

C10-24

Clean Energy Association of B.C. Information Request No. 2.41.1 Dated: December 16, 2016 British Columbia Hydro & Power Authority Response issued January 23, 2017	Page 1 of 1
British Columbia Hydro & Power Authority Fiscal 2017 – Fiscal 2019 Revenue Requirements Application	Exhibit: B-15

41.0 Reference: **Exhibit B-10, response to CEBC IR 1.20.2, Bridge River System**

2.41.1 Other than the estimated mitigation cost of individual assets of the Bridge River System, has BC Hydro developed a conceptual level cost estimate for reinvestment in the Bridge River System? If so, please provide it. If not, why not?

RESPONSE:

An overall conceptual level cost estimate has not been developed for the Bridge River System, which includes Bridge River 1, Bridge River 2 and Terzaghi Dam.

There are numerous investments proposed for the Bridge River System over the next 15 years. They are at various stages in the project lifecycle. Conceptual level cost estimates are only available at the end of the Identification Phase. Prior to that point, a planning allowance is used to enable long term capital planning. Given that conceptual level estimates do not exist for all of the investments, it is not possible at this time to provide an overall conceptual level estimate for the Bridge River System.

It is important to recognize that this does not mean that a system perspective has not been considered. As part of the planning process, linked assets are considered as part of an integrated system, which is reflected in the discrete investments captured in the facility asset plan. (For the Bridge River Facility Asset Plan, please refer to Attachment 1 of BC Hydro's response to BCUC IR 1.88.6.) This approach provides more granular visibility into the portfolio of discrete investments, enabling more flexibility in the planning process, while considering a system perspective. The approach also means that adding the cost forecasts of the individual investments identified in the Bridge River Facility Asset Plan would represent a planning allowance for the Bridge River System as a whole.