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September 18, 2014

**Via Email**  
**Original via Mail**

B.C. Sustainable Energy Association  
c/o William J. Andrews, Barrister & Solicitor  
1958 Parkside Lane  
North Vancouver, B.C.  
V7G 1X5

Attention: Mr. William J. Andrews

Dear Mr. Andrews:

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

**Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)**

**Response to the B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1**

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On August 11, 2014, FBC filed the Application as referenced above. In accordance with Commission Order G-115-14 setting out the Regulatory Timetable for the review of the Application, FBC respectfully submits the attached response to BCSEA IR No. 1.

If further information is required, please contact the undersigned.

Sincerely,

**FORTISBC INC.**

***Original signed:***

Dennis Swanson

Attachments

cc: Commission Secretary  
Registered Parties (email only)



FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 1

1   **1.0   Topic:       Relief Requested**

2       **Reference:   Exhibit B-1, August 11, 2014 FBC Cover Letter; Appendix C, Draft**  
3       **Order**

4       “On July 16, 2014, FortisBC submitted a letter in its Application for Approval of a Multi-  
5       Year Performance Based Ratemaking Plan for the Years 2014 through 2018),  
6       withdrawing its request for approval of the DSM expenditures for the years 2015 to 2018  
7       due to the changes to the statutory framework regarding DSM expenditures (the  
8       Amendment).

9       Attached please find FortisBC’s revised DSM Plan for 2015 and 2016, incorporating the  
10      impacts of the Amendment on its DSM portfolio.” [footnotes omitted]

11      1.1     Please confirm (or, if not, explain why not) that FBC’s July 16, 2014 letter to the  
12             Commission in the FBC PBR proceeding withdrew FBC’s request for approval of  
13             a 2014-2018 DSM expenditure schedule under s.44.2(3), and left intact for  
14             Commission consideration in the PBR proceeding (and not in the present  
15             proceeding) FBC’s requests for  
16

17      **Response:**

18      This response to BCSEA IR 1.1.1 addresses BCSEA IRs 1.1.1.1 through 1.1.1.3.3. FBC  
19      confirms that its July 16, 2014 letter to the Commission in the FBC PBR proceeding withdrew  
20      FBC’s request for approval of a 2015 (rather than 2014 as the question states) to 2018 DSM  
21      expenditure schedule under s. 44.2(3), and left intact for Commission consideration in the PBR  
22      proceeding the following:

- 23      • approval to change the amortization period of existing and future DSM expenditures  
24         from 10 years to 15 years, effective January 1, 2014;
- 25      • approval to discontinue semi-annual reporting on its DSM Program and to submit annual  
26         reports as of December 31 in each year, effective January 1, 2014;
- 27      • approval of the following funding transfer rules:
  - 28             ○ funding transfers under 25 percent between approved areas be permitted without  
29             prior approval of the Commission;
  - 30             ○ funding transfers of more than 25 percent into or out of approved areas would  
31             require prior approval of the Commission; and



FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 2

- 1           ○ funding transfers from an existing program to a new program would be permitted,  
2           provided the new program meets the DSM Regulation and the benefit/cost test  
3           requirements and has not previously been rejected by the Commission.

4   On September 15, 2014, the Commission issued its Decision and Order G-139-14 on FBC's  
5   Application for approval of a Multi-Year PBR Plan for 2014-2018. The Commission denied  
6   FBC's request to change the DSM expenditure amortization period from 10 to 15 years,  
7   approved FBC's request to move to annual DSM reporting effective January 1, 2014 and  
8   declined to rule on FBC's proposed funding transfer rules.

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12           1.1.1   approval to change the amortization period of existing and future DSM  
13           expenditures from 10 years to 15 years, effective January 1, 2014  
14           [Reference: FBC PBR Exhibit B-1, p.11],

15  
16   **Response:**

17   Please refer to the response to BCSEA IR 1.1.1.

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21           1.1.2   approval to discontinue semi-annual reporting on its DSM Program and  
22           to submit annual reports as of December 31 in each year, effective  
23           January 1, 2014 [Reference: FBC PBR Exhibit B-1, p.11], and/or

24  
25   **Response:**

26   Please refer to the response to BCSEA IR 1.1.1.

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30           1.1.3   approval of the following program funding transfer rules:

31  
32   **Response:**

33   Please refer to the response to BCSEA IR 1.1.1.



FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 3

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1.1.3.1 funding transfers under 25 percent between approved areas be permitted without prior approval of the Commission;

**Response:**

Please refer to the response to BCSEA IR 1.1.1.

1.1.3.2 funding transfers of more than 25 percent into or out of approved areas would require prior approval of the Commission; and

**Response:**

Please refer to the response to BCSEA IR 1.1.1.

1.1.3.3 funding transfers from an existing program to a new program would be permitted, provided the new program meets the DSM Regulation and the benefits/cost test requirements and has not previously been rejected by the Commission. [Reference: FBC PBR Exhibit B-1-1, Appendix H - Demand Side Management, p. 11.]

**Response:**

Please refer to the response to BCSEA IR 1.1.1.



FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 4

1    **2.0    Topic:            GHG Emissions Reductions**

2            **Reference:    Exhibit B-1, Table 2-1, “BC’s Energy Objectives Met by FBC DSM**  
3            **Activities,” p.4**

4            Table 2-1 lists the BC energy objectives in subsections (b), (d), (h) and (i) of section 2 of  
5            the *Clean Energy Act*, but it omits the subsection (g) objective to reduce BC GHG  
6            emissions by targeted amounts.

7            In the Commission’s proceeding concerning FBC’s Application for Approval of a Multi-  
8            Year Performance Based Ratemaking (PBR) Plan for 2014 through 2018, FBC  
9            responded to a BCSEA-SCBC information request as follows:

10                    “1.2.1 Does FortisBC agree that the BC energy objective to reduce GHG  
11                    emissions applies to FortisBC in terms of long-term resource and conservation  
12                    planning? If not, why not?”

13                    **Response:**

14                    Yes. In the FortisBC 2012 Long-Term Resource Plan, Table 1.1-A “Relevant  
15                    Clean Energy Act Objectives” and Appendix F includes the Clean Energy Act  
16                    Objective “to reduce greenhouse gas emissions”. Please also refer to the  
17                    response to BCSEA IR1.1.2.” [FBC PBR 2014-2018, Exhibit B-12]

18            2.1    Please confirm that FortisBC agrees that the BC energy objective to reduce GHG  
19            emissions applies to FortisBC in terms of long-term resource and conservation  
20            planning. If not confirmed, why not?

21                    **Response:**

22                    Confirmed.

23  
24  
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26            2.2    Please confirm that FBC’s proposed 2015-2016 DSM expenditure schedule  
27            supports the BC energy objective to reduce BC GHG emissions. If not confirmed,  
28            why not?  
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FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 5

1 **Response:**

2 Yes. Section 2.2, Table 2-1 of the 2015-2016 DSM Expenditure Application sets out the BC  
3 Energy Objectives that are met by FBC DSM activity and includes the reduction of greenhouse  
4 gas emissions in BC.

5

6

7

8 **3.0 Topic: Objectives**

9 **Reference: Exhibit B-1, s.2.3 Consistency with Long Term Resource Plan**

10 3.1 Please confirm that the proposed 2015-2016 DSM expenditure schedule  
11 captures all cost-effective DSM savings during the period. Alternatively, please  
12 explain.

13

14 **Response:**

15 Please refer to the response to BCUC IR 1.1.2.

16

FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 6

1   **4.0   Topic:        Low-Income Program**

2       **Reference:   Exhibit B-1, s.2.4.1; Appendix A, s.A1.7, pp.A4-5**

3       4.1    Are the direct installation programs referred to in section A1.7 separate from, or  
4            contained within, the Energy Conservation Assistance Program (ECAP)?

5  
6    **Response:**

7    The direct installation programs referred to are separate from the ECAP. They focus on multi-  
8    family residences.

9  
10

11  
12       4.2    Are the direct installation programs referred to in section A1.7 new? Are they  
13            continuations of programs implemented in 2014? Are they reinstatements of  
14            programs implemented in 2013 but not in 2014?

15  
16   **Response:**

17   The direct installation programs referred to are a continuation of programs implemented in 2013,  
18   but not run in 2014.

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21  
22       4.3    Please discuss whether and how the expanded definition of “low income” in the  
23            recently amended DSM Regulation allows FBC to expand the scope of the  
24            Energy Conservation Assistance Program during 2015-2016.

25  
26   **Response:**

27   The expanded definition of “low income” (higher LICO eligibility threshold, deemed list of pre-  
28   qualified customers and pre-qualified housing providers) will allow FBC to expand the scope of  
29   its ECAP program. It will allow for a greater number of participants, in that more customers will  
30   meet the LICO criteria for income minimums, low-income communities can be targeted and  
31   addressed at one time, and the process of verifying eligibility will be less onerous. Overcoming  
32   all these identified barriers will ease FBC’s administrative, marketing and implementation  
33   burdens.

FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 7

1   **5.0   Topic:       Rental Accommodations**

2       **Reference:   Exhibit B-1, s.2.4.2, p.5; Table 4-2; Appendix A, s.A1.8; Appendix B,**  
3       **p.3**

4       “2.4.2 Rental Accommodations

5       In 2013 FBC piloted a direct-install program of ESK-type measures in 1,324 suites of 40  
6       rental multi-unit residential buildings (MURBs) in its service territory. The pilot provided a  
7       whole-building audit to identify additional measures (common area lighting, central  
8       space heating and hot water boilers) that could be undertaken by the building owners.  
9       The 2015-16 DSM Plan includes provision to continue this offer to additional MURBs in  
10      this target segment.”

11       5.1     To what extent did MURB owners follow up the whole-building audits in the pilot  
12       program, for example by initiating one or more of the recommended measures?

13  
14      **Response:**

15      One MURB owner upgraded boilers at two MURBs and another MURB owner upgraded the  
16      common area lighting. In each instance, the owners accessed the applicable FEU and FBC  
17      rebates for the installed measures.

18  
19

20  
21       5.2     Is it feasible for FBC to eventually apply this direct-install and whole-building  
22       audit program all MURBs in the service territory? How many MURBs does FBC  
23       estimate will be completed during 2015-2016, and what proportion of the total  
24       number of MURBs in the service territory does this represent?

25  
26      **Response:**

27      It is FBC’s plan to offer the program throughout its service territory. Based on the success of the  
28      2013 pilot project, FBC believes that an additional 40 buildings could be completed in each of  
29      2015 and 2016. Forty buildings represents approximately 12 percent of the total number of  
30      MURBs in FBC’s service territory, thus approximately 24 percent of all MURBs are expected be  
31      completed in the two-year 2015-16 DSM plan period.

32





FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 8

1   **6.0   Topic:       Deferred Capital Expenditure**

2       **Reference:   Exhibit B-1, s.5.1.3, p.12**

3       “As stated in the previous section, the 2015-15 DSM Plan uses the LRMC of \$112 per  
4       MWh from the 2012 LTRP to determine the avoided energy cost benefits of DSM  
5       program measures. The Company also adds a Deferred Capital Expenditure (DCE)  
6       value of \$35.60 per kW per year to represent the incremental capacity savings of  
7       deferred infrastructure. The estimated Benefit/Cost ratios, using those avoided costs, are  
8       shown at the sector/component and portfolio levels in Table 4-1 above.”

9           6.1    Please provide a brief explanation of the method of determining the size of the  
10          Deferred Capital Expenditure value.

11  
12    **Response:**

13    Please refer to the response to BCUC 1.3.4.1.

14  
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16  
17          6.2    Please confirm that the \$112 MWh LRMC does not include the Deferred Capital  
18          Expenditure.

19  
20    **Response:**

21    Confirmed.

22  
23

24  
25          6.3    Please confirm that in the present application the DCE works out to about 10% of  
26          the avoided cost, with the LRMC accounting for the other 90%. Alternatively,  
27          please explain.

28  
29    **Response:**

30    The following table shows that the DCE works out to about 5 percent of the avoided costs, with  
31    the LRMC accounting for the vast majority, i.e. 92 percent, for all measures in the 2015 DSM  
32    plan.



FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 9

<b>Benefit</b>	<b>% of Benefits</b>
<b>Energy</b>	92%
<b>NEB</b>	3%
<b>DCE</b>	5%
<b>Total</b>	<b>100%</b>

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FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 10

1    **7.0    Topic:            2015 Conservation Potential Review**

2            **Reference:    Exhibit B-1, p.1**

3            “The Company intends to file a new Long-Term DSM Plan as part of the 2016 Long  
4            Term Resource Plan (LTRP) filing. A dual-fuel Conservation Potential Review (the BC  
5            CPR) undertaken by the FortisBC Energy Utilities (comprised of FortisBC Energy Inc.,  
6            FortisBC Energy (Vancouver Island) Inc., and FortisBC Energy (Whistler) Inc.) (FEU),  
7            BC Hydro and Power Authority (BC Hydro) and FBC will inform the 2016 Long-Term  
8            DSM Plan.”

9            7.1        What steps are involved in carrying out the dual-fuel CPR? What is the  
10            anticipated timeframe?

11  
12    **Response:**

13    Please refer to the response to BCUC IR 1.10.3.

14



FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 11

1    **8.0    Topic:        Actual Spending**

2        **Reference:    Exhibit B-1, Appendix A, p.A1**

3        “DSM Plan expenditures are \$7.3 million in 2015 with an escalation to \$7.5 million in  
4        2016. The 2013 approved DSM expenditure was \$7.8 million, and the 2013 actual  
5        expenditure was \$6.9 million.”

6        8.1       Does FBC anticipate that it will spend the entire budgeted amounts in 2015 and  
7        2016? If not, what factors would lead to an under-spend situation and what steps  
8        will FBC take to counteract such factors?

9  
10    **Response:**

11    Please refer to the response to BCUC IR 1.7.1.

12    A major factor that will affect FBC’s ability to spend the entire budgeted amounts in 2015 and  
13    2016 is when the proposed DSM expenditure is accepted. Ideally the DSM expenditure will be  
14    accepted by mid- November, allowing FBC to hire staff and put in place the required contracts  
15    to deliver 2015 programs. FBC is endeavoring to meet the accelerated Regulatory Timetable for  
16    the FBC DSM Application to ensure that programs can be launched in Q1 2015.

17



FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 12

1   **9.0   Topic:       Home Energy Retrofit Offer**

2       **Reference:   Exhibit B-1, Appendix A, p.A3**

3       “The main component of the Home Improvement Program (HIP) is building envelope  
4       improvements (insulation and air sealing). Program delivery will be primarily through the  
5       Home Energy Retrofit Offer (HERO) partnership with the FortisBC Energy Utilities, (the  
6       FEU, collectively, FortisBC Energy Inc. (FEI), FortisBC Energy (Whistler) Inc. (FEW),  
7       FortisBC Energy (Vancouver Island) Inc. (FEVI)) and BC Hydro, encouraging customers  
8       to focus on the appropriate measure sequence up to obtaining a “whole house”  
9       EnerGuide rating. Heating/cooling systems, (for example, heat pumps) are promoted  
10      where applicable but tabulated under a separate plan line item. Energy Star appliances  
11      and lighting may also be marketed separately, as described below.” [underline added]

12      9.1     What is the current status of implementation of the Home Energy Retrofit Offer  
13             program by FBC, the FEU and BC Hydro? If the program will be rolled out in  
14             stages, please describe the stages and the anticipated timing.

15      **Response:**

17      The HERO program was launched in mid-July 2014. In Phase 1 the utility partners (UPs: BC  
18      Hydro, FortisBC Energy Utilities and FortisBC Inc.) soft launched the program to provide a  
19      buffer to work out any “bugs” if needed. Marketing was limited during that time, but will be more  
20      aggressive in the fall of 2014 to promote the program for the prime heating season.

21      The UPs are currently evaluating feedback from key stakeholders and customers, as well as  
22      participation levels, to enhance and/or make adjustments for a program re-launch in April 2015.  
23      Marketing efforts will increase as the UPs gain more confidence in the administration and  
24      implementation processes.

25      The UPs are working closely with several energy efficiency building professional organizations  
26      to promote the program and provide greater coordination within the industry to better address  
27      residential energy efficiency retro-fit needs.

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29

30  
31      9.2     Please outline the differences between the Home Energy Retrofit Offer program  
32             and the FBC programs previously in place.

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FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 13

1 **Response:**

2 The primary differences between the HERO program and the FBC programs previously in place  
3 are:

- 4 • Rebate values offered are slightly higher;
- 5 • Provides more focus on “whole home” improvements rather single measure  
6 improvements. For example, to promote deeper retro-fits and draftproofing and  
7 insulation, customers must make at least one insulation improvement and make three or  
8 more upgrades to receive a \$750 bonus; windows are only eligible for rebates if  
9 insulation measures are installed first;
- 10 • Although customers aren’t required to have home energy evaluations to access rebates,  
11 all marketing materials and program structure (\$750 bonus offer) encourage energy  
12 evaluations; and
- 13 • Rebate values are now consistent across the province.

14  
15

16  
17 9.3 Is what FBC refers to in the Application as the Home Energy Retrofit Offer the  
18 same as what FBC refers to on its website as the Home Energy Rebate Offer? If  
19 not, please explain the differences.  
20

21 **Response:**

22 Both references are to the same program. The program name used in the Application is  
23 incorrect. The Home Energy Rebate Offer is the correct name.

24



FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 14

1   **10.0   Topic:       Heat Pump Program**

2       **Reference:   Exhibit B-1, Appendix A, p.A3**

3       “A1.2 HEAT PUMP PROGRAM

4           With its temperate winters and hot summers, the FBC service area is an ideal climate for  
5           energy efficient heat pumps. Further, recent Residential End Use Survey (REUS) data  
6           shows that 38 percent of FBC customers have electric heat, indicating a large potential  
7           market for the program. The program will continue with incentives for owners to upgrade  
8           electric heating systems to air source heat pumps, either central (forced-air) or ductless  
9           (for customers with electric baseboard heating). A modified geoexchange (ground-  
10          source heat pump) offer will be designed to minimize the free-ridership of past  
11          programs.”

12          10.1   Is the Heat Pump program within the Home Energy Retrofit Offer program?  
13               Separate?

14  
15       **Response:**

16       The Heat Pump program is within the HERO program and not separate.

17  
18

19  
20          10.2   Please confirm that FBC’s Heat Pump program is available for electrically heated  
21               homes only. [Reference:  
22               <http://www.fortisbc.com/NaturalGas/Homes/Offers/HomeEnergyRebateOffer/Pages/Rebate-details.aspx>  
23               ]  
24               ]

25       **Response:**

26       Confirmed. FBC’s Heat Pump program is only available for electrically heated homes.

27  
28

29  
30          10.3   Given that the Home Energy Retrofit/Rebate Offer is a joint initiative with the  
31               FEU, please explain why the FBC Heat Pump program is not available to  
32               customers with homes heated by natural gas. Please address technical issues,  
33               cost-effectiveness issues and regulatory issues as necessary.  
34



FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 15

1 **Response:**

2 Please refer to the response to BCUC IR 1.1.5.1.

3  
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5

6 10.4 Has FBC examined making the Heat Pump program available to customers with  
7 homes heated by natural gas or other non-electrical means? If so, what were the  
8 results? If not, does FBC plan to do so in the future? If not, why not?

9

10 **Response:**

11 Please refer to the response to BCUC IR 1.1.5.

12  
13

14

15 10.5 Does FBC agree that upgrading a natural gas home heating system to an energy  
16 efficient heat pump system would both reduce energy consumption and reduce  
17 GHG emissions?

18

19 **Response:**

20 FBC does not agree. Upgrading a natural gas home heating system to an energy efficient heat  
21 pump system would decrease overall GHG emissions. However, aggregate electric system  
22 load would increase. Also, from a customer perspective, heating costs would be expected to  
23 rise since natural gas heating is generally more cost-effective than heating with an electric heat  
24 pump.

25



FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 16

1   **11.0   Topic:           Heat Pump Water Heaters**

2           **Reference:   Exhibit B-1, Appendix A, p.A4**

3           **“A1.5 WATER HEATING MEASURES**

4           Approximately 50 percent of FBC customers’ water is heated with electricity. To  
5           encourage efficient water heating, FBC will continue to offer rebates for the installation of  
6           heat pump water heaters for customers with electrically heated water. Low flow  
7           showerheads will be distributed via Energy Saving Kits and other channels.”

8           11.1   Please discuss the extent to which heat pump waters are a feasible energy-  
9           saving option for customer with natural gas water heating.

10

11   **Response:**

12   FBC does not believe this is a feasible option, as the customer’s payback is approximately 20  
13   years at current rates, using the FBC Home Energy Calculator:

14   <http://www.fortisbc.com/Rebates/HomeEnergyCalculator/Pages/Home-energy-calculator.aspx>

15   The payback would be further extended if an electrical service update was necessary.

16

17

18

19           11.2   Why is the FBC program for heat pump water heaters not available to customers  
20           with natural gas water heating?

21

22   **Response:**

23   Please refer to the response to BCUC 1.1.5.

24

25

26

27           11.3   Has FBC examined making its heat pump water heaters program available to  
28           customers with natural gas water heaters? If so, what were the results? If not,  
29           does FBC plan to do so in the future? If not, why not?

30



FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 17

1 **Response:**

2 FBC has performed a high-level analysis of the economics of such a program (please refer to  
3 the response to BCSEA IR 1.11.1). FBC does not plan to do so in the foreseeable future as  
4 long as the customer economics remain unfavourable for switching from gas to an electric heat  
5 pump water heater.

6  
7

8

9 11.4 Does FBC agree that replacing a natural gas water heater with a heat pump  
10 water heater would both reduce energy consumption and reduce GHG  
11 emissions?

12

13 **Response:**

14 FortisBC does not agree. Replacing a natural gas water heater with a heat pump water heater  
15 would decrease overall GHG emissions. However, aggregate electric system load would  
16 increase. Also, from a customer perspective, water heating costs would be expected to rise  
17 since natural gas water heating is generally more cost-effective than heating with a heat pump  
18 water heater.

19



FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 18

1    **12.0    Topic:            In-Home Display**

2            **Reference:    Exhibit B-1, Appendix A, section A1.9, p.A5**

3            12.1    Will the In-Home Display devices for which FBC will provide incentives be  
4                    devices that would function in a home served by BC Hydro?

5  
6    **Response:**

7    Although FBC intends to reference BC Hydro’s list of qualified IHD devices, they are individually  
8    paired to the customer’s AMI meter to ensure privacy. Conceptually the device could be paired  
9    to a BC Hydro “smart” meter if that customer were to move to the BC Hydro service area.

10  
11

12  
13            12.1.1    If not, how will FBC distinguish FBC-compatible and BC Hydro-  
14                    compatible devices in the market place?

15  
16    **Response:**

17    Please refer to the response to BCSEA 1.12.1.

18  
19

20  
21            12.2    Does, or will, BC Hydro have an incentive program for In-Home Display devices?  
22                    To what extent will FBC’s IHD program be coordinated with that of BC Hydro?

23  
24    **Response:**

25    FBC understands that BC Hydro will launch a pilot program for IHDs in 2014, but does not know  
26    BC Hydro’s intentions going forward.

27    FBC intends to reference the BC Hydro “qualified” product list for its IHD program.

28

FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 19

1   **13.0   Topic:            Commercial Programs**

2           **Reference:   Exhibit B-1, Appendix A,**

3           13.1   Please describe in more detail the LED street lighting initiative. Does the program  
4           involve a procurement component? Is BC Hydro involved? In addition to  
5           municipalities, what other entities that maintain outdoor lighting will be eligible for  
6           the program? What percentage of the existing street lights will be upgraded? Is  
7           street lighting generally metered?  
8

9    **Response:**

10   FBC's street light program provides incentives for municipalities to upgrade their streetlights to  
11   LED technology. FBC's 2011 inventory shows approximately 20 thousand streetlights in the  
12   FBC service area; of which 3 thousand street lights are owned by FBC and the majority are  
13   customer owned, mostly by municipalities. Approximately 25 percent of the existing street lights  
14   are forecast to be upgraded over the 2015-16 DSM Plan period.

15   In addition to incentives provided by FBC, municipalities can access procurement services,  
16   including a pre-qualified product list with volume pricing discount, through the [LED Street Lights](#)  
17   [Across B.C.](#); a joint initiative of the provincial government and BC Hydro PowerSmart. The  
18   initiative offers a suite of tools and services to assist with the adoption of LED street lights, as  
19   well as an opportunity to convene with like organizations that have already purchased products  
20   to share knowledge and lessons learned.

21   Other entities that maintain outdoor lighting e.g. parking lots, are eligible for incentives under the  
22   Commercial Lighting program.

23  
24

25

26           13.2   Has, or will, FBC consult with the Irrigation Ratepayers Group regarding the  
27           irrigation DSM program? What have been the results of such consultation?  
28

29    **Response:**

30   In 2011 FBC consulted with the Irrigation Ratepayers Group, via a survey, focus groups and  
31   interviews with individual ratepayers and trade allies, e.g. suppliers and contractors. These  
32   consultations led to a pilot Irrigation Program, focused on pumping systems, that ran in 2012-  
33   2013 but experienced limited uptake. The offerings in 2015-2016 will draw on the lessons  
34   learned from the pilot, prior consultations and may involve further consultation with irrigation  
35   ratepayers in 2015.

FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 20

1   **14.0   Topic:           Industrial Sector Programs**

2           **Reference:   Exhibit B-1, Appendix A, s.A3**

3           “...Standardized product offers (for example, variable-speed air compressors) will be  
4           offered through the DSMC rebate portal.”

5           14.1   Please list FBC’s industrial customers.

6  
7           **Response:**

8           FBC does not believe it is appropriate or necessary to provide a list of industrial customers.  
9           However, please refer to the response to BCUC IR 1.7.7, that provides a characterization of  
10          them.

11  
12

13  
14          14.2   What is the Demand-Side Management Central (DSCM) portal?

15  
16          **Response:**

17          The DSMC portal is a software tool that manages the end-to-end DSM business process, from  
18          on-line enrollment (application form) to approval & fulfillment, to tracking and reporting, to  
19          assisting with program design and process flow. It includes some contact management  
20          functionality, DSM measure and equipment libraries, cost effectiveness testing for improved  
21          program visibility and management, as well as a central database for all validated program data.

22  
23

24  
25          14.3   In the phrase “Standardized product offers” does “standardized” mean the same  
26          size of incentive for a certain product for any and all FBC industrial customers?  
27          Or does “standardized” mean in relation to BC Hydro incentives for the same  
28          products?

29  
30          **Response:**

31          In the phrase “Standardized product offers”, “standardized” means the same size of incentive for  
32          a certain product for any FBC industrial customer that qualifies for such an incentive, subject to  
33          the program terms and conditions. The FBC incentive amounts do not necessarily align with BC  
34          Hydro offers.



FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 21

1    **15.0    Topic:            Integration with FEU EEC**

2            **Reference:    Exhibit B-1, Appendix A, p.A13**

3            “FBC will continue to work towards full integration of the marketing and processing of  
 4            FBC and FEU program offers for customer-facing components of program offers,  
 5            especially in the shared service territory. The intent is to provide customers with “one-  
 6            stop” information and program access via the website, other marketing collateral and  
 7            face-to-face interactions.” [footnote omitted]

8            15.1    Please outline the milestones and expected timing of FBC’s integration of the  
 9            marketing and processing of the customer-facing components of FBC and FEU  
 10            DSM program offers during 2015-2016.

11            **Response:**

<b>Program</b>	<b>Status</b>	<b>Timeline</b>
<b>Home Improvement Program (through HERO, includes building envelope and heat pumps)</b>	Integrated	Current
<b>New Home Program</b>	Integrated	Current
<b>Appliance Program</b>	Integrated (where applicable)	Current
<b>Low-Income ESKs</b>	Integrated	Current
<b>Low-Income ECAP</b>	In Progress	July 2015
<b>Low-Income Direct Install</b>	Integrated	Current
<b>Rental (MURBs)</b>	Integrated	Current
<b>Lighting</b>	N/A	
<b>Water Heating</b>	Integrated	Current
<b>Behavioral</b>	Integrated (where applicable)	Current
<b>Commercial Lighting</b>	N/A	
<b>Building Improvement</b>	In progress (work collaboratively with FEU)	Late 2015
<b>Computers</b>	N/A	
<b>Municipal</b>	Integrated	Current
<b>Irrigation</b>	N/A	
<b>Industrial</b>	In progress (work collaboratively with FEU)	Late 2015

13

14



FortisBC Inc. (FBC or the Company) Application for Approval of Demand Side Management (DSM) Expenditures for 2015 and 2016 (the Application)	Submission Date: September 18, 2014
Response to B.C. Sustainable Energy Association and the Sierra Club British Columbia (BCSEA) Information Request (IR) No. 1	Page 22

1   **16.0   Topic:           Community Energy Diet**

2           **Reference:   Exhibit B-1, Appendix B, p.2**

3           “The Kootenay Energy Diet was launched in early 2013 with funding from NRCan  
4           (Natural Resources Canada) and the Columbia Basin Trust, based on the success of the  
5           2011-2012 Rossland Energy Diet pilot project. The Okanagan Energy Diet was launched  
6           in mid-2013 for the Okanagan region. Implemented in partnership with the EEC group,  
7           the two marketing campaigns proved particularly successful in promoting home energy  
8           assessments and deeper retrofit improvements.”

9           16.1   Does FBC plan to run Energy Diet initiatives during 2015-2016? How will these  
10           be different or similar to the Kootenay and Rossland projects?

11  
12   **Response:**

13   FBC plans to launch one or two Energy Diets (EDs) in late summer/early fall of 2016. Based on  
14   the outcomes of the previous pilot projects, these EDs will focus on smaller “communities” (i.e.,  
15   Rutland vs the whole of the City of Kelowna) and on areas that include more 20+ year old  
16   homes with less efficient envelopes. The program would also promote ECAP and MURB  
17   upgrades so it becomes a community-wide initiative. All other elements of the promotional  
18   program would stay intact.