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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-74-06

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

and

**an Application by British Columbia Transmission Corporation
for Approval to Decrease F2007 Rates**

BEFORE: L.A. Boychuk, Panel Chair June 27, 2006

O R D E R

WHEREAS:

- A. In a letter dated March 24, 2006, British Columbia Transmission Corporation ("BCTC") applied to the British Columbia Utilities Commission ("Commission") to have its existing rates approved as interim effective April 1, 2006, and in the same letter informed the Commission that the Transmission Revenue Requirements Application requesting permanent rates will be filed in late April 2006; and
- B. By Order No. G-34-06 dated March 30, 2006, the Commission approved BCTC's current rates as interim effective April 1, 2006; and
- C. On May 26, 2006, BCTC filed for approval of its F2007 Revenue Requirements Application ("the Application") pursuant to Sections 58 and 89 of the Utilities Commission Act ("the Act"). The Application seeks approval of permanent rates effective April 1, 2006, and to further amend on an interim basis the current interim rates effective July 1, 2006 to reflect a F2007 Transmission Revenue Requirement decrease of 7.4 percent or \$42.2 million from the F2006 Transmission Revenue Requirement; and
- D. The Application proposes that on conclusion of a proceeding to review this Application, BCTC will implement permanent rates and make adjustments to prior billings; and
- E. BCTC's Application also seeks approval of: (i) depreciation rates pursuant to Section (56) of the Act; (ii) the clearing of deferral account balances under Section 6 of Special Direction No. 9; and (iii) Substation Distribution Asset Management and Maintenance costs and Distribution Operations Services costs for F2007; and
- F. By Order No. G-61-06, the Commission approved an interim refundable rate decrease of 7.4 percent effective July 1, 2006, issued a regulatory timetable and scheduled a Procedural Conference for June 23, 2006; and

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G. At the June 23, 2006 Procedural Conference and by letter dated June 26, 2006, BCTC requested an amended Order to approve interim refundable rates effective July 1, 2006, consistent with a 7.4 percent reduction in the Transmission Revenue Requirement as shown in Table 11-8 of the Application.

NOW THEREFORE the Commission orders as follows:

1. Pursuant to Section 89 of the Act, the Commission approves for BCTC interim refundable rates as shown in Table 11-8 of the Application effective July 1, 2006, attached as Appendix A to this Order, which are consistent with a 7.4 percent reduction in the Transmission Revenue Requirement.
2. The difference between the F2007 interim rates and permanent rates that are determined by the Commission following consideration of the Application will be subject to refund with interest at the average prime rate of BCTC's principal bank as set out in a Commission Order and Decision that establishes permanent rates for BCTC.

DATED at the City of Vancouver, in the Province of British Columbia, this 27th day of June 2006.

BY ORDER

Original signed by:

L.A. Boychuk
Panel Chair and Commissioner

Attachment

Table 11-8 Proposed Rates

Rate Schedule		Rate Class	Existing Rate	Proposed Rate	Ref.
(a)		(b)	(c)	(d)	(f)
1	RS 00	Network Integrated Transmission Services monthly rate	\$42,041.667	\$ 36,950,000	T11-4, Col (e), L23/12
2	RS 01	Long & Short Term Point-to Point Transmission Service			
3		Minimum Price - k/kW	\$0	\$0	
4		Maximum Price			
5		Monthly - /kW of Reserved Capacity per mo.	4.220	3.863	T11-6, Col (e), L8
6		Yearly - kW of Reserved Capacity per year	50.655	46.356	L5 X 12
7		Weekly - /kW of Reserved Capacity per week	0.974	0.891	L6 / 52
8		Daily - k/kW of Reserved Capacity per day	0.139	0.127	L7/7
9		Hourly - /kW of Reserved Capacity per hour	0.0058	0.0053	L8 / 24
10	RS 02	Non-firm Point-to-Point Transmission Service			
11		Minimum Price - /kw	\$0	\$0	
12		Maximum Price:			
13		Monthly - /kW of Reserved Capacity per mo.	4.220	3.863	T11-6 Col (e), L8
14		Weekly - /kW of Reserved Capacity per week	0.974	0.891	L19 / 52
15		Daily - /kW of Reserved Capacity per day	0.139	0.127	L14 / 7
16		Hourly - /kW of Reserved Capacity per hour	0.0058	0.0053	L15 / 24
17	RS 03	Scheduling & Dispatch Transmission Services			
18		Per MW of Reserved Capacity per hour	0.582	0.115	T11-7, Col (d), L3