

October 30, 2019

VIA E-FILING

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



BCPIAC
Public Interest Advocacy Centre

Reply to: Leigha Worth
ED@bcpiac.org
Ph: 604-687-3034
Our File: 7500.120

Dear Mr. Wruck,

**Re: British Columbia Hydro and Power Authority F2020 to F2021 Revenue Requirements Application ~ Project No. 1598990
BCOAPO Information Requests No. 4**

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 Requests on 20-Year Load Forecast and Cost of Energy (COE) Evidentiary Update 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: **4**
TO: **BRITISH COLUMBIA HYDRO & POWER
AUTHORITY**
DATE: **October 30, 2019**
PROJECT NO: **1598990**
APPLICATION NAME: **BC Hydro Fiscal 2020 to Fiscal 2021
Revenue Requirements Application**

20-YEAR LOAD FORECAST

176.0 Reference: **Exhibit B-15, page 1
Exhibit B-19, page 3 and Appendix A, Schedule 4**

Preamble: The referenced page from Exhibit B-15 states:
“BC Hydro’s Fiscal 2020 to Fiscal 2021 Revenue Requirements Application (Application) provided an October 2018 Load Forecast, covering fiscal 2019 to fiscal 2024. The calculation of the Test Period revenue requirements, as updated by the Evidentiary Update, uses actual financial results for April 2019 and May 2019 and the October 2018 Load Forecast for the remainder of fiscal 2020 and all of fiscal 2021”.

The referenced page from Exhibit B-19 states:
“The Evidentiary Update replaces BC Hydro’s forecasts in the Application for April and May 2019 with the actual financial results for those months. This includes an update to domestic sales revenue. Domestic sales revenue for the remainder of fiscal 2020 and all of fiscal 2021 remains based on the October 2018 Load Forecast”.

176.1 For each of the following please clarify for which months in the period fiscal 2019 to fiscal 2021 the forecast for load and/or revenue was based on actuals:

- October 2018 Load Forecast and the Initial Application (Exhibit B-1-2)
- The Evidentiary Update (Exhibit B-11)
- The June 2019 Load Forecast (Exhibit B-15)

176.2 With respect to Exhibit B-19, Appendix A, Schedule 4, is the reduction in Total Domestic Sales in F2020 from 53,567 GWh to 53,296 GWh entirely due to the Update including actual values for April and May 2019? If not, please explain what else is contributing to the change.

177.0 Reference **Exhibit B-15, page 2, Figure 1 and page 11**

177.1 Please provide the numerical values for the plot lines (excluding the uncertainty range) shown in Figure 1 for the years F2017 to F2024.

178.0 Reference: Exhibit B-15, page 4, Table 1

178.1 Please provide the GDP forecast for F2018 through F2023 per:

- The BC Ministry of Finance September 2018 Q1 Report for fiscal 2019 to fiscal 2023, and
- The BC Ministry of Finance February 2019 Budget for fiscal 2019 to fiscal 2023.

179.0 Reference: Exhibit B-15, page 4 and page 10

179.1 Please provide a schedule that compares the net bill increases for the years F2020 through F2021 as used in: i) the initial Application; ii) June 2019 Load Forecast and iii) the Evidentiary Update. Please also explain the source(s) for each.

180.0 Reference: Exhibit B-15, Appendix B, pages 4-6

180.1 What percentage of the Total Integrated (mid) June 2019 System Peak Forecast after Demand-Side Management (DSM) savings is attributable to the EV Peak for each year F2020 through F2024?

EVIDENTIARY UPDATE – COST OF ENERGY

181.0 Reference: Exhibit B-19, Appendix C, page 2 and Appendix A, Schedule 4 Exhibit B-17, BCOAPO 3.163.1

181.1 The Update forecasts a reduction in hydraulic generation for F2021 relative to the initial Application. Is this at all due to the lower hydro generation now forecast for F2020 (relative to the initial Application)?

181.2 If yes, please discuss BC Hydro's year over year storage capability and the extent to which the dry conditions in F2019 and F2020 impact F2020 year-end storage and, therefore, impact the level of hydro generation in F2021.

182.0 Reference: Exhibit B-19, Appendix C, page 3 and Appendix A, Schedule 4 Exhibit B-17, BCOAPO 3.165.1 and BCOAPO 3.166.1

Preamble: The response to BCOAPO 3.166.1 notes that:
"The Evidentiary Update uses forward market prices as of June 2019, while the Application used forward market prices as of October 2018. The June 2019 forward market prices have increased by 23 per cent for fiscal 2020 and 26 per cent for fiscal 2021 relative to the October 2018 forward market prices".

182.1 The Updated forecast includes a 56% increase in the unit cost of market purchases for F2020 and a 17% increase in F2021. Please explain why the F2020 increase in unit costs is materially higher than the increase in forward market prices for F2020 while the increase in unit cost for F2021 is materially less than the increase in forward market prices for the same period.

182.2 Please explain the decrease in the "unit cost" for Surplus Sales (i.e., from \$40.3/MWh per the Plan to \$5.0/MWh per the Update) in F2020.