

Sanford, Donna L GCPE:EX

From: Sanford, Donna L GCPE:EX
Sent: Tuesday, November 28, 2017 1:24 PM
To: Lilly, Liz LASS:EX
Cc: Sanderson, Melissa EMPR:EX
Subject: Response to questions
Attachments: Site C Green Party Qs 17-11-19.docx

Hello Liz. Attached please find responses prepared by Ministry of Energy, Mines and Petroleum Resources.
Regards,
Donna

Site C/BC Hydro Questions

Ministry of Energy Mines and Petroleum Resources Responses

Site C/BCUC report

Impact of different continuation and cancellation scenarios on ratepayers

- Continuation
 - What would be the rate impact of continuing with Site C at the \$8.9 billion, \$10 billion, \$12 billion, and \$15 billion cost levels?

The BCUC's report sets out the revenue requirement impacts of moving from \$10 billion to \$12 billion as the total capital cost for Site C (see page 17 in the Executive Summary). Rate impacts are being calculated.

- Cancellation
 - BCUC determines that termination costs would be \$1.8 billion, and notes 10, 30, and 70-year amortization periods
 - It has been claimed that cancellation with the costs amortized over 10 years would result in a 9.5% rate increase next year. Can you confirm this?

Putting a 9.5% increase in place for a period of ten years to cover sunk and termination costs is consistent with BC Hydro's submissions to the BCUC Inquiry.

- What would be the rate impact of cancellation with costs amortized over 30 years? Over 70 years?

The Ministry has similar questions and has asked the BCUC for clarification in a letter sent on November 15, 2017.

Cost per MWh from Site C and alternative portfolio

- What is BC Hydro's current estimate of \$ cost per MWh from Site C? Why did it decline from \$83/MWh in 2013 to now?

See Table 31 in the BCUC's Final report for the factors leading from \$83/MW.h to the current Site C cost.

- It's unclear to me how specific numbers were reached by the BCUC on \$/MWh for Site C and the alternative portfolio under different scenarios. Could you clarify how they came up with their figures?

The Ministry has also asked for clarification from the BCUC in our November 15 letter.

