



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

and

British Columbia Hydro and Power Authority  
Obligation to Serve Rate Schedule 1821 Customers with Self-Generation Capability

**BEFORE:** P. Ostergaard, Chair )  
P.G. Bradley, Commissioner )  
R.D. Deane, Commissioner ) March 14, 2002  
K.L. Hall, Commissioner )  
N.F. Nicholls, Commissioner )

**O R D E R**

**WHEREAS:**

- A. Order No. G-38-01 directed B.C. Hydro to allow Rate Schedule 1821 customers with idle self-generation capability to sell excess self-generated electricity, provided the self-generating customers do not arbitrage between embedded cost utility service and market prices. Order No. G-38-01 further established conditions for BC Hydro's obligation to serve customers with self-generation capability when the customers were selling electricity in order to eliminate or minimize potential arbitrage of BC Hydro supply to the detriment of the utility and its customers.
- B. Due to the unique energy market circumstances existing at that time, the Commission established these conditions until March 31, 2002 and stated that the program for such sales might be continued after that date if conditions warrant.
- C. B.C. Hydro was directed to file a full report on the program with the Commission by March 1, 2002.
- D. B.C. Hydro filed its report on March 1, 2002 and recommended that the Commission extend the program introduced by Order No. G-38-01 beyond its scheduled expiry date of March 31, 2002 until the Commission determines that circumstances have rendered the program unsuitable for its intended purpose.
- E. The Commission has reviewed B.C. Hydro's report and has determined that continuation of the program is in the public interest until such time as future circumstances warrant further review.

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

1. B.C. Hydro is directed to continue to allow Rate Schedule 1821 customers with idle self-generation capability to sell excess self-generated electricity, provided the self-generating customers do not arbitrage between embedded-cost utility service and market prices.
2. The conditions established under Order No. G-38-01 to prevent such arbitrage are to remain in effect until the Commission determines that future circumstances no longer justify the existence of such a program.

**DATED** at the City of Vancouver, in the Province of British Columbia, this      14<sup>th</sup>      day of March 2002.

BY ORDER

*Original signed by:*

Peter Ostergaard  
Chair