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July 6, 2016

Resolution Electric Ltd.  
600 Welke Road  
Kelowna, B.C.  
V1W 1A7

Attention: Mr. John Cawley, AScT

Dear Mr. Cawley:

**Re: FortisBC Inc. (FBC)**

**Project No. 3698875**

**Application for the Net Metering Program Tariff Update (the Application)**

**Response to Resolution Electric Ltd. (Resolution) Information Request (IR) No. 1**

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On April 15, 2016, FBC filed the Application referenced above. In accordance with British Columbia Utilities Commission (BCUC or the Commission) Order G-94-16 setting out the Amended Regulatory Timetable for the review of the Application, FBC respectfully submits the attached response to Resolution IR No. 1.

FBC notes that as part of its IR1, Resolution has included information, to which Resolution has referred purportedly to support an assertion which is not relevant to the Commission's decision on the Application. This is outside the scope of an information request and should not be considered by the Commission.

If further information is required, please contact Corey Sinclair, Manager, Regulatory Services at 250-469-8038.

Sincerely,

**FORTISBC INC.**

***Original signed:***

Diane Roy

Attachments

cc: Commission Secretary  
Registered Parties

FortisBC Inc. (FBC or the Company) Net Metering (NM) Program Tariff Update Application (the Application)	Submission Date: July 6, 2016
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1 **IR#1**

2 **Reference Exhibit B-1 Net Metering Program Update Application**

3 **Section Executive Summary, page 1 Lines 10-11**

4 *“the treatment of consumption and generation is clear, consistent and does not impact*  
5 *negatively on non-participants”*

6 Please explain how crediting for net excess generation at the block 1 rate would / could  
7 negatively impact non-participants? How would FortisBC improve on the present  
8 consistent approach of providing a credit equal to the value of the cost per kWh at the  
9 block 1 rate as suggested as the preferable option of the two interpretations of the  
10 present agreement?  
11

12 **Response:**

13 The referenced statement is not specific to the treatment of net excess generation (NEG)  
14 however, the Company has not proposed to alter the current practice of valuing NEG within a  
15 billing period, which would still either attract the Tier 1 or Tier 2 rate if a kWh Bank is not  
16 implemented, and would be credited at either the Tier 1 or Tier 2 rate in a future billing period if  
17 the kWh Bank is approved.

18 For unused NEG remaining in the proposed kWh Bank at the end of the billing year a valuation  
19 at the Tier 1 rate as compared to the rate proposed in the Application would have a negative  
20 impact to the rates of all customers, including Program participants and non-participants as the  
21 higher dollar value would be reflected in rates in the subsequent year.

22 The second portion of the question is unclear. The present approach does not provide a credit  
23 equal to the value of the cost per kWh at the block 1 rate, nor is this suggested as the preferable  
24 option of the two interpretations of the current tariff language.

25 To be clear, the current billing methodology treats net-consumption and net-generation  
26 separately with respect to the application of the threshold above which the Tier 2 rate will apply.  
27 After the calculation of charge and credits is done for each register, the customer is billed for the  
28 net dollar amount (or credited if net-generation exceeds net-consumption).

29 In the Company’s preferred methodology, the net-consumption and net-generation would first  
30 be netted on a kWh basis prior to the threshold being applied.

31

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1 **IR#2**

2 **Reference Exhibit B-1 Net Metering Program Update Application**

3 **Section - Clarification of Program Intent, page 5 Lines 2-3**

4 *“the program was designed with the intent that a customer’s generation should be sized*  
5 *to meet no more than its electricity consumption”*

6 Does FortisBC recognize that a customer’s demand may increase or decrease due to  
7 number of occupants in the home and power consumption habits, new home owners  
8 etc? Would FortisBC also recognize that a solar PV system could be oversized based on  
9 a new home-owner not using electrical energy based on the previous home-owner’s  
10 energy consumption, example decommission a hot tub, using a washing line to dry  
11 clothes etc.

12  
13 What are the views of FortisBC, for customers wishing to reduce their electrical  
14 consumption by adopting energy saving measures (incentives detailed on your website)  
15 post distributed generation install so as to gain more generation?

16  
17 And how would compensation for a customer’s NEG at the RS 3808 Tranche 1 Rate  
18 incentivize customers to make energy saving measures? Please provide clarification on  
19 FortisBC philosophy when developing energy saving measures for customers and their  
20 financial drivers.

21  
22 The above two paragraphs provide examples on how power consumption could change  
23 by occupant or by future energy conservation measures implemented after a DG  
24 systems is installed, therefore this should be reflected in the definition section of the  
25 Schedule 95 – Net Metering (sheet 44) Do FortisBC recognize the need to identify this  
26 situation of historical power use in Schedule 95?

27  
28 **Response:**

29 FBC is aware the consumption at a premise may change over time as a result of either changes  
30 in the connected load or occupancy which may also change the net-generation to net-  
31 consumption balance. Given the relative size of generation and load of most net metering  
32 customers it would take a drastic change to cause a NM participant to have appreciable unused  
33 annual NEG. FBC does not see how the adoption of energy saving measures would cause a  
34 customer to gain more generation.

35 The intent of the NM Program is to provide customers the opportunity to offset personal  
36 consumption by supporting the installation of behind-the-meter generation while providing a  
37 readily available source of supplemental power, and not to enable sales to FBC. It is not the  
38 intent of the provision that provides for compensation for unused annual NEG, regardless of the

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1 rate, to incentivize customers to make energy saving measures. However, the Company  
2 understands that some amount of unused annual NEG will occur within the Net Metering  
3 Program. Approving the use of BC Hydro 3808 Tranche 1 rate for compensation for annual  
4 NEG will mitigate the potential for adverse impacts on FBC customers not taking part in the Net  
5 Metering Program.

6  
7

8

9 **IR#3**

10 **Reference Exhibit B-1 Net Metering Program Update Application**

11 **Section Changes to the Treatment of NEG, page 9 Lines 33-Page 10 Line 1**

12 *"FBC does not believe that other customers (non-participants in the program) should*  
13 *support the Company purchasing power on their behalf at rates far above what is*  
14 *available from other sources".*

15 Have FortisBC surveyed customers to see if this hypothesis holds true? What  
16 percentage of the Natural Gas customer base subscribes to the Renewable Natural Gas  
17 program?

18

19 If a customer generates electricity into the grid and obtains a credit for NEG at the Block  
20 1 rate currently at \$0.9845 per kWh and that same kWh is then instantly consumed by  
21 that customer's neighbor and perhaps that customer's neighbor is in excess of block 1 and  
22 incurs charges at block 2 (with negligible system losses) Please explain how this carries  
23 a financial penalty to the customer? Please clarify the statement on line 33.

24

25 Resolution Electric Ltd recognizes Distributed Generation as a financial benefit to  
26 FortisBC due to the system losses are kept to a negligible amount. Given that Solar PV is  
27 generated (typically) at the point of consumption and that excess generation would  
28 naturally flow in to the local neighborhood network (LV network in most cases), please  
29 explain why the elimination of transmission losses (10~15%) normally associated with  
30 transportation from bulk supply points to the end user are calculated / factored in as a  
31 benefit (or not) to the customer and to FortisBC?

32

33 **Response:**

34 The excerpt in the reference is not a hypothesis that requires validation. It is a belief or position  
35 of the Company that the costs of service should not be unnecessarily increased for the benefit  
36 of a subset of customers and paid for by all ratepayers.

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1 Customer rates are not set such that individual customers can be singled out for either their  
2 location, characteristics or proximity to other customers. Rather, rates are set on an aggregate  
3 basis taking into consideration total consumption and power-purchase expenses that are  
4 allocated to the various customer classes on a ratio that is determined during a periodic cost of  
5 service and rate design review.

6 Similarly, while it is possible that the presence of distributed generation may have a beneficial  
7 localized impact on system losses, the level of losses impacts rates only as an aggregate input  
8 into the rate design exercise. Therefore, there can be no consideration given to this for  
9 individual customers or a subset of a customer class. A reduction in losses would be  
10 recognized for all customers connected to the distribution system when system wide distribution  
11 losses were confirmed through a study and reflected in a cost of service process.

12

13

14

15 **IR#4**

16 **Reference Exhibit B-1 Net Metering Program Update Application**

17 **Section Changes to the Treatment of NEG, page 10 Lines 3-6**

18 *“Small, clean and renewable electricity generation is a relatively new technology that has*  
19 *a long payback period for customers”.*

20 How does FortisBC qualify the statement that renewable energy generation is relatively  
21 new, relative to what? The first nuclear CanDU reactor entered service in 1962, the first  
22 solar powered satellites entered space in the late 1950. Please comment on why it is  
23 deemed to be “relatively new technology”.

24

25 What are FortisBC basing their payback values on? Please indicate assumed \$/Watt  
26 value for this statement. Line 5 on the same page continues to state that

27

28 *“it is not likely that net metering installations intended to offset on-premise consumption*  
29 *are installed for purely economic purposes”*

30

31 It is the experience of Resolution Electric Ltd. that this is contrary to our customer’s  
32 financial decision making.

33

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1 **Response:**

2 The referenced statement refers to the widespread implementation of tariff structures that allow  
3 for the interconnected operation of small-scale customer generation. There has been an  
4 increasing participation in these programs in recent years.

5 In the original 2009 Net Metering Application process, FBC responded to a series of BCUC  
6 information requests as follows,

**Q13.1 Please provide the number of years for the payback to reach breakeven if  
the assumed cost is \$10,000 per kW? Please make explicit the  
assumptions used.**

A13.1 Using the data provided in response to BCUC IR No. 1 Q3.2.1 and assuming  
that an average single Customer-Generator used the entire output of the net-  
metered solar system to offset consumption, \$183 would be available annually  
(2.8kW capacity x .10 capacity factor x 8,760 hours x \$0.07463 / kWh). Based  
on a cost of \$10,000 per kW such a system would cost \$28,000 and the  
payback period would be 153 years.

**Q13.2 Please provide the number of years for the payback to reach breakeven if  
the assumed cost is \$20,000 to \$30,000 per kW?**

A13.2 Using the assumptions from BCUC IR No. 1 Q13.1, the payback for a \$20,000  
and \$30,000 cost per kW would be 306 and 459 years respectively.

7

8

9 Although the Company recognizes that the cost to install solar systems has declined since  
10 2009, the statement that installations are not made for purely economic reasons (i.e. – that  
11 economics are the sole factor considered) remains a supportable premise.

12

13

14

15 **IR#5**

16 **Reference Exhibit B-1 Net Metering Program Update Application**

17 **Section - Changes to the Treatment of NEG, page 10 Lines 8-9**

18 *“effectively having non-participating customers provide a subsidy through the payment at*  
19 *retail rates for NEG on an annual basis”*

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1 Please clarify why existing customers would be providing a subsidy.

2

3 **Response:**

4 Please refer to the response to Resolution IR 1.3.

5

6

7

8 **IR#6**

9 **Reference Exhibit B-1 Net Metering Program Update Application**

10 **Section Changes to the Treatment of NEG, page 10 Lines 10-16**

11 Identifies the intent of the program is to size generation to only meet the customers  
12 appropriate load. It is Resolution Electric Ltd experience that it is difficult to completely  
13 remove a home's electrical grid consumption due to the limited roof space and aspect of  
14 homes, we typically try to shave off the Block 2 rate ( which was the intent of the RCR).

15 Please provide the type of mounting system details for the customer systems identified  
16 by FortisBC of having large annual NEG.

17

18 **Response:**

19 Customer systems with the greatest amounts of unused annual NEG are those with small  
20 hydro-electric installations.

21

22

23

24 **IR#7**

25 **Reference Exhibit B-1 Net Metering Program Update Application**

26 **Section – Proposed Program Changes, page 10 Lines 27-29**

27 If FortisBC purchase a customer's NEG at the BC Hydro RS 3808 Tranche 1 rate,  
28 FortisBC could see an increasing their profitability from NEG which is supplied in a  
29 distributed generation (DG) situation, by removing system costs associated with the  
30 transportation of that energy from the bulk supply point via the transmission and  
31 distribution system.

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1 Please identify the added costs per kWh factored into the retail rate for a consumer.

2

3 **Response:**

4 Please refer to the response to Resolution IR 1.3 for a discussion of utility rate setting. The rate  
5 at which FBC compensates NM customers for unused annual NEG has no impact on the  
6 profitability of the Company as the annual revenue requirement is approved by the Commission  
7 and variations in power purchase costs and revenues flow through 100% to all customers.

8

9

10

11 **IR#8**

12 **Reference Exhibit B-1 Net Metering Program Update Application**

13 **Section – Proposed Program Changes, page 10 Lines 32-page 11 Line 1**

14 Paragraph indicates that FortisBC should not have to purchase power in excess of the  
15 costs associated with other independent power producers that currently deliver power  
16 into the FortisBC system.

17 What percentage of FortisBC power is from a sustainable / clean energy sector? Taking  
18 into account the interconnected Western Power Pool with the United States (some coal  
19 fired stations), and the Alberta grid (again some coal fired stations).

20

21 What is FortisBC long term environmental objectives for sourcing sustainable energy  
22 supply?

23

24 **Response:**

25 For 2015, the overall percentage of power from sustainable/clean sources was between 92%  
26 and 100%.

27 Power from FBC-owned generation and the Brilliant plants contributed to 77% of the total  
28 generation and is from sustainable/clean generation. FBC purchased a further 15% from BC  
29 Hydro and IPP's, which is also assumed to be 100% sustainable/clean. The remaining 8% was  
30 purchased from the market. FBC is not able to calculate how much of this supply is from  
31 sustainable/clean generation, but it is likely that a significant amount is.

32 FBC has developed its long term resource planning objectives as part of its 2016 Long Term  
33 Electric Resource Plan (LTERP) to be filed by November 30, 2016. These objectives include  
34 the following:



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- 1       • Ensure cost-effective, secure and reliable power for customers;
- 2       • Provide cost-effective energy efficiency and conservation (EEC) initiatives, and
- 3       • Ensure consistency with provincial energy objectives (for example, the applicable *Clean*
- 4       *Energy Act (CEA)* objectives).

5

6 The last objective includes being consistent with BC energy policies and the applicable *CEA*

7 objectives. The *CEA* objectives include generating at least 93% of the energy in BC from clean

8 and renewable resources, using and fostering the development of innovative technologies that

9 support energy conservation and efficiency and the use of clean or renewable resources,

10 reducing BC GHG emissions and reducing waste by encouraging the use of waste heat, biogas

11 and biomass.

12

13

14

15 **IR#9**

16 **Reference Exhibit B-1 Net Metering Program Update Application**

17 **Section – Proposed Program Changes, page 11 Lines 6-16**

18       In regard to larger systems. Ground mounted solutions could offer larger systems to

19       accommodate larger demands and provide NEG; however the cost associated with

20       payback is now calculated at a much lower rate of Block 1. It appears RCR mechanisms

21       that are currently in place are performing as designed.

22       To what extent does FortisBC perceive the future problem of NEG to be?

23

24       Line 6 refers to an annual reconciling of the account balance for NEG. In the FortisBC

25       example (Appendix A) on how account kWh bank is calculated a figure of 300kWh is

26       surplus to the account at the year end and is credited to the customer as a financial

27       payment / credit.

28

29       Would FortisBC consider this a low kWh value?

30

31       (Page 12 – Line 12-15) Would a more appropriate system of allowing a carry-over of

32       perhaps fifteen percent or less of annual consumption to act as a float for future demand

33       / lower generation output?

34

35       Should this not be agreeable between both FortisBC and the customer? Please

36       comment.

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1

2 **Response:**

3 With respect to the first portion of the question, it is unclear what aspect of NEG is being  
4 referred to. FBC notes that NEG that occurs within a billing period is currently credited at either  
5 the Tier 1 or Tier 2 rate depending on the relative level of net-consumption and net-generation,  
6 and under the preferred billing interpretation would continue to attract these retail rates.

7 FBC supports NM customers by providing the opportunity to offset personal consumption through  
8 the installation of behind-the-meter generation and supports the installation with a readily  
9 available source of utility-supplied supplemental power. The persistent accumulation of unused  
10 annual NEG is not consistent with the intent of the NM program as it was articulated during the  
11 original approval process, and runs counter to the basic principle that FBC should seek to  
12 minimize costs to customers by providing reliable service at the lowest reasonable cost. There is  
13 no particular reason that the rates paid to NM customers for incidental annual NEG should be in  
14 excess of other readily available resources.

15 I regard to the 300 kWh level of NEG used in the referenced example, FBC notes that whether or  
16 not a kWh Bank balance is considered high or low depends entirely on the relative level of  
17 annual consumption on the account. Given that the hypothetical customer would have a  
18 reasonable prospect of using the kWh in the bank over the subsequent billing periods the  
19 company does not view it as high. The Company would work with the customer to determine  
20 whether a kWh Bank balance will continue to be carried forward if the prospect of using the  
21 balance to offset consumption in subsequent billing periods is good. The Company considers  
22 that the potential negative impact to other customers that may result from the transfer of costs  
23 from Program participants to non-participants will be mitigated should the Commission approve  
24 the proposed BC Hydro 3808 rate as the referent for purchasing unused annual NEG.

25

26

27

28 **IR#10**

29 **Reference Exhibit B-1 Net Metering Program Update Application**

30 **Section – Proposed Program Changes, page 11 Lines 14-16**

31 With respect to existing FortisBC electrical system, how would FortisBC quantify the  
32 impact of wide adoption of solar PV in terms of reliability? and dependability?

33 Note -Solar PV technology is extremely reliable, solar PV modules with no moving parts  
34 (unlike other generation sources) could potentially generate electrical power for 30+  
35 years (solar modules carry a 10 year defect warranty and a 25 year production output).

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1 Solar inverters are extremely reliable, again with no moving parts and using tried and  
2 tested electronics. See Solar Edge Inverter RCM study attached in Appendix 1.

3 Solar electric generation may not be entirely dependable, when the sun moves behind a  
4 cloud and the output diminished, however it can provide substantial generation when the  
5 sun is at its strongest, this could be a big factor in mitigating Air Conditioning loads  
6 caused by Air Source Heat pumps and alike, so there is a strong argument for a  
7 relationship between solar PV and HVAC systems.

8 Please comment on what research FortisBC has conducted to identify the potential Solar  
9 PV may have as source for generation to offset seasonal loading etc.

10

11 **Response:**

12 To date, the Company has not conducted any research on the impact that solar PV may have  
13 on the FBC load profile.

14

15

16

17 **IR#11**

18 Reference to the FortisBC website, Natural Gas section you invite customers to sign up  
19 for renewable natural gas to support renewable energy in BC. Have FortisBC ever  
20 considered building the same platform to support renewable electrical energy?

21

22 Please explain the reasons / challenges for not supporting solar PV in the same way.

23

24 Please comment on using a renewable energy support incentives (like the gas) for a  
25 customer with a NEG credit system, similar to those “go green” incentives offered in the  
26 Natural Gas sector.

27

28 **Response:**

29 The Renewable Natural Gas (RNG) offering available to customers of FortisBC Energy Inc.  
30 allows customers to elect to fulfil their natural gas requirements with a prescribed amount of  
31 locally-sourced biomethane by paying a premium on conventional gas rates. The RNG program  
32 provides support for the continued availability of RNG to FEI customers.

33 FBC has provided the opportunity for customers in all rate classes to pay a premium on their  
34 electric rates through its Green Power rates since the late 1990's. FBC amalgamated its  
35 collection of Green Power rates into a single Green Power rate rider (RS85) as part of its rate  
36 design in 2009. The functioning of the tariff remained unchanged. Customers have the option

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1 of either paying 1.5 cents per kWh or a flat dollar amount on each bill in addition to the  
2 conventional rate which provides funds that FBC would accumulate in order to purchase power  
3 from a certified green resource.

4

5

6

7 **IR#12**

8 **Reference to the FortisBC website**

9 FortisBC have historically supported the promotion of Air Source Heat Pumps  
10 throughout their network, these devices are proven at reducing **electric heating** costs  
11 for customers with electric heating systems; however the Co-efficiency of Performance  
12 (COP) of heat pumps significantly drops as the winter temperatures drop. Air Source  
13 Heat Pumps typically offer ever diminishing returns for COP during the coldest winter  
14 months when the need for heat is greatest. FortisBC must also recognized the negative  
15 impact (to the electrical supply system) of Air Source Heat Pumps by giving customers  
16 access to Air Conditioning in the summer months, this air conditioning load imposes  
17 electrical loading and heating of electrical apparatus, which could lead to a reduction in  
18 lifespan or derating of power transformers etc. Image taken from the FortisBC website  
19 states

20 *“Upgrade your electric furnace or baseboard heaters to an energy- efficient air source*  
21 *heat pump and you could save on your heating bills, plus keep your home comfortable*  
22 *year round”*



**For a limited time, take advantage of a low 1.9 per cent interest rate. Offer ends November 30, 2016.**

Upgrade your electric furnace or baseboard heaters to an energy-efficient air source heat pump and you could save on your heating bills, plus keep your home comfortable year round.

With the air source heat pump loan, you can receive financial assistance for the cost of your upgrade. The payback period is spread over 10 years so the monthly payment is kept low and predictable. Plus, you can pay it back while saving on your heating costs.

1  
2 Have FortisBC ever considered supporting solar PV customer installations by offering  
3 the same financial loan terms?  
4

5 Do FortisBC recognize the significant benefit to providing solar PV on customer's roofs  
6 to offset electrical consumption?  
7

8 Noted benefits to applying a cover over the roof is the solar PV modules shade the roof  
9 which also helps to reduce the air conditioning demand on a home by transferring the  
10 solar energy into electrical energy which would have normally resulted in increased  
11 thermal energy to the customer's attic space.  
12

13 **Response:**

14 FBC supports NM customers by providing the opportunity to offset personal consumption  
15 through the installation of behind-the-meter generation with a readily available source of  
16 supplemental power.

17 FBC's 2013 CPR Update found that a 3kW residential solar PV was not cost-effective, failing  
18 the TRC Benefit/Cost test by a large margin, and hence could not be supported through FBC's  
19 DSM program offers including a loan option.

20 The Company does recognize that solar PV systems may provide additional benefits such as  
21 those cited, to individual customers.

22  
23

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1

2 **IR#13**

3 The move towards a kWh bank rather than a Dollar credit bank calculated in a billing  
4 cycle is favorable and should remove the present restriction for the customer to claim the  
5 GST portion for NEG dollar credits.

6 At present customers are charged GST on the kWh consumption, however due to the  
7 fact that residential customers don't typically have a GST account they are unable to  
8 recoup the GST for generation credits, this is an additional cost to the customer under  
9 the old system.

10 Please comment on how the new (proposed) kWh bank would operate over the old  
11 (present) system with respect to GST applied to the billing cycle charges?

12  
13 Have FortisBC considered asking for GST account number information to allow  
14 commercial and other customers who may have GST accounts recover costs associated  
15 with GST on the NEG dollar credits?

16  
17 How many customers would this GST account information effect and would FortisBC  
18 back calculate any credit applicable?

19

20 **Response:**

21 Currently, customers are charged GST on the kWh consumption, but are not credited the GST  
22 portion on the generated kWh. FBC proposes to net the consumed and the generated kWh, and  
23 apply GST to the result. The Company would treat all Net Metering customers the same way,  
24 including those with a GST number.

25

26

27

28 **IR#14**

29 **Reference Exhibit B-1 Net Metering Program Update Application**

30 **Section – Request for Approval, page 15 Lines 1-16 & Reference to FortisBC Net Metering**  
31 **Interconnection Guidelines**

32 Resolution Electric Ltd has identified elements of the FortisBC Net Metering  
33 Interconnection Guidelines which require attention.

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1 2.1.5 states *“The design and installation of the customer’s facility must adhere to the*  
2 *latest version of sections 50 and 84 of the Canadian Electrical Code”.*

3  
4 Section 50 is now deleted and replace by section 64 – Renewable Energy Systems,  
5 suggest updating to reflect this change.  
6

7 2.1.9 FortisBC Safety Practice Regulations a) states

8  
9 *“The customer installs an accessible, load break disconnect switch, lockable in the open*  
10 *position with a visible break, near the utility meter. This switch is installed between the*  
11 *inverter AC output and the customer’s service entrance AC circuit breaker”.*

12  
13 Resolution Electric Ltd is suggesting the wording to be changed to be more in line with  
14 BC Hydro’s connection agreement which states on page 9,

15  
16 *“Point of Disconnect – Safety. All generators interconnected with the Distribution*  
17 *System require a means to disconnect them and ensure isolation in accordance with*  
18 *CEC Part 1, Section 84. Typically, BC Hydro does not specify the location of the*  
19 *customer’s means of disconnection, except as noted below for instrument transformer*  
20 *metering.”*

21  
22 The reason for this change request (underline text) is to provide security of generation  
23 for the customer. Typically the meter location is accessible to the general public and  
24 there is an increased risk these AC disconnects could be tampered with and switched off  
25 by children etc. By allowing the customer to identify a more suitable location would  
26 increase security of the generation facility. Locking devices could be installed on the AC  
27 disconnects to lock them in the closed position, however, this would require lockout  
28 boxes or common keys be held by all parties. We feel this is a less practicable and less  
29 safe solution and therefore request FortisBC to consider the wording in line with BC  
30 Hydro to allow a more suitable location to be determined by the customer. Disconnects  
31 would still remain accessible (customer contact information) to FortisBC should they  
32 choose to verify the GOI.

33  
34 **Response:**

35 The above discussion does not contain an information request to the Company, however, FBC  
36 will review the material and provide comment on any required changes to the Program technical  
37 requirements, if any, during its final submission in this process.

38  
39  
40

FortisBC Inc. (FBC or the Company) Net Metering (NM) Program Tariff Update Application (the Application)	Submission Date: July 6, 2016
Response to Resolution Electric Ltd. (Resolution) Information Request (IR) No. 1	Page 15

1 **IR#15**

2 **Reference Exhibit B-1 Net Metering Program Update Application**

3 **Section – Schedule 95 – Net Metering, sheet 45**

4 Billing Calculation item 1. States

5 "Net Metering shall be, for billing purposes, the net consumption at the FortisBC's  
6 Service meter(s).

7 The use of the plural in meter(s) requires clarification.

8  
9 Example; If residential customer had two meters, one meter on the home and one meter  
10 measuring a barn (or other structure) electrical consumption, both meters are located on  
11 the same premises. The customer then installs a solar PV system to the barn, is each  
12 metered value (import and export) reconciled per account (barn meter separate from the  
13 house meter) or would it be summated for both meters and applied as a property net  
14 meter consumption/generation kWh bank? Please clarify.

15

16 **Response:**

17 FBC addressed this issue during the original 2009 Net Metering Application process in response  
18 to an information request as repeated below.<sup>1</sup>

19 *Q10.2 Please discuss under what circumstances the two meters may be needed,*  
20 *and at what point the customer will be informed.*

21 *A10.2 The test for the allowance of two meters is contained in Point 9 of the*  
22 *Special Conditions to Rate Schedule 95 (Exhibit B-1), which states, "if FortisBC*  
23 *determines that flows of electricity in both directions cannot be reliably determined*  
24 *by a single meter, or that dual metering will be more cost-effective..."*

25 *Dual metering may be more cost effective, for example, in a situation where the*  
26 *generation source on the customer's property is located some distance from the*  
27 *service to the customer's premises and can be more cost effectively connected to*  
28 *the distribution system at an alternate location.*

29 Provided that both meters are located on the same property and are associated with the same  
30 customer and billed on the same underlying rate, the generation can be used to offset the  
31 aggregated consumption recorded at both meters.

32

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<sup>1</sup> OEIA IR 1.10.2