

1 **Q: Re: Brattle Group Report, p. 7 (Fig. 1, third row), and pages 6 and 36, Raphals**
2 **expert report dated April 25, 2019, page 26**

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Citation 1 (Brattle Group, page 7, Fig. 1, third row):

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Guiding Principle: Policy Differentiation Based on Size

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Recommendations: Yes, no specific size recommendation

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Citation 2 (Brattle Group, page 6 and page 36):

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**We recommend that new and requesting load over a size threshold
be given a choice to either pay for the necessary network upgrades
or choose an interruptible rate. (underlining added)**

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Citation 3 (Raphals, page 26):

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**In its incremental load forecasts, Hydro distinguishes between
“rural loads”, “industrial loads” and “data centre loads”. This
reflects that fact, discussed earlier, that “data centre” loads differ in
many fundamental ways from other types of loads. Indeed, it is
because of them that the Board ordered Hydro to develop a Network
Addition Policy in the first place.**

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**It is recommended that the NAP apply to industrial and “data
centre” loads, but not to other rural loads.**

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Preamble:

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**The Brattle Group report does not address the issue of policy
differentiation based on size (or other characteristics) anywhere
other than in its summary and recommendations sections.**

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**a) Is the Brattle Group making a positive recommendation that policy
differentiation not be based on any load characteristics other than size (i.e.,
that all load additions of a similar size should necessarily be treated the
same under the NAP), or is it simply declining to opine on this issue at this
time?**

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- 1 **b) Does the Brattle Group agree with Mr. Raphals’ recommendation that**
2 **application of the NAP should be limited to cryptocurrency and industrial**
3 **customers, while exempting other rural loads? If not, why not?**
4
- 5 **c) Is it the Brattle Group’s position that a municipally funded senior centre,**
6 **for example, that exceeds the size threshold should have to choose between**
7 **Option A (financial responsibility for network upgrade costs net of future**
8 **revenues) and Option B (curtailment during peak periods)?**
9
- 10 **d) In each of the five jurisdictions canvassed by the Brattle Group (Alberta,**
11 **British Columbia, New Brunswick, Ontario, Quebec, and Saskatchewan),**
12 **do the NAPs protect domestic loads differently from industrial and**
13 **cryptocurrency loads?**
14
- 15 A. a) Brattle is recommending that the NAP apply to load over a size (kW or MW)
16 threshold. We do not have a specific recommendation with respect to what the
17 size should be. We do recommend that all load additions of a similar size should
18 be treated the same under the NAP. We believe that any other policy
19 differentiation should comply with the principle of non-discrimination.
20
- 21 b) No, Brattle does not recommend exempting rural loads. We recommend
22 applying the network addition policy in a non-discriminatory manner, as
23 discussed in the response to part a. Exempting rural loads could lead to
24 uneconomic location decisions by customers and jeopardize the underlying
25 goals of a NAP.
26
- 27 c) Yes. To the extent that there is a public policy interest in supporting municipally
28 funded senior centers or other customers, Brattle recommends providing that
29 support through means other than through the NAP.
30
- 31 d) Brattle reviewed the customer definitions for the jurisdictions reviewed as
32 provided below. Generally speaking, these definitions do not differentiate
33 customers beyond load and generation. Transmission-related policies are
34 generally applied to a distribution utility that services domestic load rather than
35 applied to domestic load explicitly.
36
- 37 **AESO: “This section applies to a market participant who has requested or is**
38 **receiving system access service under: (a) Rate DTS, Demand Transmission**
39 **Service; (b) Rate PSC, Primary Service Credit; or (c) Rate STS, Supply**
40 **Transmission Service.”**

1 AESO ISO Tariff Section 8, pdf p.1

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3 **B.C. Hydro:** “Customer: A customer who takes or is proposing to take Electricity
4 from B.C. Hydro pursuant to an Electricity Supply Agreement on the terms and
5 conditions of Rate Schedule 1821, as amended or replaced from time to time.”

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7 Note: Rate Schedule 1821 is BC Hydro’s General Service Transmission Rate.

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9 BC Hydro Electric Tariff Supplement 6, pdf p.11

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11 **New Brunswick Power:** “Eligible Customer: i. Any electric utility (including the
12 Transmission Provider, Transmitter, and any power marketer), power marketing
13 agency, or any person generating electric energy for sale for resale; Electric energy
14 sold or produced by such entity may be electric energy produced in the United
15 States, Canada or Mexico; and ii. Any retail customer taking, or eligible to take,
16 unbundled transmission service pursuant to a provincial or state retail access
17 program or pursuant to a voluntary offer of unbundled retail transmission service
18 by the Transmission Provider.”

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20 “Transmission Customer: Any Eligible Customer (or its Designated Agent) that (i)
21 executes a Service Agreement, or (ii) requests in writing that the Transmission
22 Provider file with the Board, a proposed unexecuted Service Agreement to receive
23 transmission service under Part II of the Tariff.”

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25 NB Power Transmission Tariff, pdf p.14 and 22

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27 **Ontario Energy Board:**

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29 i. "customer" means a generator, consumer, distributor or unlicensed
30 transmitter whose facilities are connected to or are intended to be connected
31 to a transmission system

32 ii. “load customer” means a customer who owns or operates a facility other
33 than a generation facility or a transmission system;

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35 OEB Transmission System Code, pdf p. 7, 10

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37 **Hydro Québec:** “These conditions [Hydro-Québec’s conditions of service] apply
38 to all customers of Hydro-Québec. However, they do not apply to electricity service
39 exceeding 1,000 kVA from an off-grid system.” [Section 1- Scope of Application,
40 Hydro Quebec Conditions of Service 2019, pdf p. 13)

1 “If you request an overhead connection for an anticipated apparent power demand
2 of 5 MVA or more, including installed load, at medium voltage,...” (Hydro Quebec
3 Conditions of Service 2019, pdf p. 90)
4

5 **SaskPower:** “CCP [SaskPower Generator Interconnection and Transmission
6 Service Customer Charge Policy] is applicable to:
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8 i. 1.3.1 Generator Interconnection Customers Applicants may be:
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10 1. customers whose existing generating facilities are connected to
11 SaskPower's transmission system at 72kV or greater and wish to
12 increase the capacity of their generating facility which causes new
13 or additional transmission facilities to be built;
14

15 2. customers who are seeking to connect to their generating facilities
16 synchronously to SaskPower's transmission system at 72 kV or
17 greater and may or may not have any intention of requesting
18 transmission service under SaskPower's OATT.
19

20 ii. 1.3.2 Transmission Customers
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22 1. This CCP is applicable to all Transmission Customers who are
23 seeking to use SaskPower's Transmission System at 72 kV or above
24 and have applied for long-term transmission service under
25 SaskPower's OATT. Long-term firm (LTF) transmission service is
26 any firm transmission service that has been requested for a minimum
27 period of one year. There are two types of LTF transmission service
28 that are offered under SaskPower's OATT:
29

30 a. 1.3.2.1 Point-to-Point Transmission Service In accordance
31 with Section II of the OATT, SaskPower offers point-to-
32 point transmission service that is used for the receipt of
33 capacity and energy at a designated Point of Receipt and the
34 transmission of such capacity and energy to a designated
35 Point of Delivery for a term of one year or more.
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37 b. 1.3.2.2 Network Transmission Service In accordance with
38 Section III of the OATT, SaskPower offers network
39 transmission service whereby Transmission Customers may
40 reserve capacity to serve network loads either from

1 designated generating resources for a term of one year or
2 more.”

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4 SaskPower Customer Charge Policy, pdf p.3-4