



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

and

An Application by British Columbia Hydro and Power Authority
for Amendments to Rate Schedule 1854

BEFORE: P. Ostergaard, Chair)
P.G. Bradley, Commissioner)
K.L. Hall, Commissioner) December 19, 2001
N.F. Nicholls, Commissioner)

O R D E R

WHEREAS:

- A. Commission Order No. G-65-01 approved for British Columbia Hydro and Power Authority ("B.C. Hydro") Rate Schedule 1854 – Power Smart Industrial Rate as a pilot program effective July 1, 2001 to July 31, 2002. Order No. G-65-01 also approved Tariff Supplement No. 59, the Power Smart Industrial Rate Pilot Program Agreement; and
- B. Rate Schedule 1854 provided for 6-month firm and three and 6-month non-firm pricing options; and
- C. In a letter dated October 1, 2001, the Joint Industry Electricity Steering Committee ("JIESC") requested that the Commission instruct B.C. Hydro to offer prices for non-firm low load hour and high load hour energy for the 3-month pricing period starting in November 2001, as indicated in the Electric Tariff; and
- D. In a letter dated October 18, 2001, B.C. Hydro stated that, at prevailing market prices for electricity, B.C. Hydro and its ratepayers would be financially harmed if it offered the 6-month firm and the 3-month non-firm options; and
- E. The JIESC's request was denied by the Commission Letter No. L-39-01 dated November 8, 2001; and
- F. The Commission, in Letter No. L-40-01, invited B.C. Hydro to consider modifying the winter and firm pricing options to avoid similar problems in the future; and

G. On December 14, 2001, B.C. Hydro filed an application to amend the pricing to incorporate a 25 percent winter peak premium and a 35 percent firm premium relative to the non-firm low load hour base price; and

H. The Commission has reviewed the B.C. Hydro application and finds that approval is in the public interest.

NOW THEREFORE the Commission approves for B.C. Hydro the amendments to Rate Schedule 1854, as applied for in its December 14, 2001 filing, effective the date of this Order.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of December 2001.

BY ORDER

Original signed by:

Peter Ostergaard
Chair