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January 21, 2021

BY ELECTRONIC FILING

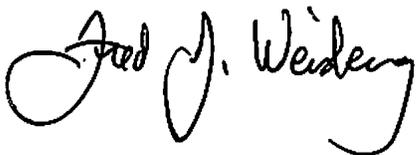
British Columbia Utilities Commission  
6th floor, 900 Howe Street  
Vancouver, BC V6Z 2N3  
Attention: Marija Tresoglavic  
Acting Commission Secretary

Dear Ms. Tresoglavic:

**Re: British Columbia Hydro and Power Authority (BC Hydro)  
2020 Street Lighting Rate Application  
Project No. 1599147  
British Columbia Agriculture Council (BCAC) and British Columbia  
Cattlemen's Association (BCCA)  
Information Request No. 1 to BC Hydro**

We are writing on behalf of our clients British Columbia Agriculture Council (BCAC) and British Columbia Cattlemen's Association (BCCA) to file Information Request No. 1 to BC Hydro.

Yours truly,



Fred J. Weisberg  
Weisberg Law Corporation  
British Columbia Agriculture Council (BCAC) and British Columbia Cattlemen's  
Association (BCCA)

REQUESTOR NAME: **British Columbia Agriculture Council (BCAC) and British Columbia Cattlemen's Association (BCCA)**

INFORMATION REQUEST ROUND NO: 1

TO: BRITISH COLUMBIA HYDRO & POWER AUTHORITY

DATE: **January 21, 2021**

PROJECT NO: **1599147**

APPLICATION NAME: **2020 Street Lighting Rate Application**

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**1.0 Reference: Exhibit B-1, p.1 (pdf p. 7)**

**Topic: Rate Schedule 1701 – Overhead Street Lighting**

“BC Hydro is preparing to completely replace all existing street lights used to serve customers under RS 1701 with street lights using LED technology as part of its Street Light Replacement Program (Replacement Program).”

“Changes to RS 1701 to allow BC Hydro to charge for street lighting service provided using LED street lighting are required for BC Hydro to implement the Replacement Program as currently RS 1701 does not include rates applicable to LED lights.”

- 1.1 Would the equipment, labour and technique to replace all existing street lights used to serve RS 1755 customers with street lights using LED technology be any different than what will be required for replacing all existing street lights used to serve customers under RS 1701? If any material differences are expected, please fully explain the nature and/or amount of such differences and provide the calculations or assumptions for any estimates.
- 1.2 Would the total cost of replacing an existing street light used to serve RS 1755 customers with a street light using LED technology be any different than what will be required for replacing an existing street light used to serve customers under RS 1701? If any material differences in such costs are expected, please fully explain the nature and/or amount of such cost differences and provide the calculations or assumptions for any estimates.
- 1.3 Does RS 1755 currently include rates applicable to LED lights?
- 1.4 Would the changes to RS 1755 necessary to include rates applicable to LED lights be any different than such changes in respect of RS 1701? Please explain.

**2.0 Reference: Exhibit B-1, p.2 (pdf p. 8)**

**Topic: Rate Schedule 1755 – Private Outdoor Lighting (Closed)**

“Unlike RS 1701, the lights under RS 1755 are generally not affixed to a BC Hydro power distribution pole. Under RS 1755, BC Hydro provides lighting service on private property. This rate schedule and service was introduced in the 1960s and has been closed to new premises since 1975. No changes have been allowed to

service under RS 1755 since that time and there are few customers still on the rate schedule. Because of the PCB Regulation, a major capital investment would be required to continue to offer the service given that these lights would need to be replaced. Given this, BC Hydro seeks the BCUC's consent to rescind RS 1755, with removal of lights starting in 2022 and service terminated effective December 31, 2025. To support RS 1755 Customers BC Hydro proposes to waive Service Connection Charges for those who request a new service using a new light."

- 2.1 The quoted reference that "lights under RS 1755 are **generally** not affixed to a BC Hydro power distribution pole" (emphasis added) suggests there are exceptions. What is the total number of RS 1755 lights and how many of those are attached to a BC Hydro power distribution pole? If none, please explain why the word "generally" was used in the referenced statement.
- 2.2 Does BC Hydro provide RS 1701 service on private property in some cases? What is the total number of street lights under RS 1701 that are located on private property? Please fully explain the circumstances that give rise to providing RS 1701 service to street lights located on private property, if any.
- 2.3 On what date in the 1960's was RS 1755 and related service introduced? Please provide copies of the BC Hydro Application for approval of the service or if no Application was made provide copies of all documents related to the introduction of RS 1755 and related service. Please provide copies of BCUC Decisions and Orders approving RS 1755 and related service, or if not approved by the BCUC, provide all documents that explain what approval process was followed.
- 2.4 On what date in the 1975 was RS1755 and related service closed to new premises? Please provide copies of the BC Hydro Application for approval to close the service to new premises or if no Application was made provide copies of all documents related to the proposed closure of RS 1755 service to new premises. Please provide copies of BCUC Decisions and Orders approving closure of RS 1755 service to new premises, or if not approved by the BCUC, provide all documents that explain what approval process was followed.
- 2.5 BC Hydro's statement that "there are few customers still on the rate schedule" suggests that there has been significant attrition of RS 1755 customers since 1975. Please prepare a table and graph showing the number of RS 1755 customers in each year beginning with the introduction of RS 1755 service and continuing through to December 31, 2020. Please include the annual attrition rate (expressed as a percentage of total customers for the previous year) for each year in the period.
- 2.6 By what metric or comparator did BC Hydro determine that "there are **few** customers still on the rate" [RS 1755]? Please fully explain.
- 2.7 Please precisely quantify the "major capital investment" that would be required to continue to offer RS 1755 service if existing lights were replaced with LED lights. With the same precision please quantify the "major capital investment" that would be required to continue to offer RS 1701 service if existing lights were all replaced with LED lights.

- 2.8 Please breakdown the capital investment estimate requested above to show separately the total cost of
- 2.8.1 removing existing lights that provide RS 1755 service; and
  - 2.8.2 installing new LED lights to provide RS 1755 service.
- 2.9 Please provide copies of all documents or communications by which BC Hydro has notified its RS 1755 customers of its intention to rescind RS 1755 service and remove existing Private Outdoor Lighting equipment.
- 2.10 If the BCUC permits BC Hydro to rescind RS 1755, with removal of lights starting in 2022 and service terminated effective December 31, 2025, should RS 1755 customers expect that the street lights that serve them could be removed at any time between January 1 2022 and December 31 2025? Please fully explain.
- 2.11 Why would the removal of all RS 1755 existing lights, with no proposed replacement with LED lights, for only the “few customers still on the rate” require a four-year period to complete?
- 2.12 Would RS 1755 customers have any option or choice in the timing of the removal of existing RS 1755 lights? If so, please fully describe the options or choices available to RS 1755 customers. If not, please explain why no options or choices would be offered to RS 1755 customers.
- 2.13 Please describe and explain the criteria that BC Hydro would apply to determine the timing, sequence and duration of removal of existing RS 1755 lights. Please also describe how and when removal notifications and necessary updates would be provided to RS 1755 customers.
- 2.14 Please provide copies of all documents or communications related to BC Hydro’s efforts, if any, to determine how the removal of long existing RS 1755 lighting at any time over the four-year period 2022 through 2025 might adversely affect RS 1755 customers’ operations and financial and logistical planning.
- 2.15 Please provide specific examples of the nature and amount of Service Connection Charges that would apply, absent the proposed waiver, if an existing RS 1755 customer requested “a new service using a new light”. Please provide examples assuming the full range of different new services or various types or sizes of new lights that BC Hydro contemplates maybe requested affected customers.

**3.0 Reference: Exhibit B-1, p.2 (pdf p. 8)**

**Topic: Electric Tariff Amendments for Back-Billing of Unmetered Services**

- 3.1 What is the total number of customers, across rate schedules including RS 1702, who own their lighting equipment? Please breakdown the total number of customers in each applicable rate schedule.

- 3.2 How many customers in each rate schedule identified in 3.1 above does BC Hydro believe are failing to notify BC Hydro of any changes to the equipment or estimated consumption that could impact their bill?
- 3.3 For each applicable rate schedule of customers who own their lighting equipment, what is the total of BC Hydro's estimated underbilling as a result of unreported changes? Please provide information and assumptions supporting those estimates.

**4.0 Reference: Exhibit B-1, p.5 (pdf p. 11)**

**Topic: Legal Context**

- 4.1 Please confirm that BC Hydro's Replacement Program does not include RS 1755 lighting because it proposes only to remove existing lighting, not to replace it. If not confirmed, please fully explain why RS 1755 removals would be included in the Replacement Program.
- 4.2 Please confirm that BC Hydro's authorized cost estimate for the Replacement Program of \$83.3 million, inclusive of all contingencies and reserves, includes zero cost related to RS 1755 service or equipment. If not, please fully explain.
- 4.3 If BC Hydro's plans for RS 1755 service included replacement of existing lighting with LED lighting, by how much would the total authorized cost estimate for the Replacement Program of \$83.3 million, inclusive of all contingencies and reserves, have to increase?

**5.0 Reference: Exhibit B-1, p.6 (pdf p. 12)**

**Topic: Proposed Regulatory Review Process and Communications**

"BC Hydro's proposed RS 1701 includes a number of changes, however only one of these changes will have an immediate and material impact on customer bills; this is the proposed new supplemental charge. In response to customer feedback, BC Hydro proposes that the supplemental charge does not take effect until May 1, 2021. This timing allows for examination of BC Hydro's proposal and better aligns with the typical budgeting timelines and processes of RS 1701 customers."

- 5.1 BC Hydro states that its proposal is made in response to RS 1701 customer feedback and expressly notes that it took steps to "better align[s] with the typical budgeting timelines and processes of RS 1701 customers. Please provide copies of all documents or communications by which BC Hydro sought feedback from RS 1701 customers to its proposed changes to RS 1701 or information regarding their typical budgeting timelines and processes.
- 5.2 In the same section of the Application BC Hydro makes no reference to any feedback from RS 1755 customers or acknowledgement of the "typical budgeting timelines and processes" of RS 1755 customers. Please provide copies of all documents or communications by which BC Hydro sought feedback from RS 1755 customers to its proposed termination of RS 1755

service or information regarding their typical budgeting timelines and processes?

**6.0 Reference: Exhibit B-1, p.9 (pdf p. 15)**

**Topic: Amended RS 1755 and its Rescindment**

“Amendment to RS 1755 to specify the termination date of December 31, 2025, and to specify migration of service to RS 1701 customers, if applicable, and removal of BC Hydro equipment.”

- 6.1 Is BC Hydro’s referenced request for amendment of RS 1755 intended to require RS 1755 customers to migrate their outdoor lighting service exclusively to RS 1701 with no other option? If yes, what is the justification for specifying only one alternative service? If no, please restate the requested amendment.
- 6.2 Please fully describe and explain the specific equipment that BC Hydro proposes to remove from existing RS 1755 customers’ premises. Include discussion of distribution lines, poles, support wires or braces, transformers, lighting appliances or fixtures and any other BC Hydro equipment that may be related to or affected by the proposed termination of RS 1755 service.
- 6.3 For RS 1755 customers currently served by lights mounted on distribution poles owned by BC Hydro, is it BC Hydro’s intention to remove only the lighting fixture and leave the pole and any other equipment owned by BC Hydro for use by the customer? If not, please explain the rationale for removing such poles.
- 6.4 Please explain and describe to what extent BC Hydro removing less equipment (e.g., only the lighting fixture) from RS 1755 customers will result in a lower overall cost of removals? Please explain.
- 6.5 As the rationale for removal of RS 1755 lighting is alleged to be BC Hydro’s need to remove or replace all equipment, including street lights, that contain Poly-Chlorinated Biphenyls by December 31, 2025 pursuant to the Federal PCB Regulation does BC Hydro acknowledge there is no pressing need to remove an equipment located on RS 1755 customers’ premises other than the lighting fixture itself?

**7.0 Reference: Exhibit B-1, p.11 (pdf p. 17)**

**Topic: BC Hydro Street Light Services**

- 7.1 Please provide a revised version of Table 2 Summary of BC Hydro Street Lighting Services that includes an additional column showing the number of street lights belonging to each Rate Schedule and accurately showing the number of street lights (the text accompanying Table 2 provides only a vague indication of “over 350,000 street lights”).
- 7.2 BC Hydro’s authorized cost estimate for the Replacement Program is \$83.3 million, inclusive of all contingencies and reserves, and necessarily excluding RS 1755 equipment that it proposes not to replace. Please show

the calculations to divide the \$83.3 million by the number of street lights under the Replacement Program. Provide the resulting replacement cost per street light.

**8.0 Reference: Exhibit B-1, p.12 (pdf p. 18)**

**Topic: Background and Need for RS 1701 Changes**

- 8.1 Please describe the circumstances (e.g., lighting technology, wattage, number of street lights, etc.) that resulted in a monthly RS 1701 customer bill of only \$20 in fiscal 2020.
- 8.2 Please explain why “BC Hydro does not expect a substantial change in the number of customers and lights served under RS 1701 over the next 20 years”.

**9.0 Reference: Exhibit B-1, p.14 (pdf p. 20)**

**Topic: Customer Feedback, Consultation and Engagement**

- 9.1 Please describe the process BC Hydro followed to identify, notify and invite affected customers to participate in its August 12 2020 virtual rate design engagement session.
- 9.2 What specific steps, if any, did BC Hydro take to ensure participation of RS 1755 customers in that engagement session.
- 9.3 How many of the 170 participants in the engagement session were RS 1755 customers or representatives? If any, please explain how they were identified as RS 1755 customers.
- 9.4 Please confirm that BC Hydro’s slide presentation on August 12, 2020 titled Rate Schedule 1701 Overhead Street Lighting LED Street Light Program & Preliminary Rates (attached to the Application as Appendix E beginning at pdf p.170) does not indicate on its face that it has anything to do with RS 1755.
- 9.5 Please confirm that BC Hydro’s August 12, 2020 slide presentation included an Agenda (found at pdf p. 175 of the Application in Appendix E) that does not mention RS 1755.
- 9.6 Please confirm that BC Hydro’s August 12, 2020 slide presentation does not mention RS 1755 until page 8 (found at pdf p. 177 of the Application in Appendix E) in a reference that provides no context or background to that rate schedule.
- 9.7 Please confirm that BC Hydro specifically requests feedback from RS 1701 customers on all of page 30 (found at pdf p. 199 of the Application in Appendix E).
- 9.8 Please confirm that BC Hydro specifically requests feedback from RS 1701 customers on all of page 30 (found at pdf p. 199 of the Application in Appendix E).

- 9.9 Please confirm that the first and only substantive discussion related to RS 1755 is on page 33 (found at pdf p. 202 of the Application in Appendix E).
- 9.10 Please confirm that the discussion related to RS 1755 on page 33 of Appendix E does not expressly request specific feedback from RS 1755 customers.
- 9.11 Please provide details of what direct contact regarding next steps BC Hydro subsequently made with RS 1755 customers as stated in bullet 7 on page 33, including:
- a. How such direct contact was made with RS 1755 customers;
  - b. What form the direct contact took (e.g. bill enclosure, email, letter, phone call, in-person interview, etc.);
  - c. How many RS 1755 customers were directly contacted;
  - d. How BC Hydro determined which RS 1755 to directly contact;
  - e. On what dates or over what period; and
  - f. The results, outcome or feedback obtained through the promised direct contact.
- 9.12 Do the “5,000 RS 1755 lights in service” stated on page 33 of Appendix E (found at pdf p. 202 of the Application) reflect the existence of 5,000 RS 1755 customers? If not, what is the total number of RS 1755 customers as of December 31, 2020?
- 9.13 BC Hydro states on page 33 of Appendix E “There is an existing competitive market of contractors who supply outdoor lighting for private property, no need for a BC Hydro regulated service”. On what date did BC Hydro first become aware of the existence of a “competitive market of contractors who supply outdoor lighting for private property”? What circumstances or events led BC Hydro to the discovery of such a competitive market?
- 9.14 Why did BC Hydro not make the BCUC and its own customers aware that there was no need for a BC Hydro regulated service [RS 1755] immediately or soon after discovering the existence of a “competitive market of contractors who supply outdoor lighting for private property”?
- 9.15 Please confirm that in the Closing Remarks Rate Application Milestones section on page 36 of the slide presentation (found at pdf p. 205 of the Application in Appendix E) there is specific mention of “March 2021 Requested BCUC approval of final RS 1701 rate” but no mention of requested BCUC approval to rescind RS 1755 or remove related lighting equipment.

**10.0 Reference: Exhibit B-1, p.16 (pdf p. 22)**

**Topic: LED Pilot Studies**

- 10.1 Please confirm that in 2016 and 2017, none of the 195 LED street lights installed by BC Hydro as part of its LED pilot were on premises of existing RS 1755 customers. If confirmed, please explain why BC Hydro did not do so.

- 10.2 Please discuss how even a small-scale LED pilot on RS 1755 premises might have informed BC Hydro regarding:
- a. Differences in ambient light levels in remote rural settings vs. urban locations;
  - b. Implications on farm operations and security due to LED luminaires having a stark light cut off between illuminated and non-illuminated areas, whereas HPS luminaires having a fading light cut off;
  - c. Crew feedback regarding ease of installation, ease of cleaning the luminaire and replacing the components, build-up of dirt/debris in the luminaire due to differences in more unpaved roads, dust-producing activities (e.g. field operations, grain dust, much more vegetation) relative to urban settings; or
  - d. Other impacts related to farm operations or rural setting.

**11.0 Reference: Exhibit B-1, p. 20 (pdf p. 26)**

**Topic: RS 1701 LED Installation Plan**

- 11.1 Please explain why the title of the referenced section of the Application refers only to RS 1701 but the discussion under that heading indicates converting approximately 370 lights under RS 1755 Group 2, as further described in section 6.3.1.
- 11.2 Please clarify whether Table 4 “LED Street Lighting Installation Plan – number of street lights replaced per quarter” (on page 22, pdf P. 28 of B-1) includes or excludes the 370 lights under RS 1755 Group 2.
- 11.3 Please provide a map clearly showing the boundaries of the five Regions identified in Table 4 with sufficient detail to enable a RS 1755 customer to determine what Region they are located within.

**12.0 Reference: Exhibit B-1, p. 40 (pdf p. 46)**

**Topic: Background and Need for Termination of RS 1755**

“RS 1755 is a grand parented private outdoor lighting service that was designed in the 1960s and closed to new premises effective January 1, 1975 when BC Hydro determined it was appropriate to exit the business of providing lighting service on private property.”

“Records indicate that BC Hydro intended to finally phase-out RS 1755 service in the late 1980s to early 1990s when it converted its RS 1701 street lights from MV to more energy efficient HPS technology. However, BC Hydro instead allowed RS 1755 lights to be left unconverted to allow attrition to continue and to gradually phase-out the service.”

- 12.1 Prior to January 11, 1975, on what basis did BC Hydro determine it was appropriate to exit the business of providing lighting service on private property? Please fully explain the rationale for that determination and provide copies of all of BC Hydro’s Applications, documents or communications regarding the proposed exit from the business of providing lighting service on private property. Please also provide copies of all BCUC

Decisions or Orders, or approval from other authorities, regarding that proposed exit.

- 12.2 In the four- and one-half decades (45 years) since BC Hydro determined to exit the business of providing lighting service on private property what, if anything, has prevented BC Hydro from seeking the necessary approvals to do so?
- 12.3 Please provide copies of all of the referenced records that indicate “BC Hydro intended to finally phase-out RS 1755 service in the late 1980s to early 1990s.”
- 12.4 Please fully explain why notwithstanding BC Hydro’s stated intention to **finally phase-out RS 1755** service in the late 1980s to early 1990s that action was never taken. Please provide copies of all documents that shed light on why BC Hydro’s intention was never acted upon.
- 12.5 Specifically, why did BC Hydro choose instead to allow RS 1755 lights to be left unconverted to allow attrition to continue and to gradually phase-out the service.
- 12.6 In the more than 30 years since BC Hydro choose to let attrition to gradually phase-out RS 1755 service, to what extent has that strategy proven effective?
- 12.7 Does BC Hydro now consider that filing an Application in November 2020 seeking to commence mandatory removal of RS 1755 lighting as soon as January 1 2022 is consistent with its previously stated decision to let attrition continue and gradually phase-out RS 1755 service? On what basis does BC Hydro consider a period of only about one year from Application to implementation to reflect a gradual phase-out?
- 12.8 Please confirm that after 45 years BC Hydro’s strategy of relying on attrition to gradually phase-out RS 1755 service has proven to be a complete failure. If not confirmed, please fully explain how the strategy could be seen as remaining viable or a success.
- 12.9 Does BC Hydro agree that the low RS 1755 attrition rate, averaging approximately two per cent per year in the past 10 years, clearly indicates that RS 1755 customers wish to continue using the service they rely upon? If not, please fully explain why the RS 1755 attrition rate remains consistently low and provide supporting evidence for that view.
- 12.10 BC Hydro states that it is required to remove or replace all equipment, including street lights, that contain PCBs by December 31, 2025 and that meeting this requirement for RS 1755 would require “substantial expenditures”. Please provide the cost estimate to remove all RS 1755 equipment that contains PCBs by December 31, 2025. Please apply the same level of precision BC Hydro used to arrive at its \$83.3 million capital cost estimate for the Replacement Program, which excludes RS 1755.
- 12.11 BC Hydro suggests that RS 1755 “lights, poles and other equipment are at or near the end of their service life”. Please confirm the basis for this determination.

- 12.12 Is the expected service life of RS 1755 lights, poles and other equipment significantly different than lights, poles and other equipment used to provide street lighting service under other rate schedules. If so, please fully explain the reasons for any differences in expected service life.
- 12.13 Please provide more detail for each line item in Table 11 Initial Investment Required to Continue RS 1755 Service on page 43 (pdf p. 49) of the Application. For example, does Pole Testing and Replacement reflect the total cost of testing and replacing all 5,000 RS 1755 poles. How many will be tested? How many will be replaced? If all poles are assumed to be replaced what is the purpose of testing? If a pole is tested and found not to require immediate replacement what is likely range of expected remaining service life? How much does that change the initial investment amount? Please provide at least as much additional detail to clarify the two other line items in Table 11. Provide all assumptions that inform the cost estimates and provide the supporting calculations.
- 12.14 BC Hydro states “There is no commitment from customers to continue to take this service on an on-going basis, and certainly not for the full life of the assets to be installed, which is up to 50 years in the case of new poles.” Does BC Hydro not consider the past forty-five years of continuous service, with what itself describes as low customer attrition, as ample evidence that RS 1755 customers wish to and are likely to continue using the service? If not, please explain.
- 12.15 Please reconcile BC Hydro’s view that “As annual total revenue from RS 1755 service is approximately \$1.3 million per year it is clear that it would not be sustainable to recover these costs from RS 1755 customers, and nor does BC Hydro believe that it be appropriate for all BC Hydro ratepayers to cover these costs” with BC Hydro’s assertion that the service life of new poles is up to 50 years. Would the estimated \$3.6 million cost of Pole Testing and Replacement not be sustainably recoverable from RS 1755 customers over the expected 50-year service life? If not, please fully explain.
- 12.16 Does BC Hydro have a commitment from Street Lighting customers under rate schedules other than RS 1755 that they will continue to take their service on an on-going basis or for the full life of the assets to be installed? If so, please provide copies of documents evidencing such commitments. If not, please explain why BC Hydro only considers such a customer commitment to be necessary for RS 1755 customers but not for customers under other rate schedules.