

REQUESTOR NAME: **BC Sustainable Energy Association**

INFORMATION REQUEST ROUND NO: 1

TO: **Catalyst Paper**

DATE: **July 15, 2020**

PROJECT NO: **n/a**

APPLICATION NAME: **Catalyst Paper Request to Reduce RS1893 Baselines**

1.0 Topic: Impact of COVID-19 pandemic on Catalyst's load
Reference: Exhibit B-1

In its May 21, 2020 letter to the Commission, Catalyst states:

“COVID-19 has had a dramatic impact on the global demand for the paper grades Catalyst Paper produces at its sites at Crofton, Port Alberni and Powell River. This has resulted in extensive production curtailments at these sites and an accompanying reduction in load as evidenced by the reduced purchases from BC Hydro in the April 2020 period.”

- 1.1 Is Catalyst able to estimate the duration of the extensive production curtailments at its paper making sites due to the impact on the global demand for the paper grades Catalyst Paper produces?

2.0 Topic: Proposed adjustments to RS 1893 baselines and demand
Reference: Exhibit B-1

In its May 21, 2020 letter to the Commission, Catalyst states:

“We are requesting RS1893 baseline adjustments at Crofton and Port Alberni for the June to August 2020 billing periods. Access to incremental energy at the RS1893 rate *may* allow us to secure additional orders to support increased operating hours and employment. The adjustments are summarized in the table below and reflect the change in load in April 2020 relative to the adjusted load for the 12 months ending February 1, 2020.”
[footnotes omitted]

The table referred to is redacted.

- 2.1 Please clarify the requested “RS1893 baseline adjustments at Crofton and Port Alberni for the June to August 2020 billing periods.”
- 2.2 What is the basis for the adjustments? Are they based on an estimate by Catalyst of what the load would be in the three months in the absence of Catalyst having access to RS 1893 at the requested baselines and demand? Are they based on an amount of RS 1893 power that Catalyst considers would be necessary for it to secure additional orders?
- 2.3 The adjustments are defined in terms of the June to August 2020 billing periods. Does that mean the RS 1893 power at the two sites would be available only for the June to August 2020 billing periods? Or would the adjustments have a continuing effect?
- 2.4 Please explain why Powell River is not one of the sites for which Catalyst requested RS 1893 baseline reductions?

3.0 Topic: Recent experience and longer-term changes
Reference: Exhibit B-1

In its May 21, 2020 letter to the Commission, Catalyst states:

“We believe that an interim request will provide enough time to realize market opportunities and limit any *potential* negative impact to other rate payers while we collect data to evaluate the net impact of the reduced baselines to inform any longer-term changes.” [underline added]

- 3.1 Should this say ‘short-term’ rather than “interim”?
- 3.2 Can Catalyst provide an update on whether the possible market opportunities have been realized? Please comment on whether the requested adjustments (with interim approval) have been a factor in obtaining the market opportunities or not.
- 3.3 Please describe the purpose of the data Catalyst will collect to evaluate the net impact of the reduced baselines. Is this the net impact on other rate payers? The net impact on Catalyst’s consumption at the two sites? What does “net impact” mean – i.e., net of what?
- 3.4 What does Catalyst mean by “any longer-term changes”? Is Catalyst considering adjustments to its RS 1893 baselines and demand that would apply in time periods beyond June to August 2020?

4.0 Topic: TS 74
Reference: Exhibit B-1

In its May 21, 2020 letter to the Commission, Catalyst states:

“We recognize that RS1893 contemplates baseline adjustments under the principles set out in detail in TS74 and the proposed adjustments are calculated on that basis.”

- 4.1 Please explain how the proposed baseline adjustments for RS 1893 are based on principles set out in detail in TS74.
- 4.2 How do Catalyst’s RS 1893 baselines and demand interact with its customer baselines and demand under RS 1823?

5.0 Topic: Incremental Energy Rate Pilot (RS 1893)
Reference: Exhibit B-1

- 5.1 Please describe Catalyst’s use of the Freshet Rate Pilot (RS 1892) and the Incremental Energy Rate Pilot (RS 1893). Prior to the market impact of the COVID-19 pandemic had Catalyst intended to use RS 1892 or RS 1893?
- 5.2 Can Catalyst confirm that it is a member of the Association of Major Power Customers that is an intervener in the Commission’s proceeding

regarding BC Hydro's Transmission Service Market Reference-Priced Rates Application (TSMPR)?

- 5.3 What are Catalyst's views on whether its application to reduce its RS 1893 baselines and demand for June to August 2020 would have the effect of adding 'load retention' to the 'load attraction' rationale for BC Hydro's Incremental Energy Rate Pilot (RS 1893)? Does Catalyst have a view on what proceeding should this be addressed in?