REQUESTOR NAME: **City of North Vancouver**
INFORMATION REQUEST ROUND NO:
TO: BRITISH COLUMBIA HYDRO & POWER AUTHORITY
DATE: **January 21, 2021**
PROJECT NO:
APPLICATION NAME: **2020 Street Lighting Rate Application**

1.0 Reference: As per Exhibit C7-1, the City of North Vancouver provided comments to BCUC asking participation in the regulatory proceeding regarding the application package submitted by BC Hydro to BCUC on Nov 12, 2020, related to update of the current BC Hydro Overhead Street Lighting rate (Rate Schedule 1701) to better reflect costs of the upcoming BC Hydro street lighting replacement project, and to address related amendments. Related BCUC File number is 64478.

1.1 BC Hydro is proposing to charge customers the undepreciated value of an LED luminaire plus removal costs if a customer request removal of an installed LED luminaire. When the replaced luminaire is relatively new (e.g. 2 years old, with a life of 20) that luminaire can and should be recycled for use elsewhere. Therefore BC Hydro should reuse the luminaire at another location and not charge for the undepreciated value, so only the luminaire removal cost should be charged. Other option would be maintaining existing HPS luminaire that are relatively new, so they would be replaced with new LED luminaires once they reach the end of life. See page 8 of application.

1.2 The proposed back-billing of unmetered services is inequitable in terms of how under-billed and over-billed amounts (beyond six months) are treated. In cases where a customer makes a mistake not in favor of Hydro (under-billed), Hydro proposes to recoup all costs plus interest without limitations. On the other hand if a customer makes a mistake in favor of Hydro (over-billed), Hydro will only reimburse up to six months prior to notification and without interest. The back-billing for under-billed and over-billed amounts should be treated equally. We acknowledge the need to immediately notify BC Hydro of any changes in load, or load characteristics, or hours of use, but there may still be instances of unintentional errors. See page 9/10 of application, and Appendix D (Section 5.7 – page 13/69)

1.3 The application claims that when an LED light fails, it requires the entire luminaire to be replaced (page 19). This is not accurate. Parts can be replaced depending upon the problem. The City of North Vancouver has converted all our streetlights on major roads to LED and we have cost effectively repaired streetlights by replacing parts only. Our new LED fixtures are the same LRL NXT Type, identical to the LED Type that BC Hydro is planning to install. The full replacement assumption made by Hydro suggests that their estimated operating cost for LED maintenance in Appendix G Table G-6 may be high and should be reviewed further.

1.4 BC Hydro proposes to use their budgeted maintenance in their last five years to calculate the savings from converting their street lights to LED

(Appendix G, Section 1.1). We do not support this approach. Instead, historical actual maintenance expenditures should be used to better reflect reality. It should be noted that BC Hydro's maintenance budget has been consistently and significantly below the actual need for the last five years. This actual need appears to be ignored in their budgeting process, but should not be ignored as an actual savings. In contrast, BC Hydro's assessment of direct and indirect costs are very thorough and includes contingency, inflation and overhead.

1.5 Costs for Supporting Technology is included in the program cost for the proposed LED conversions (Appendix G, Section 1.3). It is acknowledged that this is likely a needed expenditure, but we question if it should be attributed solely to the LED installations. We suspect that BC Hydro's existing processes and systems used to coordinate customer requests and field work is in need of an upgrade regardless of the LED conversions. Therefore a further review should be made to determine if the cost of this technology upgrade should be allocated to the LED conversion program; fully, partially, or at all.

Above comments are submitted by Kliment Kuzmanovski, Section Manager – Traffic Engineering, on behalf of the City of North Vancouver. I would like to request information what will be done to address above comments.