



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

and

British Columbia Hydro and Power Authority's  
Modified Demand Transmission Service Rate Application

**BEFORE:** P. Ostergaard, Chair )  
B.L. Clemenhagen, Commissioner )  
K.L. Hall, Commissioner ) September 7, 2000  
N.F. Nicholls, Commissioner )

**O R D E R**

**WHEREAS:**

- A. On August 3, 2000, British Columbia Hydro and Power Authority ("B.C. Hydro") submitted the Modified Demand Transmission Service Rate Application ("the Application") to the Commission. In its Application, B.C. Hydro seeks approval of Rate Schedule 1852 – Modified Demand Transmission Service ("Rate Schedule 1852") and Tariff Supplement No. 54 – Modified Demand Agreement ("the Agreement"). B.C. Hydro also seeks approval of revisions to Rate Schedule 1880 and B.C. Hydro's Electric Tariff Index to include references to Rate Schedule 1852; and
- B. B.C. Hydro's Application includes copies of letters from Fletcher Challenge Canada Limited ("Fletcher Challenge") and the Joint Industry Electricity Steering Committee ("JIESC") in support of the Application; and
- C. The Commission sent a letter to Interested Parties from the B.C. Hydro New Industrial Services process on August 16, 2000. In this letter, the Commission asked parties to comment on whether they supported the Application as filed, whether further public input is required and, if so, what form that input should take; and
- D. Two parties responded to the Commission's letter. In a letter dated August 31, 2000, the representative for the Consumers Association of Canada (B.C. Branch) et al. ("CAC (B.C.) et al.") indicated that a further review process would incur costs and would not add anything significant to the review undertaken by Commission staff. In a letter dated August 29, 2000, the JIESC indicated that it supports the Application as long as industrial customers have the opportunity to negotiate modifications to the rate to fit particular circumstances. The JIESC also indicated that a further review process would be costly and have little benefit; and
- E. Commission staff sent an information request related to the Application to B.C. Hydro on August 18, 2000. B.C. Hydro responded in a letter dated August 31, 2000; and
- F. The Commission has considered the Application and B.C. Hydro's response to the information request. The Commission has also considered the letter from Fletcher Challenge, the two letters from JIESC and the letter on behalf of the CAC (B.C.) et al.

**NOW THEREFORE** the Commission directs as follows:

1. Rate Schedule 1852 is approved subject to the following changes:
  - a) On Page C-75-1, “total energy consumed under RS1821 and RS1852” is replaced with “total energy consumed under RS1852”.
  - b) The deadline for customers to apply for service under Rate Schedule 1852 is extended to October 31, 2000.
  - c) A statement setting out the 48-hour limit for demand reductions is to be added to Rate Schedule 1852.
2. B.C. Hydro is directed to refile Rate Schedule 1852 revised to include the above changes with the Commission as soon as possible.
3. The Agreement is approved.
4. The revisions to Rate Schedule 1880 and B.C. Hydro’s Electric Tariff Index are approved.
5. B.C. Hydro is directed to file a report with the Commission following the first year of operation of Rate Schedule 1852. The report is to identify and quantify the benefits of Rate Schedule 1852 to B.C. Hydro and B.C. Hydro’s non-participating customers in the first year of operation. The report should also identify and discuss any operational issues and concerns related to Rate Schedule 1852 that arise during the first year.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 12<sup>th</sup> day of September 2000.

BY ORDER

*Original signed by:*

Peter Ostergaard  
Chair