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**VIA FACSIMILE**  
604-623-4111

May 1, 2003

Mr. Ray Aldeguer  
Senior Vice-President  
Corporate Resources & General Counsel  
Vancouver Island Energy Corporation  
333 Dunsmuir Street  
Vancouver, B.C. V6B 5R3

Dear Mr. Aldeguer:

Re: Vancouver Island Energy Corporation ("VIEC")  
Application for a Certificate of Public Convenience and Necessity  
for the Vancouver Island Generation Project ("the Application")

Further to the Pre-hearing Conference on April 23, 2003 and the written comments provided by a number of parties, attached is Order No. G-30-03 setting out the Regulatory Agenda and Timetable for an oral public hearing on the Application commencing June 16, 2003 in Nanaimo. The Commission will proceed with the hearing on that date in recognition of B.C. Hydro's belief that there is a pressing need for additional resources to supply Vancouver Island as identified in the Application, as well as the Commission's very tight regulatory schedule for the next several months and because a suitable location is available for two weeks commencing June 16<sup>th</sup> to allow holding a significant portion of the hearing in Nanaimo.

According to the Regulatory Agenda and Timetable, Commission staff will file Information Requests to VIEC by May 2<sup>nd</sup> and other Information Requests to VIEC will be filed by Wednesday, May 7, 2003. This will provide VIEC with a somewhat longer period to prepare responses to Information Requests, and may help to avoid duplicative questions. Nevertheless, depending particularly on VIEC's responses to the April 8, 2003 Information Request from Norske Skog Canada Limited ("Norske Canada"), Commission staff may file additional Information Requests by May 7<sup>th</sup>.

The Commission will hear evidence related to the Norske Canada proposal and other power supply alternatives to the Vancouver Island Generation Project in the hearing. By copy of this letter to Norske Canada, the Commission requests that Norske Canada ensure that its evidence is sufficiently comprehensive and substantive to be of assistance to the Commission.

Several groups and individuals have expressed an interest about the potential effects of the project on electricity rates and the impact on the surrounding area. The Commission expects participants to join groups with similar interests, in an effort to reduce costs and ensure an efficient and effective review of the Application.

The Commission expects that the hearing hours on Monday, June 16<sup>th</sup> and Monday, June 23<sup>rd</sup> will be from 12:30 p.m. to 5:00 p.m. and from 7:00 p.m. to 9:00 p.m. On Tuesday, June 17<sup>th</sup> the hearing is expected to resume at 9:00 a.m. and will continue to approximately 5:00 p.m., with a lunch break from 12:00 noon to

1:30 p.m. Parties wishing to schedule presentations during the evening sessions or at other specific times should contact Commission Counsel, Mr. Gordon Fulton, at (604) 687-6789.

For the VIGP hearing the Commission will provide free access to court-reported transcripts for active intervenors. The following will apply for transcript availability from the Commission's court reporters, Allwest Reporting Ltd.:

1. Allwest will bill the Commission for transcripts that will be supplied to the Commission Panel and staff, the Applicant and active intervenors in the proceeding who request copies. The transcript volumes will be delivered to the Commission's hearing room following completion of each day's proceedings. Following the proceedings, the Commission will invoice the Applicant for recovery of the full cost of these transcripts.
2. Intervenors requiring same day delivery to a location other than the BCUC hearing room will be required to pay Allwest Reporting for that service.
3. Active Intervenors will be entitled to one hard copy and one electronic copy of the day's proceedings. Intervenors are to make transcript requests in writing to the Commission by Monday, June 9, 2003. The electronic copy will be available by disk or by E-mail.
4. Intervenors requesting additional copies of transcripts will be invoiced for the additional copies by Allwest. The Commission has negotiated with Allwest for an extra-copy price for the transcripts. The Commission anticipates that it will not approve funding for transcript costs in requests for Participant Assistance.

Yours truly,

*Original signed by:*

Robert J. Pellatt

JBW/cms  
Attachment

cc: Mr. Dennis J. Fitzgerald, Director of Energy  
Norske Skog Canada Ltd. (Fax: (250) 287-5307)  
Mr. Gordon Fulton, Boughton Peterson Yang Anderson  
Mr. Hal Bemister, Allwest Court Reporting Ltd.  
Intervenors and Interested Parties



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BRITISH COLUMBIA  
UTILITIES COMMISSION

ORDER  
NUMBER G-30-03

TELEPHONE: (604) 660-4700  
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IN THE MATTER OF  
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by Vancouver Island Energy Corporation  
(a Wholly-Owned Subsidiary of British Columbia Hydro and Power Authority)  
for a Certificate of Public Convenience and Necessity  
for the Vancouver Island Generation Project

**BEFORE:** P. Ostergaard, Chair )  
R.H. Hobbs, Commissioner ) April 29, 2003  
N.F. Nicholls, Commissioner )

**O R D E R**

**WHEREAS:**

- A. On March 12, 2003, Vancouver Island Energy Corporation (“VIEC”) applied pursuant to Sections 45 and 46 of the Utilities Commission Act (“the Act”) for a Certificate of Public Convenience and Necessity (“the Application”) for the Vancouver Island Generation Project (“VIGP”, “the Duke Point Project”); and
- B. The VIEC is a wholly-owned subsidiary of British Columbia Hydro and Power Authority (“B.C. Hydro”). The Application states that the VIGP is B.C. Hydro’s preferred option for securing reliable electricity supply for Vancouver Island and the Gulf Islands; and
- C. The VIGP is comprised of a combined-cycle natural gas turbine power generating plant at Duke Point near Nanaimo, a connection and upgrade to the existing transmission grid, a short gas supply pipeline and related works. The VIGP would provide 265 megawatts of power and at an estimated cost of \$340 million and an expected in-service date of July 2006; and
- D. The environmental, economic, social, heritage and health effects of the VIGP have undergone an assessment by the Environmental Assessment Office, and VIEC’s application for an environmental assessment certificate is to be referred to Ministers by May 30, 2003; and

- E. The VIGP is associated with the Georgia Strait Crossing Project (“GSX Project”), a proposed international natural gas pipeline from Washington State to Vancouver Island. The Canadian portion of the GSX Project is currently under review by the National Energy Board; and
- F. The Commission, by Order No. G-22-03 dated March 20, 2003, established a Regulatory Agenda and Timetable for two Workshops and a Pre-hearing Conference regarding the Application; and
- G. Commission Workshops were held on April 22 and 23, 2003 in Nanaimo. At the Workshops, B.C. Hydro presented information about the VIGP, the GSX Project and related matters, and Norske Skog Canada Limited presented information about its electricity supply proposal on Vancouver Island; and
- H. A Commission Pre-hearing Conference was held on April 23, 2003. At the close of the Pre-hearing Conference, parties were invited to submit written comments about the regulatory timetable leading to an oral public hearing on the Application, and the issues to be addressed in the hearing; and
- I. The Commission has reviewed the Application and submissions and finds that an oral public hearing to deal with the Application is required.

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

1. The Commission will hold an Oral Public Hearing on the Application commencing Monday, June 16, 2003 at 12:30 p.m. at the Coast Bastion Inn in Nanaimo, British Columbia.
2. The Commission establishes the Regulatory Agenda and Timetable for the filing of evidence and intervenor requests and responses that is attached as Appendix A to this Order.
3. Intervenors intending to apply for participant assistance must submit a budget estimate by Friday, May 16, 2003 consistent with the Commission’s Participant Assistance/Cost Award Guidelines. Copies are available upon request or can be downloaded from the Commission’s web site at <http://www.bcuc.com/bcuc/paca.html>.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 30<sup>th</sup> day of April 2003.

BY ORDER

*Original signed by:*

Peter Ostergaard  
Chair

Attachment

## REGULATORY AGENDA AND TIMETABLE

Vancouver Island Energy Corporation ("VIEC")  
Application for a Certificate of Public Convenience and Necessity  
for the Vancouver Island Generation Project

<b>ACTION</b>	<b><u>DATES (2003)</u></b>
Filing of BCUC Staff Information Requests to VIEC	Friday, May 2
Filing of Other Information Requests to VIEC	Wednesday, May 7
Filing of Information Requests to Norske Skog Canada Limited, Terasen Gas Inc.	Wednesday, May 7
Filing of Participant Assistance/Cost Award Budgets	Friday, May 16
VIEC files Responses to BCUC Staff Information Requests	Friday, May 16
VIEC, Norske, Terasen Gas file Responses to Information Requests	Tuesday, May 20
Filing of Intervenor Evidence	Monday, May 26
Filing of Information Requests to Intervenors	Monday, June 2
Intervenors file Responses to Information Requests	Tuesday, June 10
Hearing commences in Nanaimo	Monday, June 16

### TIME AND LOCATION OF COMMENCEMENT OF ORAL PUBLIC HEARING:

**Time:** June 16, 2003 at 12:30 p.m.  
**Location:** Coast Bastion Inn  
Ballroom  
11 Bastion Street  
Nanaimo, B.C. V9R 6E4  
Telephone: (250) 753-6601