

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3
CANADA



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-77-97

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

A Hearing into the Issue of British Columbia Hydro and Power Authority's
Wholesale Transmission Services Application

BEFORE: L.R. Barr, Deputy Chair)
and Acting Chair) July 2, 1997
P.G. Bradley, Commissioner)
K.L. Hall, Commissioner)

O R D E R

WHEREAS:

- A. In its Decision dated June 25, 1996, the Commission approved the British Columbia Hydro and Power Authority's ("B.C. Hydro") Wholesale Transmission Services ("WTS") Application subject to several changes; and
- B. By way of letter dated February 17, 1997, B.C. Hydro filed with the Commission for approval a second WTS Application in response to these determinations; and
- C. In its Application B.C. Hydro requested interim approval for the February 17, 1997 filing; and
- D. By way of Commission Order No. G-31-97, the Commission granted interim approval to the Application with the exception of those elements relating to the auction proposal; and
- E. By way of Commission Order No. G-53-97, the Commission established that the disposition of the B.C. Hydro WTS Application would be through negotiated settlement and Alternate Dispute Resolution procedures; and
- F. On June 20, 1997 B.C. Hydro submitted amendments to its WTS Application and requested that the revised Tariff Supplement No. 30 as well as Rate Schedules 3000 to 3010 be approved on an interim basis, effective August 1, 1997; and
- G. On June 20, 1997 the Commission sent a letter to Registered Intervenor's requesting comments on B.C. Hydro's request for interim approval of the amendments; and
- H. Comments were received from parties shown in Appendix A to this Order; and
- I. The Commission reviewed the submissions received from all parties and has determined that interim approval of the amendments is in the public interest.

NOW THEREFORE the Commission orders as follows:

1. The Commission grants interim approval, effective August 1, 1997, to the revised WTS Application as filed by B.C. Hydro on June 20, 1997.
2. The Commission will dispose of the revised B.C. Hydro WTS Application through a public hearing process and not through Alternate Dispute Resolution procedures as previously ordered. The timing of the public hearing and Regulatory Timetable will be the subject of a future Commission Order.
3. B.C. Hydro is directed to lead additional evidence regarding the desirability of a two-part rate structure which reflects Long Run Incremental Costs, including, to the extent possible, information with respect to the acceptability of such a rate form to the U.S. Federal Energy Regulatory Commission.

DATED at the City of Vancouver, in the Province of British Columbia, this 3rd day of July, 1997.

BY ORDER

Original signed by:

Lorna R. Barr
Deputy Chair
and Acting Chair

Attachment

**BRITISH COLUMBIA HYDRO AND POWER AUTHORITY'S
JUNE 20, 1997 WHOLESALE TRANSMISSION SERVICES APPLICATION
RESPONSES TO REQUEST FOR INTERIM APPROVAL**

1. Association for the Advancement of Sustainable Energy Policy
2. Bonneville Power Authority
3. The City of Calgary
4. The City of New Westminster
5. Consumers Association of Canada BC Branch et al.
6. Enron Capital and Trade Resources Corp.
7. Fording Coal
8. Grid Company of Alberta
9. Independent Power Association of B.C.
10. Inland Pacific Energy Services Ltd.
11. Kootenay Okanagan Electric Consumers Association
12. Large Industrial Customers
13. TransAlta Energy Marketing
14. TransCanada Energy Ltd.
15. West Kootenay Power Ltd.
16. Willis Energy Services Ltd.
17. ZE Power Group Inc.