

1 **QUESTION:**

3 Re: Pages 39 - 42

5 In light of PU 14 (2004) pages 147 – 149 where the Board expressed its preference for a generic
6 hearing on IRP involving both utilities and other interested parties, does the consultant agree
7 that a generic hearing on this issue is more appropriate?

9 **RESPONSE:**

11 Pages 39 – 42 of Messrs Bowman and McLaren's pre-filed testimony deals with long-term utility
12 system planning. This is not necessarily the same thing as "IRP" ["Integrated Resource Planning"
13 is a term with widely varying definitions that can be confusing. In some cases, the term is used
14 to refer to plans that span multiple utilities, or even broader incorporating NUGs and perhaps
15 government policy. The Bowman and McLaren pre-filed testimony focuses instead solely on the
16 concept of Hydro, as the major generator and transmitter of power on the Island Interconnected
17 System, to have a long-term plan for its assets and the approaches it will use to ensure
18 ratepayers receive future reliable and least-cost power consistent with the resources available,
19 without being distracted by these broader, more "integrated" definitions.]

21 The utility-led long-term planning process is proposed to incorporate a "generic hearing" in the
22 sense that it would be subject to regulatory review outside of a normal GRA or Capital Budget
23 proceeding. However, although the hearing is generic, it is still proposed to be a review of
24 Hydro's plan¹ that Hydro develops, submits and substantiates, and not for example a review of a
25 plan that must be somehow written by the Board or some third party.

¹ Further, it should be noted that both BC Hydro and Yukon Energy have recently undergone long-term system planning exercises led by the respective utility, despite the fact that in those jurisdictions there are other utilities that have their own generation resources (such as FortisBC Inc and Yukon Electrical Company Ltd). The presence of such other generators in no way obviates the need to ensure the major integrated utility undertakes the type of long-term planning as discussed in the pre-filed testimony.