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July 6, 2016

**Via email:**  
[dscarlett@kaslo.org](mailto:dscarlett@kaslo.org)

**Attention:** Mr. Donald Scarlett

Dear Mr. Scarlett:

**Re: FortisBC Inc. (FBC)**  
**Project No. 3698875**  
**Application for the Net Metering Program Tariff Update (the Application)**  
**Response to Donald Scarlett (Scarlett) Information Request (IR) No. 1**

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

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           1       What percentage of FBC’s average annual electricity requirements is purchased  
2                    from sources not owned by FBC?

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4       **Response:**

5       In 2015 FBC purchased approximately 50 percent of its energy requirements with the balance  
6       being supplied by FBC-owned generation.

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10          2       Please list the suppliers of electricity, other than Net Metering (NM) customers,  
11                   from whom FBC has purchased energy since 2009. If purchases have been  
12                   made on the “spot market” please identify the point of purchase.

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14       **Response:**

15       FBC purchased energy from the Brilliant Plant, Brilliant Expansion Plant, Waneta Expansion  
16       Plant and BC Hydro as well as from various market suppliers. At this time the sole market  
17       supplier is Powerex under current agreements. The point of purchase for spot market  
18       purchases is not tracked by FBC.

19       In addition to these larger agreements, FBC has agreements with a number of suppliers under  
20       which smaller amounts of power have been purchased since 2009. This would include, Celgar,  
21       Tolko, the City of Kelowna, the City of Nelson, the Pend Oreille PUD, Goat River, and private  
22       individuals.

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26          3       Please provide the complete range of prices FBC has paid for electricity from  
27                   sources other than NM customers since 2009.

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29       **Response:**

30       The low and high prices paid by FBC are both set by the market and are typically of short  
31       duration. The Company does not have a readily available tabulation. Market prices vary widely  
32       and the high and low number since 2009 will be for only a very few hours out of a total of 61,000  
33       hours since 2009. The range of prices will be from negative prices to in excess of \$100 per  
34       MWh during a few hours in times of regional shortfalls. Negative prices occur when generators  
35       pay to have FBC take energy that the generators must generate but they can’t find sufficient  
36       load to absorb all the must run generation. This can be fairly common in certain years during  
37       the Spring Freshet when there is more than ample regional generation.

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4           4       Does FBC participate in any program allowing its electricity customers to  
5                   purchase “green” power (e.g. Bullfrog Power) at a premium?

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7       **Response:**

8       Please refer to the response to Resolution IR 1.11.

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12           5       If so, please describe the program and provide the cost customer would pay for  
13                   the “green” power.

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15       **Response:**

16       Please refer to the response to Resolution IR 1.11.

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20           6       How much electricity (GWh) did FBC sell in the most recent year of record?

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22       **Response:**

23       Please refer to the response to CEC IR 1.1.7.

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27           7       What percentage of FBC’s annual electricity sales were transmission line losses  
28                   during that year?

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30       **Response:**

31       FBC does not calculate transmission line losses on an ongoing basis. However, FBC believes  
32       transmission voltage line losses will be between 2.5% and 3%. Please refer to the response to  
33       BCUC IR 1.9.4 for further information.

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8 What was FBC’s annual expenditure for electricity demand-side management (Power Smart) programs including advertising & promotion, rebates, subsidies and free energy saving supplies in the most recent year of record?

**Response:**

FBC’s expenditures on Conservation and Energy Management (C&EM) programs, formerly known as PowerSense, were \$3,531,300.00 in 2015.

The FBC DSM Program Annual Report for 2015, and prior years, can be found here:

<https://www.fortisbc.com/About/RegulatoryAffairs/ElecUtility/ElectricBCUCsubmissions/DemandSideManagement/Pages/DSM-Reports.aspx>

9 How much electrical energy is estimated to have been saved by FBC’s Power Smart programs in the most recent year of record?

**Response:**

In 2015 FBC’s C&EM programs saved an estimated 12,608 MWh/yr.

The FBC DSM Program Annual Report, for 2015 and prior years, can be found here:

<https://www.fortisbc.com/About/RegulatoryAffairs/ElecUtility/ElectricBCUCsubmissions/DemandSideManagement/Pages/DSM-Reports.aspx>

10 What is the value of lost sales to FBC resulting from FBC’s Power Smart programs in the most recent year of record?

**Response:**

Notionally the 2015 C&EM program savings of 12,607 MWh are valued at \$1.3m based on the average customer rate paid last year.



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4           11     Have NM customers since 2009 created voltage or frequency stability problems,  
5                    safety issues, damaged FBC equipment or infrastructure or caused any other  
6                    harm to FBC?

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8     **Response:**

9     FBC is not aware of any voltage or frequency stability problems, safety issues, damaged FBC  
10    equipment or infrastructure resulting from connected NM customers since 2009.