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October 16, 2018

Mr. Patrick Wruck
Commission Secretary and Manager
Regulatory Support
British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Mr. Wruck:

RE: Project No. 1598969
British Columbia Utilities Commission (BCUC or Commission)
British Columbia Hydro and Power Authority (BC Hydro)
Electricity Purchase Agreement (EPA) Renewals – Sechelt Creek Hydro,
Brown Lake Hydro, and Walden North Hydro
Request for Extension for Filing Responses to Information Request No. 1

BC Hydro writes to seek an extension for providing its answers for round one Information Requests (**IRs**) in the above referenced proceeding to four weeks following the release of a report with respect to the Government Review of BC Hydro (**Government Review**), which is expected in late fall 2018. This request would effectively suspend the current Regulatory timetable to allow sufficient time for the outcomes of the Government Review to inform our IR responses, as further explained below:

- A number of IRs (95 of 277) seek to update BC Hydro's load forecast, Long-Run Marginal Cost (**LRMC**), Load Resource Balance (**LRB**), market price forecast, analysis of opportunity cost and EPA cost-effectiveness, and the cost of alternative new-build energy resources. BC Hydro is currently in the process of updating those metrics to support its upcoming Revenue Requirements Application (**RRA**), future Integrated Resource Plans (**IRP**), and approach to future EPA renewals.
- BC Hydro expects the Government Review to provide guidance that will impact the LRB by providing guidance on key inputs, such as the biomass EPA renewal strategy, the Standing Offer Program, and potentially other resource procurement processes.
- BC Hydro believes that the information and evidence it submits in this proceeding should be up to date and informed by the guidance from the

Government Review and the updated information BC Hydro is preparing for the RRA. To accomplish this, BC Hydro requests that the Round 1 IR responses should be delayed in order to take this updated information into account.

If the BCUC determines that one or more of the contracts are not in the public interest as a result of this process, then as per s. 71(3) and (4) of the Utilities Commission Act, the BCUC retains the discretion to declare the contracts unenforceable, either wholly or to the extent the BCUC considers proper, or make any other order it considers advisable including with respect to any renewal obligations undertaken by BC Hydro before the date of its order. As a result, BC Hydro is of the view that the delay in filing the IRs should not prejudice the process or the discretion of the Commission in relation to these EPA renewals.

Although only a portion of the IRs are affected by this update, BC Hydro is requesting that all of the IR responses be filed as one submission. BC Hydro believes it would be more efficient to submit its IR responses at the same time, rather than answering IRs in two or more submissions, as many of the IRs are interrelated. In addition, although it would be possible to answer a portion of the IRs prior to the Government Review being completed, having multiple IR exhibits that need to be reviewed and searched is cumbersome to the Commission and interveners and, in BC Hydro's experience, can lead to inconsistent references being made during the proceeding and in the future. For this reason, BC Hydro respectfully recommends filing IR responses as one submission, four weeks after the release by the Province of its report with respect to the Government Review of BC Hydro.

For further information, please contact Geoff Higgins at 604-623-4121 or by email at bchydroregulatorygroup@bchydro.com.

Yours sincerely,



Fred James
Chief Regulatory Officer

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