

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-22-06

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

and

**An Application by
British Columbia Transmission Corporation
to Amend Rate Schedule 21**

BEFORE: L.F. Kelsey, Commissioner
L.A. Boychuk, Commissioner March 9, 2006

O R D E R

WHEREAS:

- A. In a Letter Agreement regarding the "South Okanagan Supply Reinforcement Project and Vaseux Lake Terminal Station" dated December 13, 2002 ("2002 Letter Agreement") between British Columbia Hydro and Power Authority ("BC Hydro") and Aquila Networks Canada (now Fortis BC Inc.), BC Hydro agreed to amend its Rate Schedule 3817 after the in-service date of the Vaseux Lake Terminal Station by replacing the Annual Rate for Wheeling from South Slocan to Vernon Terminal with a new Annual Rate of \$19,000 per MW of Nominated Wheeling Demand for Wheeling from South Slocan to the Okanagan Point of Interconnection; and
- B. The 2002 Letter Agreement was filed with the Commission on December 16, 2002 by Aquila Networks Canada as Attachment H of an application for a Certificate of Public Convenience and Necessity ("CPCN Application") for the South Okanagan Supply Reinforcement Project; and
- C. Commission Order No. C-3-03 approved the CPCN Application and directed that "BC Hydro is to amend Rate Schedule 3817 to incorporate the Wheeling rate set out in the South Okanagan Supply Reinforcement Project Letter Agreement when the Vaseux Lake Terminal Station goes into service"; and
- D. On April 7, 2005 by Order No. G-34-05, the Commission approved the assignment of the General Wheeling Agreement, as amended by agreements dated December 13, 2002 and April 5, 2004, from BC Hydro to British Columbia Transmission Corporation ("BCTC"); and
- E. Order No. G-34-05 also approved a new BCTC Rate Schedule 21 as a replacement for BC Hydro Rate Schedule 3817 effective April 1, 2005; and
- F. A Partial Assignment and Assumption Agreement dated October 13, 2005 between BC Hydro, BCTC and FortisBC Inc. amended the 2002 Letter Agreement by replacing references to BC Hydro Rate Schedule 3817 with references to BCTC Rate Schedule 21; and

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- G. Under the Partial Assignment and Assumption Agreement, BCTC is to amend BCTC's Rate Schedule 21 as called for by the 2002 Letter Agreement; and
- H. BCTC and FortisBC Inc. have agreed that the Vaseux Lake Terminal Station is in-service effective February 1, 2006; and
- I. By letter dated February 28, 2006, BCTC applied for Commission approval to amend Rate Schedule 21 by replacing the Annual Rate for South Slocan to the Vernon Terminal with an Annual Rate for South Slocan to Okanagan Point of Interconnection with \$19,000 per MW of Nominated Wheeling Demand effective February 1, 2006; and
- J. The Commission has reviewed the Application and has determined that approval is in the public interest.

NOW THEREFORE the Commission grants approval to BCTC to amend Rate Schedule 21, as requested by BCTC in its February 28, 2006 Application, effective February 1, 2006.

DATED at the City of Vancouver, in the Province of British Columbia, this 9th day of March 2006.

BY ORDER

Original signed by

L. F. Kelsey
Commissioner