC Hydro agreed to provide access. That should be the end of the matter.

**Part 4 - Conclusion**

In all the circumstances, FBC reaffirms its request that each of Ms. Pratch, Ms. Martin, Mr. Egolf, Mr. King and the undersigned be allowed to file the Commission's Confidentiality Declaration and Undertaking Form in order to obtain access to all information that remains redacted.

As stated in Exhibit C1-6, Ms. Martin is FBC's Manager, Regulatory Affairs, Mr. Egolf is FBC's Senior Manager, Power Supply & Planning, and Mr. King is FBC's Power Supply Operations Manager. Again, as stated in Exhibit C1-6, Ms. Martin, Mr. Egolf and Mr. King are well known to BC Hydro, the Commission and Commission staff through numerous instances of staff interaction and Commission proceedings; BC Hydro's knowledge of all three is reflected, for example, in its association of Mr. Egolf with the CPA in its letter of January 9, 2018 (Exhibit B-6). Collectively, as stated in Exhibit C1-6, they are in-house experts on the regulatory, financial, contractual and technical aspects of power supply, system operation, transmission, rates and customer impact to which this proceeding relates; and there can be no suggestion that they are untrustworthy. They deal with regulatory and power supply matters, all of which involve judgment, discretion and issues of security, as part of their work and from secure offices.

As outlined in this letter, for many of its redactions, including in its models, BC Hydro has given no reason whatever to single out FBC for more restricted access than provided to the Commission, CEC or BCSEA (again, see Part 3 – B. Generic Items). For other of its redactions (Part 3 – A. FBC-Specific Items), BC Hydro has made some FBC-specific points which are at best amorphous in terms of potential harm to BC Hydro. The real harm is in not allowing access to knowledgeable and expert FBC personnel on undertakings. Denying access to Ms. Martin, Mr. Egolf and Mr. King, and restricting it to lawyers, would deprive the Commission of valuable FBC input on evidence that BC Hydro chose to file, and would deprive FBC, as both a customer of BC Hydro and a utility whose service to customers depends on access to assets that are the subject of the Application, of a fair opportunity to know the case to be met and respond.

Yours truly,

FARRIS, VAUGHAN, WILLS & MURPHY LLP

Per:



Ludmila B. Herbst, Q.C.

LBH/trw

Enclosure

c.c.: Registered parties  
client

**SCHEDULE "1"**  
**WANETA 2017 BUSINESS CASE REDACTIONS, WITH ROW NUMBERS AND CROSS-REFERENCING  
 ADDED**

**Yellow = rows where in Exhibit B-7, BC Hydro withdrew confidentiality claim in its entirety**

#	<i>BC Hydro's "Redaction Reference"</i>	<i>FBC Comments</i>
1.	<i>Footnote on all pages</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(6) (claimed "personal information")</i>
2.	<i>Page 4; third bullet, starting on line 3</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(2) (CPA)</i>
3.	<i>Page 17; second bullet, second paragraph</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
4.	<i>Page 17; third bullet, last sentence</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
5.	<i>Page 17; third bullet, second paragraph</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
6.	<i>Page 20; Figure 3</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i>
7.	<i>Page 24; Figure 4</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i>
8.	<i>Page 26; Figure 5</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i>
9.	<i>Bottom of page 27; second bullet</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i>
10.	<i>Page 27; footnote 4</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>

#	<i>BC Hydro's "Redaction Reference"</i>	<i>FBC Comments</i>
11.	<i>Page 28; first reference in the first sentence of the first paragraph</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i>
12.	<i>Page 28; second reference in the third sentence of the first paragraph</i>	
13.	<i>Page 32; Table 12, the figure cited in row 2 of the first column and row 4 of the first column</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i>
14.	<i>Page 34; second sub-bullet, and text in the paragraph following</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
15.	<i>Page 35; final bullet, third paragraph and continuing on to the top of page 36</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(4) (regulatory risk)</i>
16.	<i>Page 36; bullet in the middle of the page</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(7) (claimed privilege)</i>
17.	<i>Page 36; second sub-bullet at the bottom of the page</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(5) (tax filings)</i>
18.	<i>Page 37; first bullet</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(2) (CPA)</i>
19.	<i>Page 37; second bullet</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(3) (other third party information)</i>
20.	<i>Page 39; Table 14, figures cited in the "renewed" and "not renewed" columns</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(4) (potential actions)</i>
21.	<i>Page 39; bullet 1 and 2</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(4) (potential actions)</i>
22.	<i>Page 40; all of the figures in Table 15</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(4) (potential actions)</i>

#	<i>BC Hydro's "Redaction Reference"</i>	<i>FBC Comments</i>
23.	<i>Page 40; last sentence of the second paragraph in the middle of the page</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
24.	<i>Page 40; Table 16, figures cited in the "cost impact to BC Hydro" column</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(4) (potential actions)</i>
25.	<i>Page 41; all of the figures cited in Table 17</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(4) (potential actions)</i>
26.	<i>Page 41; first sub-bullet under heading "counter-party risk"</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(5) ("counterparty risk")</i>
27.	<i>Page 41; second sub-bullet under heading "counter-party risk"</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(5) ("counterparty risk")</i>
28.	<i>Page 42; fifth bullet under heading "risk to existing agreements"</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(2) (CPA)</i>
29.	<i>Page 44; Figure 6</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i>
30.	<i>Page 48; Table 20, all figures in the last two columns</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(4) (potential actions)</i>
31.	<i>Page 48; note below Table 20</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
32.	<i>Page 49; third bullet in the middle of the page</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>
33.	<i>Page 50; Figure 8</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i>
34.	<i>Appendix B; page 2</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(6) (claimed "personal information")</i>

#	<i>BC Hydro's "Redaction Reference"</i>	<i>FBC Comments</i>
35.	<i>Appendix B – Sections 2.1, 2.2, and 2.3 (pages 4 through 9)</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
36.	<i>Appendix C; page 2</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
37.	<i>Appendix C; page 4, item 3</i>	
38.	<i>Appendix C; page 4, footnote 1</i>	
39.	<i>Appendix C; page 4, footnote 2</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
40.	<i>Appendix C; page 7, Table 3 - Regulatory Risks</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(4) (regulatory risks)</i>
41.	<i>Appendix C; page 7, Table 3 - Potential Counterparty Objections</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>
42.	<i>Appendix C; page 8, first paragraph</i>	
43.	<i>Appendix C; page 8, paragraph under the heading "Regulatory Risks"</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(4) (regulatory risks)</i>
44.	<i>Appendix C; page 8, paragraph under the heading "Potential Counterparty Objections"</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>
45.	<i>Appendix C; page 8, final sub-bullet</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>
46.	<i>Appendix C; page 9, first sub-bullet</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>
47.	<i>Appendix C; page 9, under the heading "scenario 2", third level bullet</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>

#	<i>BC Hydro's "Redaction Reference"</i>	<i>FBC Comments</i>
48.	<i>Appendix C; page 9 under the heading "scenario 2", fourth level bullet</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>
49.	<i>Appendix C; page 9 section 4, item 2 and the third row of Table 4</i>	
50.	<i>Appendix C; page 9, all figures in Table 4</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>
51.	<i>Appendix C; page 9, final paragraph</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>
52.	<i>Appendix C; page 10, first and second paragraph</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>
53.	<i>Appendix C; page 10, paragraph 3</i>	
54.	<i>Appendix C; page 10, paragraph 3, final sentence (two redactions).</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>
55.	<i>Appendix C; page 10, paragraph 4</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
56.	<i>Appendix C; page 10, paragraph 5</i>	
57.	<i>Appendix E; page 1, section 1</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(3) (other third party information)</i>
58.	<i>Appendix E; page 2, section 2</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
59.	<i>Appendix E, Section 3, pages 3 through 6</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck), 3-B(3) (other third party information)</i>
60.	<i>Appendix E, Section 4, page 7</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck), Part 3-B(7) (claimed</i>

#	<i>BC Hydro's "Redaction Reference"</i>	<i>FBC Comments</i>
		<i>privilege)</i>
61.	<i>Appendix F, Section 1, pages 2 through 3</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(3) (other third party information)</i>
62.	<i>Appendix F; Section 2, Pages 4 through 5</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(6) (Fortis Inc. opportunity cost)</i>

**SCHEDULE "2"**  
**EXCEL WORKING MODEL REDACTIONS, WITH CROSS-REFERENCING ADDED**

**TABLE 1 – VALUATION MODEL**

<i>BC Hydro's ID #</i>	<i>FBC Comments</i>
<i>R1</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R2</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
<i>R3</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
<i>R4</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
<i>R5</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
<i>R6</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
<i>R7</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
<i>R8</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
<i>R9</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
<i>R10</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
<i>R11</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1)</i>

<b>BC Hydro's ID #</b>	<b>FBC Comments</b>
	<i>(Teck) and Part 3-B(3) (third party information)</i>
R12	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
R13	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
R14	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
R15	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
R16	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
R17	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
R18	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
R19	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck) and Part 3-B(3) (third party information)</i>
R20	<i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i>
R21	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
R22	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
R23	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>

<b><i>BC Hydro's ID #</i></b>	<b><i>FBC Comments</i></b>
R24	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
R25	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
R26	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
R27	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
R28	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
R29	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
R30	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
R31	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
R32	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
R33	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
R34	<i>See January 22 letter generally including with particular reference to Part 3-A(3) (3808)</i>
R35	<i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i>
R36	<i>See January 22 letter generally including with particular reference to Part 3-A(1)</i>

<b><i>BC Hydro's ID #</i></b>	<b><i>FBC Comments</i></b>
	<i>(transmission access and costs)</i>
<i>R37</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>
<i>R38</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>
<i>R39</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>
<i>R40</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>
<i>R41</i>	<i>See January 22 letter generally including with particular reference to Part 3-A(1) (transmission access and costs)</i>

**TABLE 2 – RATE IMPACT MODEL – LRMC CLEAN SCENARIO REDACTIONS**

<i>BC Hydro's ID #</i>	<i>FBC Comments</i>
<i>R1</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R2</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R3</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R4</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R5</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R6</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R7</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R8</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>

**TABLE 3 – RATE IMPACT MODEL – LRMC CLEAN + GAS SCENARIO REDACTIONS**

<i>BC Hydro's ID #</i>	<i>FBC Comments</i>
<i>R1</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R2</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R3</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R4</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R5</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R6</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R7</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R8</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>

**TABLE 4 – RATE IMPACT MODEL – MARKET ABB SCENARIO REDACTIONS**

<i>BC Hydro's ID #</i>	<i>FBC Comments</i>
<i>R1</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R2</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R3</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R4</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R5</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R6</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R7</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R8</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>

**TABLE 5 – RATE IMPACT MODEL – MARKET EXTRAPOLATED SCENARIO REDACTIONS**

<i>BC Hydro's ID #</i>	<i>FBC Comments</i>
<i>R1</i>	<p><i>See January 22 letter generally including with particular reference to:</i></p> <ul style="list-style-type: none"> <li><i>- Part 3-B(2) (Powerex), according to BC Hydro's justification</i></li> <li><i>- Part 3-B(1) (Teck), judging by the "Description of Redacted Information in Cell" column, which is the same as where BC Hydro has given Teck-related justifications in other tables</i></li> </ul>
<i>R2</i>	<p><i>See January 22 letter generally including with particular reference to:</i></p> <ul style="list-style-type: none"> <li><i>- Part 3-B(2) (Powerex), according to BC Hydro's stated justification</i></li> <li><i>- Part 3-B(1) (Teck), judging by the "Description of Redacted Information in Cell" column in R1 (R1 is cross-referenced by BC Hydro as outlining the basis for redaction ), which is the same as where BC Hydro has given Teck-related justifications in other tables</i></li> </ul>
<i>R3</i>	<p><i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i></p>
<i>R4</i>	<p><i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i></p>
<i>R5</i>	<p><i>See January 22 letter generally including with particular reference to:</i></p> <ul style="list-style-type: none"> <li><i>- Part 3-B(2) (Powerex), according to BC Hydro's stated justification</i></li> <li><i>- Part 3-B(1) (Teck), judging by the "Description of Redacted Information in Cell" column in R1 (R1 is cross-referenced by BC Hydro as outlining the basis for redaction ), which is the same as where BC Hydro has given Teck-related justifications in other tables</i></li> </ul>
<i>R6</i>	<p><i>See January 22 letter generally including with particular reference to:</i></p> <ul style="list-style-type: none"> <li><i>- Part 3-B(2) (Powerex), according to BC Hydro's stated justification</i></li> <li><i>- Part 3-B(1) (Teck), judging by the "Description of Redacted Information in Cell" column in R1 (R1 is cross-referenced by BC Hydro as outlining the</i></li> </ul>

<b>BC Hydro's ID #</b>	<b>FBC Comments</b>
	<i>basis for redaction ), which is the same as where BC Hydro has given Teck-related justifications in other tables</i>
R7	<p><i>See January 22 letter generally including with particular reference to:</i></p> <ul style="list-style-type: none"> <li><i>- Part 3-B(2) (Powerex), according to BC Hydro's stated justification</i></li> <li><i>- Part 3-B(1) (Teck), judging by the "Description of Redacted Information in Cell" column in R1 (R1 is cross-referenced by BC Hydro as outlining the basis for redaction ), which is the same as where BC Hydro has given Teck-related justifications in other tables</i></li> </ul>
R8	<p><i>See January 22 letter generally including with particular reference to:</i></p> <ul style="list-style-type: none"> <li><i>- Part 3-B(2) (Powerex), according to BC Hydro's stated justification</i></li> <li><i>- Part 3-B(1) (Teck), judging by the "Description of Redacted Information in Cell" column in R1 (R1 is cross-referenced by BC Hydro as outlining the basis for redaction ), which is the same as where BC Hydro has given Teck-related justifications in other tables</i></li> </ul>
R9	<p><i>See January 22 letter generally including with particular reference to:</i></p> <ul style="list-style-type: none"> <li><i>- Part 3-B(2) (Powerex), according to BC Hydro's stated justification</i></li> <li><i>- Part 3-B(1) (Teck), judging by the "Description of Redacted Information in Cell" column in R1 (R1 is cross-referenced by BC Hydro as outlining the basis for redaction ), which is the same as where BC Hydro has given Teck-related justifications in other tables</i></li> </ul>
R10	<p><i>See January 22 letter generally including with particular reference to:</i></p> <ul style="list-style-type: none"> <li><i>- Part 3-B(2) (Powerex), according to BC Hydro's stated justification</i></li> <li><i>- Part 3-B(1) (Teck), judging by the "Description of Redacted Information in Cell" column in R1 (R1 is cross-referenced by BC Hydro as outlining the basis for redaction ), which is the same as where BC Hydro has given Teck-related justifications in other tables</i></li> </ul>
R11	<i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i>

<i>BC Hydro's ID #</i>	<i>FBC Comments</i>
<i>R12</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i>
<i>R13</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(2) (Powerex)</i>

**TABLE 6 – RATE IMPACT MODEL – TARIFF SCENARIO REDACTIONS**

<i>BC Hydro's ID #</i>	<i>FBC Comments</i>
<i>R1</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R2</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R3</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R4</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R5</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R6</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R7</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R8</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>

**TABLE 7 – RATE IMPACT MODEL – 10 YEAR DEFAULT + LRMC SCENARIO REDACTIONS**

<i>BC Hydro's ID #</i>	<i>FBC Comments</i>
<i>R1</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R2</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R3</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R4</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R5</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R6</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R7</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R8</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>

**TABLE 8 – RATE IMPACT MODEL – 10 YEAR DEFAULT + ABB SCENARIO REDACTIONS**

<i>BC Hydro's ID #</i>	<i>FBC Comments</i>
<i>R1</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R2</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R3</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R4</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R5</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R6</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R7</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R8</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>

**TABLE 9 – RATE IMPACT MODEL – LEASE EXTENSION + LRMC CLEAN SCENARIO REDACTIONS**

<i>BC Hydro's ID #</i>	<i>FBC Comments</i>
<i>R1</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R2</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R3</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R4</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R5</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R6</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R7</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R8</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>

**TABLE 10 – RATE IMPACT MODEL – LEASE EXTENSION + ABB SCENARIO REDACTIONS**

<i>BC Hydro's ID #</i>	<i>FBC Comments</i>
<i>R1</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R2</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R3</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R4</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R5</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R6</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R7</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>
<i>R8</i>	<i>See January 22 letter generally including with particular reference to Part 3-B(1) (Teck)</i>

[TABLES 11 AND 12 ARE PUBLIC VERSIONS WITH FROZEN CELLS; FBC DOES NOT ADDRESS THOSE HERE  
AS IT SEEKS ACCESS TO THE UNREDACTED VERSIONS OF THE  
UNDERLYING TABLES 1-10]