



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

and

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

BEFORE: L.A. Boychuk, Panel Chair May 30, 2006
and Commissioner

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 ("the 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 for permanent rates would 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 an application for approval of its F2007 Revenue Requirements ("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 the reduced rates BCTC is seeking on a permanent basis that is a decrease of 7.4 percent or \$42.2 million; and
- D. The Application proposes that upon 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. The Commission, in its desire to deal efficiently with the Application, requires that a regulatory timetable and a Procedural Conference be established.

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-61-06**

NOW THEREFORE the Commission orders as follows:

1. The Commission approves for BCTC an interim rate decrease of 7.4 percent, effective July 1, 2006, pursuant to Section 89 of the Act.
2. The difference between the F2007 interim rates and permanent rates that are determined by the Commission following consideration of the Application is subject to refund with interest at the average prime rate of BCTC's principle bank as set out in a Commission Order that establishes permanent rates for BCTC.
3. A Procedural Conference will be held before the Commission Panel on Friday, June 23, 2006, commencing at 9:00 a.m. in the Hearing Room, 12th Floor, 1125 Howe Street, Vancouver, B.C., to address procedural matters which will include, but not be limited to, the following:
 - identification of principal issues arising from or related to the Application;
 - process options for review of the Application, including,
 - oral public hearing
 - negotiated settlement process
 - written hearing
 - or, as appropriate, some combination of the above;
 - timetable (information requests, responses, intervenor evidence, etc.);
 - location(s) of the proceeding; and
 - other matters that will assist the Commission to efficiently review all aspects of the Application.

After the Procedural Conference, the Commission will issue a further procedural Order and Regulatory Agenda for the review of the Application.

4. BCTC will arrange for early publication, but not later than June 8, 2006, in display ad format, the Notice of Procedural Conference, attached as Appendix A to this Order, in the Vancouver Sun, The Province, the Victoria Times Colonist, and in such other appropriate local news publications so as to provide adequate notice to the customers in the service area of the utility.
5. A Regulatory Timetable is set out in Appendix B to this Order.
6. The Application and supporting material will be made available for inspection at the Head Office of BCTC at Suite 1100, Four Bentall Centre, 1055 Dunsmuir Street, Vancouver, B.C., and at the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C.
7. Intervenors and Interested Parties should inform the Commission, in writing or register on-line via the Commission's website at <http://www.bcuc.com>, by June 16, 2006, of their intention to intervene and/or to attend the Procedural Conference.

**BRITISH COLUMBIA
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8. Intervenors intending to apply for participant assistance must submit a budget estimate by July 4, 2006 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 30th day of May 2006.

BY ORDER

Original signed by

Lori Ann Boychuk
Panel Chair and Commissioner

Attachments



BRITISH COLUMBIA TRANSMISSION CORPORATION
Application for Approval of F2007 Revenue Requirements

PROCEDURAL CONFERENCE

Date: Friday, June 23, 2006
Time: 9:00 a.m.
Location: Commission Hearing Room
12th Floor, 1125 Howe Street
Vancouver, B.C.

THE APPLICATION

British Columbia Transmission Corporation ("BCTC", "the Company") has applied to the British Columbia Utilities Commission ("the Commission") seeking approval of permanent rates effective April 1, 2006. The Application forecasts a decrease of approximately \$42.2 million or 7.4 percent for F2007 (April 1, 2006 to March 31, 2007) from the Commission approved revenue requirement for F2006. The Application proposes on conclusion of this proceeding that BCTC will implement permanent rates and make adjustments to prior billings.

By Order No. G-34-06 dated March 30, 2006, the Commission approved BCTC's existing rates as interim effective April 1, 2006. The Application is seeking to further amend on an interim basis the current interim rates effective July 1, 2006 to reflect the decreased rates BCTC is seeking on a permanent basis in order to minimize the adjustment that will need to be made once permanent rates are approved.

The difference between the F2007 interim rates and permanent rates that are determined by the Commission following consideration of the Application is subject to refund with interest at the average prime rate of BCTC's principle bank as set out in a Commission Order that establishes permanent rates for BCTC.

THE REGULATORY PROCESS

The Commission Panel will hold a Procedural Conference on Friday, June 23, 2006, commencing at 9:00 a.m. in the Hearing Room, to address procedural matters which will include, but not be limited to, the following:

- identification of principal issues arising from or related to the Application;
- process options for review of the Application, including,
 - oral public hearing
 - negotiated settlement process
 - written hearing
 - or, as appropriate, some combination of the above;
- timetable (information requests, responses, intervenor evidence, etc.);
- location(s) of the proceeding; and
- other matters that will assist the Commission to efficiently review all aspects of the Application.

Following the Procedural Conference, the Commission will issue a further procedural Order and Regulatory Agenda for the review of the Application.

PUBLIC INSPECTION OF THE DOCUMENTS

The Application and supporting material will be made available for inspection at the Head Office of BCTC at Suite 1100, Four Bentall Centre, 1055 Dunsmuir Street, Vancouver, B.C., V7X 1V5, and at the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C., V6Z 2N3.

INTERVENTIONS

Persons who expect to actively participate in any process established by the Commission to review BCTC's Application should register as Intervenor with the Commission, in writing or register on-line via the Commission's website at <http://www.bcuc.com> by Friday, June 16, 2006. Intervenor will receive copies of the Application, all correspondence and filed documentation.

Persons not expecting to actively participate, but who have an interest in the BCTC proceeding should register as Interested Parties with the Commission, in writing or register on-line via the Commission's website at <http://www.bcuc.com> by Friday, June 16, 2006. Interested Parties will receive a copy of the Application's Executive Summary and all Orders issued.

PARTICIPATION AT THE PROCEDURAL CONFERENCE

Intervenor and Interested Parties should also inform the Commission, by June 19, 2006, of their intention to attend the Procedural Conference.

FURTHER INFORMATION

For further information, please contact Mr. Robert J. Pellatt, Commission Secretary, or Ms. Fong Kwok, Financial Analyst, Rates and Finance as follows:

Telephone: (604) 660-4700
Facsimile: (604) 660-1102

E-Mail: Commission.Secretary@bcuc.com
Telephone: (B.C. Toll Free) 1-800-663-1385

BRITISH COLUMBIA TRANSMISSION CORPORATION
Application for Approval of F2007 Revenue Requirements
REGULATORY TIMETABLE

ACTION	DATES (2006)
Notice of Procedural Conference published	Thursday, June 8
Intervenor Registration	Friday, June 16
Commission Information Requests No. 1	Monday, June 19
Procedural Conference	Friday, June 23
Budget Estimates for Participant Assistance submitted	Tuesday, July 4