



**bcuc**  
British Columbia  
Utilities Commission

**Patrick Wruck**  
Commission Secretary

Commission.Secretary@bcuc.com  
**bcuc.com**

Suite 410, 900 Howe Street  
Vancouver, BC Canada V6Z 2N3  
**P:** 604.660.4700  
**TF:** 1.800.663.1385  
**F:** 604.660.1102

August 6, 2019

Sent via email/eFile

**NELSON HYDRO 2019 RURAL RATE APPLICATION**  
**EXHIBIT A-12**

Mr. Alexander Love  
General Manager  
Nelson Hydro  
Suite 101, 310 Ward Street  
Nelson, BC V1L 5S4  
alove@nelson.ca

**Re: Nelson Hydro – 2019 Rural Rate Application – Project No. 1598997 – Panel Information Request No. 1**

Dear Mr. Love:

Further to your March 8, 2019 application regarding the above noted matter, enclosed please find Panel Information Request No. 1. Please file your responses by **Tuesday, August 13, 2019**.

Sincerely,

*Original signed by:*

Patrick Wruck  
Commission Secretary

/aci  
Enclosure



Nelson Hydro  
2019 Rural Rate Application

**PANEL INFORMATION REQUEST NO. 1 TO NELSON HYDRO**

**1.0 Reference: ALLOCATION BETWEEN RURAL AND URBAN  
Exhibit B-3, BCUC IR 11.3.1 Attachment, BCUC IR 11.4 Attachment  
Urban and rural rates**

In response to BCUC IR 11.3 and 11.4, Nelson Hydro provided the following tables:

BCUC IR 1 - IR 11.3.1 Attachment

Filing	Rural R.C. Apr 01	Urban R.C. Apr 01		Urban Residential	Rural Residential	Urban Commercial	Rural Commercial	Urban Municipal	Urban Streetlight	Rural Streetlight	Total
			Customer Count	5,055	4,209	901	307	86	23	33	\$10,614
			Metered Energy (kWh)	46,723,686	57,147,955	43,768,804	9,129,137	4,906,857			\$161,676,439
Mar 08, 2019 Application	2.94%	1.50%	Revenue (\$)	\$5,395,089	\$6,180,912	\$5,171,512	\$1,091,687	\$283,674	\$76,785	\$31,342	\$18,231,001
Supp Info.	0.00%	1.50%	Revenue (\$)	\$5,395,089	\$6,055,439	\$5,171,512	\$1,069,526	\$283,674	\$76,785	\$30,705	\$18,082,730
BCUC IR 1 11.3.1	0.00%	0.00%	Revenue (\$)	\$5,339,520	\$6,055,439	\$5,118,245	\$1,069,526	\$280,752	\$75,995	\$30,705	\$17,970,182

\*This table contains updated information from original submitted March 8, 2019.

	Application Page 8 information (December 2018)			Appendix B updated information
	Rural	Urban	Nelson Hydro 2019	Nelson Hydro 2019
Debt Serv. Total	\$169,660	\$329,704	\$499,364	\$499,364
Op Exp. Total	\$2,293,016	\$2,803,645	\$5,096,661	\$5,074,202
Power Purchase Total	\$5,032,846	\$1,667,154	\$6,700,000	\$6,698,722
Transfers				
Transfer - Dividend Pymt.		\$2,837,000	\$2,837,000	\$2,836,000
Transfer - Major Capital Reserve		\$3,000,000	\$3,000,000	\$2,877,100
Transfer - Water License Reserve		\$658,000	\$658,000	\$658,266
Contribution to Community Complex		\$90,000	\$90,000	\$90,000
Transfers total	\$0	\$6,585,000	\$6,585,000	\$6,461,366
Expense total	\$7,495,522	\$11,385,503	\$18,881,025	\$18,733,654
Revenue - Other total	-\$159,909	-\$340,091	-\$500,000	-\$502,653
Revenue - Rates Fcst. (pre rate change)	-\$7,171,071	-\$11,075,929	-\$18,247,000	-\$17,970,182
Revenue total	-\$7,330,980	-\$11,416,020	-\$18,747,000	-\$18,472,835
2018 Dividend Adjustment	-\$19,220		-\$19,220	-\$19,220
Grand Total Shortfall (Surplus)	\$145,322	-\$30,517	\$114,805	\$241,598
Revenue from Rates Rqd.	-\$7,316,393	-\$11,045,412	-\$18,361,805	-\$18,211,780
Revenue from Rates Change Rqd.	2.03%	-0.28%	0.63%	1.34%
Rate Change Rqd. (Apr 01)	2.94%	-0.40%	0.91%	1.95%

## Notes:

- The table is prepared based on information used for table on Page 8 of the application that was developed in December 2018 [consistent with the data that was used for rate setting with City of Nelson Council].
- The rate calculation for Urban service area was -0.40%, however, the City Council agreed and decided to implement a rate smoothing option by approving the 2019 rate change 1.5% so potential future rate increases are smoothed.

- 1.1 Please provide the detailed calculations that support the last line of the table provided in response to BCUC IR 11.3.1, along with all the inputs (such as, each of the rate components, customer count, metered energy, forecast load, demand charge calculations, etc.) used to arrive at the revenue total for each rate class. Please provide sufficient detail and the remaining data required (such as forecast demand volumes for each rate group and data required for the street lighting category), in a live excel spreadsheet with formulas intact showing the calculations to derive the total revenue of \$17,970,182. Please explain any assumptions in detail.
  - 1.1.1 If any of the totals in the response to IR 1.1 above are different than that provided in the table in the IR 11.3.1 Attachment, please provide an updated version of the IR 11.4 Attachment table and explain in detail why the totals do not equal those in the original IR 11.4 Attachment.
- 1.2 Please provide the detailed calculations that support the Power Purchase Total of \$6,698,772 as shown in the last column of the IR 11.4 Attachment. Please provide the detailed inputs and calculations which support the total of \$6,698,772. Please explain any assumptions in detail.
  - 1.2.1 If the total in the response to IR 1.2 above is different than \$6,698,772, please provide an updated version of the IR 11.4 Attachment and explain in detail why the total does not equal \$6,698,772.
  - 1.2.2 Please demonstrate that the same forecast load that is used in calculating the revenue of \$17,970,182 is also used in calculating the Power Purchase Total of \$6,698,772 and show how the forecast load is used in the Power Purchase calculation. If not confirmed, please explain why.