



LETTER NO. L-46-01

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Log No. 22

November 29, 2001

Mr. Michael J. Wheatley
239 Richmond Avenue
Victoria, B.C. V8S 3X9

Dear Mr. Wheatley:

Re: British Columbia Hydro and Power Authority
Net Metering for Residential Customers

The Commission has received and reviewed B.C. Hydro's November 22, 2001 letter in response to our inquiry on the provision of net metering.

In its letter, B.C. Hydro has not indicated any current corporate policy or operational constraints on net metering. It has referred to the energy policy framework now being developed by the provincial government's Energy Policy Development Task Force and pointed out that net metering is being considered along with an array of energy policy issues. B.C. Hydro has asked the Commission to defer its inquiries until February 28, 2002.

At present, UtiCorp Networks Canada British Columbia Ltd. (formerly West Kootenay Power Ltd.) is conducting a trial Load Shifting Program. This program uses timing devices to achieve load shifting results and participants are eligible for lower time of use (TOU) rates but must share a percentage of their rate savings for a specified number of years to help offset the utility's program costs. This program will be subject to review after the trial ends on December 31, 2001 and the results of the evaluation may assist the Commission in assessing interest in other programs such as net metering.

In light of the imminent policy directions from the provincial government, the generally low level of interest in net metering among residential ratepayers, and the upcoming evaluation on Load Shifting Program at UtiCorp, the Commission has decided to defer consideration of the net metering issue until after February 28, 2002 when the energy policy is scheduled for release.

You may wish to reapply for a change to B.C. Hydro's standard metering practices after the release of the comprehensive energy policy for British Columbia.

Yours truly,

Original signed by:

Robert J. Pellatt

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cc: Mr. Ray Aldeguer
Senior Vice President
Legal and Regulatory Affairs and General Counsel
British Columbia Hydro and Power Authority