



**Fred James**

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January 17, 2020

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. 1598990  
British Columbia Utilities Commission (BCUC or Commission)  
British Columbia Hydro and Power Authority (BC Hydro)  
Fiscal 2020 to Fiscal 2021 Revenue Requirements Application**

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BC Hydro writes to provide a public version of Appendix B of its Rebuttal Evidence and to provide revised responses to four previously submitted information requests.

Appendix B of BC Hydro's Rebuttal Evidence contained a report from S&P Global Market Intelligence. The report includes a table showing a large sample of utilities and whether those utilities have full or partial decoupling mechanisms (i.e., a mechanism that enables utilities to offset the effect on revenues of fluctuations in sales caused by customer participation in energy efficiency programs, deviations from "normal" temperature patterns, or economic conditions.). Approximately half of the utilities included in the report utilize some type of decoupling mechanism.

BC Hydro filed this report in confidence with the BCUC only because it was obtained through a paid subscription service. Subsequent to this filing, S&P Global Market Intelligence advised BC Hydro that it was possible to share this report publicly.

In addition, while responding to Information Request No. 2 from the BCUC Panel and preparing for the Oral Hearing, BC Hydro identified minor errors in four previous responses to information requests.

Accordingly, BC Hydro writes to provide its revised Rebuttal Evidence and revised responses to information requests as follows:

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Exhibit B-5-2	Revision to Round 1 BCUC IR 1.164.1
Exhibit B-6 -2	Revision to Round 1 BCOAPO 1.16.2
Exhibit B-12-2	Revision to Round 2 BCUC IR 2.267.1
Exhibit B-23-4	Revision to Round 4 CEABC IR 4.58.4
Exhibit B-28-2	Revision to Rebuttal Evidence

For further information, please contact Chris Sandve at 604-974-4641 or by email at [bchydroregulatorygroup@bchydro.com](mailto:bchydroregulatorygroup@bchydro.com).

Yours sincerely,



(for) Fred James  
Chief Regulatory Officer

cs/rh

Enclosure

<b>British Columbia Utilities Commission</b> Information Request No. <b>1.164.1</b> Dated: <b>April 23, 2019</b> British Columbia Hydro & Power Authority <b>REVISED</b> Response issued <b>January 17, 2020</b>	Page 1 of 1
British Columbia Hydro & Power Authority <b>Fiscal 2020 to Fiscal 2021 Revenue Requirements Application</b>	<b>Exhibit:  B-5-2</b>

**164.0 Q. CHAPTER 9 – TRANSMISSION REVENUE REQUIREMENT**

**Reference: TRANSMISSION REVENUE REQUIREMENT  
Exhibit B-1, pp. 9-2, 9-17–9-20, 9-24; Appendix A,  
Schedule 3.4  
PTP Allocation to Distribution**

Page 9-2 of the Application states that “Both Generation Related Transmission Assets (GRTA) and Substation Distribution Assets (SDA) must be excluded from the Gross Transmission Assets to arrive at OATT related Assets.”

Pages 9-17 to 9-20 of the Application provides a description of all internal allocations from gross transmission, as reflected per lines 8 to 11 of Schedule 3.4 in Appendix A to the Application.

Page 9-24 states that “PTP service is the reservation and transmission of capacity and energy, on a firm or non-firm basis, from point A to point B, on the transmission system.”

Line 12 of Schedule 3.4 in Appendix A to the Application shows an internal “PTP allocation to Distribution” of \$34.8M and \$32.2M that reduces the Transmission Revenue Requirement (TRR) in each of F2020 and F2021, respectively. Line 25 of Schedule 3.4 then adds back this allocation to derive the total TRR of \$1,048.3M and \$1,047.6M in each of F2020 and F2021, respectively.

1.164.1 Please discuss what “PTP Allocation to Distribution” represents.

**ORIGINAL RESPONSE:**

**The Point-To-Point Allocation to Distribution on Appendix A, schedule 3.4, line 12 represents the cost to use Point-To-Point transmission service to serve domestic load customers. It is a cost borne by BC Hydro domestic load customers and is recovered through BC Hydro’s bundled sales rates.**

**REVISED RESPONSE:**

**The Point-To-Point Allocation to Distribution on Appendix A, schedule 3.4, line 12 represents the cost to use Point-To-Point transmission service to ~~serve domestic load customers~~ re-export the Canadian Entitlement plus associated scheduling and dispatch fees. It is a cost borne by BC Hydro domestic load customers and is recovered through BC Hydro’s bundled sales rates.**