



October 3, 2019



**VIA E-FILING**

Patrick Wruck  
Commission Secretary  
BC Utilities Commission  
6th Floor 900 Howe Street  
Vancouver, BC V6Z 2N3

Reply to: Leigha Worth  
[ED@bcpiac.org](mailto:ED@bcpiac.org)  
Ph: 604-687-3034  
Our File: 7500.620

Dear Mr. Wruck,

**Re: British Columbia Hydro and Power Authority Application to Amend Net Metering Service under Rate Schedule 1289 ~ Project No. 1599004  
BCOAPO Information Request No. 2**

We represent the BC Old Age Pensioners' Organization, Active Support Against Poverty, Council of Senior Citizens' Organizations of BC, Disability Alliance BC, Tenant Resource and Advisory Centre, and Together Against Poverty Society, known collectively in regulatory processes as "BCOAPO et al." ("BCOAPO").

Enclosed please find the BCOAPO's Information Request No. 2 with respect to the above-noted matter.

If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,  
**BC PUBLIC INTEREST ADVOCACY CENTRE**

*Original on file signed by:*

Leigha Worth  
Executive Director | General Counsel

Encl.

REQUESTOR NAME: **BCOAPO**  
INFORMATION REQUEST ROUND NO: **#2**  
TO: **BRITISH COLUMBIA HYDRO & POWER AUTHORITY**  
DATE: **OCTOBER 3, 2019**  
PROJECT NO: **1599004**  
APPLICATION NAME: **APPLICATION TO AMEND NET METERING SERVICE UNDER RS 1289**

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**13.0 Reference:** **Exhibit B-5, CEC 1.18.2**  
**Exhibit B-3, BCUC 1.3.3**

- 13.1 Please revise the table provided in the response to CEC 1.18.2 to include the number of net metering customers associated with the system upgrades paid for by BC Hydro in each year.
- 13.2 How many of the customers that were connected in F2016 and F2017 (per CEC 1.18.2) and for which BC Hydro has incurred system upgrade costs are also customers from whom BC Hydro purchased surplus energy in F2019 (per BCUC 1.3.3)?
- 13.3 Would the net metering customers who were connected in F2019 be eligible for surplus energy payments in F2019?
  - 13.3.1 If yes, how many of the customers connected in F2019 (per CEC 1.18.2) and for which BC Hydro has incurred system upgrade costs are also customers from whom BC Hydro purchased surplus energy in F2019 (per BCUC 1.3.3)

**14.0 Reference:** **Exhibit B-3, BCUC 1.7.1**

- 14.1 Would the requirement “to generate electricity to serve all or part of their Electricity requirements on the Customer’s Premises” be (re)assessed if a net metering customer applied to have their service/service connection modified?
  - 14.1.1 If not, why not?

**15.0 Reference:** **Exhibit B-3, BCUC 1.7.3**

- 15.1 For any BC Hydro’s DSM program that requires an application from the customer, does BC Hydro assess whether the customer has behind-the-meter generation and whether the implementation of the DSM measure would result in generation exceeding the customer’s load?
  - 15.1.1 If not, why not?

**16.0 Reference:** **Exhibit B-5, BCSEA 1.15.3.2**  
**Exhibit B-5, CEC 1.10.3**

- 16.1 If “generally, the capacity factors in the tariff underestimate the actual Annual Energy Output of a customer’s Generating Facility”, why hasn’t BC Hydro undertaken to update/refine the capacity factors used to establish the Annual Energy Output?
- 16.2 Alternatively, if the capacity factors are known to underestimate the Annual Energy Output, why is it necessary to also use 110% (as opposed to 100% - per CEC 1.10.3) in determining the allowed size of the generation?

**17.0 Reference:** **Exhibit B-3, BCUC 1.8.2**

- 17.1 If cost is the concern and/or gaming is the concern, why not allow customers to periodically (e.g., once every 3 years) reset their anniversary date and charge a cost-based fee?

**18.0 Reference:** **Exhibit B-3, BCUC 1.5.1 and BCCSC 1.6.13**

**Preamble:** The response states: “participating customers still require energy from BC Hydro on demand but typically have lower load factors compared to non-participants”.

- 18.1 Please provide any evidence BC Hydro has that participating customers typically have lower load factors than non-participants.
- 18.2 In the context of this statement, how is load factor determined? Is the customer’ load factor based on the customer’s maximum peak demand, is it the customer’s load factor when demand (i.e., the denominator in the determination of load factor) is based on the customer’s demand at the time of BC Hydro’s peak demand or some other measure of “load factor”?
- 18.3 Based on the response to BCCSC 1.6.13, please confirm that the statement is correct if customers’ load factors are based on demand coincident with BC Hydro’s peak demand?
  - 18.3.1 If not, please explain why.
- 18.4 Based on the response to BCCSC 1.16.3, please confirm that the statement is correct if the customers’ load factors are based on demand coincident with the peak demand for the customer’s rate class? Note: In the response, please address each of the rate classes where there are customers on RS 1289.
  - 18.4.1 If not, please explain why.

**19.0 Reference: Exhibit B-3, BCUC 1.12.2 and BCUC 1.12.4**

**Preamble:** BCUC 1.12.2 requested the daily average Mid-C market price during light load hours and heavy load hours as well as the daily average, for each day, in the previous year. The response was provided on a confidential basis. However, the overall average values for each month were provided in the response to BCUC 1.12.4.

- 19.1 Is BC Hydro able to provide the data in a more disaggregated form than BCUC 1.12.4 on a non-confidential basis? If so, please do so in response to this IR.
- 19.2 In particular, can BC Hydro provide the data for 2018 regarding the monthly average Mid-C Market price during light load hours and heavy load hours for each month of the year? If yes, please do so. If not, please explain specifically why this information cannot be provided in the context of this public hearing.

**20.0 Reference: Exhibit B-3, BCUC 1.12.3**

- 20.1 Please provide a schedule that sets out the monthly values for surplus energy (i.e., out flow) from solar PV broken down as between light load and heavy load hours.
- 20.2 Please provide a schedule that set out the monthly values for surplus energy (i.e., outflow) from hydro-electric broken down as between light load and heavy load hours.

**21.0 Reference: Exhibit B-3, BCUC 1.10.2 and BCUC 1.12.3**

**Preamble:** The response to BCUC 1.10.2 states: “BC Hydro has not determined the degree to which aggregate generation from customers in the Program can be relied upon over the long-term and, to date, has not considered the potential energy contribution from customers in the Program to be sufficiently large to include in our long-term planning”.

- 21.1 Has BC Hydro looked at the consistency of net metering customers' delivery of surplus energy to the system (i.e., is the delivery of surplus energy to the system consistent, on a year to year basis, in terms of when it occurs during the year and, in particular, the consistency in terms of the amounts (% of total) delivered in during BC Hydro's peak periods for i) solar PV and ii) hydro-electric facilities?)

- 21.1.1 If yes, what were the results?

**22.0 Reference: Exhibit B-3, BCUC 1.12.4**

- 22.1 Please revise the schedule provided in the response so as to differentiate (for each month) between surplus energy deliveries in the light load and heavy load hours.

- 22.2 What would be the average 2018 value for solar PV energy if the monthly solar PV energy from customers in the Program in light load and heavy load hours were valued at the average monthly Mid-C price in the light load hours and heavy load hours (respectively) in 2018?
- 22.3 What would be the average 2018 value for hydro-electric energy if the monthly hydro-electric energy from customers in the Program in light load and heavy load hours were valued at the average monthly Mid-C price in the light load hours and heavy load hours (respectively) in 2018?

**23.0 Reference: Exhibit B-3, BCUC 1.12.7**

- 23.1 Please confirm that while less frequent updates (through the use of a “threshold”) could increase year to year rate stability, it would also likely result in larger changes in the energy price paid to net metering customers in those years when a change is required.
  - 23.1.1 If not confirmed, please explain why.

**24.0 Reference: Exhibit B-3, BCUC 1.14.2 and 1.14.2.1**

- 24.1 Please provide a schedule that breaks down the 2018 Surplus Energy Outflows by Rate Class (e.g. Residential, Small General Service, etc.) for all rate classes with RS 1289 customers for 2018.
- 24.2 On the same schedule set out the amount of output energy delivered in the winter evening hours considered to align with BC Hydro’s system peak.

**25.0 Reference: Exhibit B-5, BCOAPO 1.2.1 & 1.2.2**

- 25.1 Please clarify whether the 1851 participants identified in Table 3 of the Application represent participants i) whose project is connected to BC Hydro’s grid or ii) with accepted applications.

**26.0 Reference: Exhibit B-3, BCUC 1.12.3-Attachment 1 and BCOAPO 1.7.1**

- 26.1 Please confirm that summing the daily values provided in BCUC 1.12.3 for each month of 2018 reconciles with the monthly values provided in the response to BCOAPO 1.7.1.
  - 26.1.1 If not confirmed, please explain why.

**27.0 Reference: Exhibit B-5, BCOAPO 1.7.2**

- 27.1 The original question was not requesting a breakdown of monthly surplus energy payments as the response implies. Rather, the question was seeking a breakdown of 2018 monthly surplus energy (per BCOAPO 1.7.1) by generation size using the ranges in Table 5. With that clarification now on the record, we ask that you please provide a response to the original question.

**28.0 Reference: Exhibit B-5, BCSEA 1.7.1 and BCSEA 1.8.1**

- 28.1 What are the provisions in the SOP Purchase Agreements as to the term of the agreements?
- 28.2 What are the specific terms in the SOP Purchase Agreements regarding the termination of the agreements?
- 28.3 What are the specific terms in the SOP Purchase Agreements regarding the purchase price to be paid by BC Hydro?

**29.0 Reference: Exhibit B-5, BCSEA 1.14.10**

- 29.1 How many of the 1,851 participants (per Application, Tables 2 & 3) are located in NIAs?
- 29.2 What portion of the \$324,358 in surplus energy payments in 2018 was to participants in NIAs?

**30.0 Reference: Exhibit B-5, BCOAPO 1.9.1.2**

- 30.1 How many of the current Net Metering participants with generation of 50 KW or less utilize a synchronous generator or take service at a Primary Voltage?
  - 30.1.1 Were there “associated incremental costs” associated with connecting the generation of any of these customers such that they were required to pay for these costs? If yes, how many of these customers were required to make such payments?
- 30.2 How many of the 16 customer with generation greater than 50 kW (per Application, Table 3) were required to make pay for the incremental costs associated with connecting their generation?

**31.0 Reference: Exhibit B-3, BCUC 1.15.6 and 1.15.6.1**

- 31.1 Does BC Hydro agree that the electricity prices it charges (per its approved Tariffs) influence the capital investment decisions made by all of its customers?
  - 31.1.1 If not, why not?
- 31.2 In previous applications by BC Hydro to change the rate design for particular customer classes, has consideration of customers’ past capital investment decisions been factor in justifying the need for a “transition period”?
  - 31.2.1 If yes, please provide examples.
  - 31.2.2 If yes, in the examples provided, did such considerations lead to i) a delay in the transition for existing customers (as proposed for Net Metering participants) or ii) a phase-in of the change in the rates over a transition period?

**32.0 Reference:** **Exhibit B-5, BCCSC 1.6.5**

**Preamble:** The response states: “No portion of the Transmission system Return on Equity is specifically associated with electricity imports because electricity imports are of energy and the Transmission System Return on Equity is based on capacity”.

- 32.1 Please confirm that BC Hydro’s OATT and, in particular its Point to Point Transmission Rates, are derived from its Transmission Revenue Requirement which includes an allowance for return on equity.

32.1.1 If not confirmed, please explain why?

- 32.2 Are electricity imports subject to BC Hydro’s Point to Point (either Short-Term or Long-Term) Transmission Rates?

32.2.1 If no, why not?

32.2.2 If yes, who pays the tariff?

**33.0 Reference:** **Exhibit B-5, BCCSC 1.6.25**

**Preamble:** The response states: “BC Hydro is proposing that the transitional Energy Price apply to all customers with accepted applications as of April 20, 2018. This would include customers who expanded their Generating Facility after April 20, 2018, provided that the expansion met the eligibility requirements of the Program”.

- 33.1 Please confirm that a customer who is already receiving service under RS 1289 but plans to expand its generating capacity must file a “new” Net Metering Application in order to receive service under RS 1289 for the expanded generation capability.

33.1.1 If not confirmed, please explain why, given the definition in the Appendix B of a “Net Metering Application”.

- 33.2 With regard to the response to BCCSC 1.6.25, please clarify whether an existing RS 1289 customer (as of April 20, 2018) who subsequently plans to expand their generation capacity and submits a Net Metering Application in that regard after April 20 2018 will be eligible for the transitional Energy Price.

33.2.1 If the answer is yes, does this eligibility apply to any subsequent Application received over the five year transition period?

33.2.2 If the answer is yes, please explain why this is appropriate.