

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-43-07

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 British Columbia Hydro and Power Authority
for a Certificate of Public Convenience and Necessity
for Revelstoke Unit 5**

BEFORE:

R.H. Hobbs, Chair
A.J. Pullman, Commissioner

April 19, 2007

O R D E R

WHEREAS:

- A. On April 13, 2007 British Columbia Hydro and Power Authority ("BC Hydro") applied ("Application") to the British Columbia Utilities Commission ("the Commission") for approval of a Certificate of Public Convenience and Necessity ("CPCN") to construct and operate the proposed Revelstoke Unit 5 ("the Project"); and
- B. BC Hydro submits that Revelstoke Unit 5 is in the public convenience and necessity and requests that a CPCN be granted for the construction and operation of Revelstoke Unit 5. BC Hydro is seeking the issuance of a CPCN for Revelstoke Unit 5 that targets an in-service date ("ISD") of October 2010; and
- C. In the 2006 Integrated Electricity Plan/Long Term Acquisition Plan ("IEP/LTAP") proceeding, evidence was presented that showed Revelstoke Unit 5 is required for system reliability purposes on or before its earliest in-service date of October 31, 2010; and
- D. The need for the 480 Megawatts ("MW") of dependable capacity that will be provided by Revelstoke Unit 5 is demonstrated in the development of a new peak load forecast (2006 Load Forecast), which indicates that the peak demand will have a further increase in the range of 120 MW to 230 MW in the 2010 to 2015 period; and
- E. The Project is located at the Revelstoke Dam and Generating Station ("GS") located on the Columbia River, five kilometres ("km") upstream from the City of Revelstoke and 130 km downstream from the Mica Dam and Generating Station; and
- F. The scope of Revelstoke Unit 5 is the installation of a 500 MW fifth turbine/generator set in the existing empty turbine bay immediately east of Unit 4 and limited work relating to the extension of the penstock for Unit 5, a 16 kilovolt ("kV")/500 kV generator transformer and related upgrades to transmission equipment located in the existing powerhouse; and

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- G. In addition, the British Columbia Transmission Corporation (“BCTC”) has identified a need for one capital upgrade on the transmission network that is attributable to Revelstoke Unit 5. The identified upgrade is a new 250 Megavolt-Ampere Reactive (MVar) 500 kV mechanically switched capacitor (“MSC”) at the Ashton Creek Substation. The MSC will allow full five-unit power transfers from the Revelstoke region, free up reactive reserves at Revelstoke and provide voltage security. As a non-BC Hydro Project cost, this amount is accounted for separately and is not included in the Revelstoke Unit 5 costs. However, it is a cost that is incurred as a result of the Project and is ultimately reflected in BC Hydro’s revenue requirements through payments to BCTC; and
- H. The Project would not require the permanent use of any land additional to that already occupied by the existing Revelstoke Dam and GS; and
- I. The October 2010 ISD P50 cost estimate is \$280 million and P90 cost estimate is \$320 million; and
- J. In order to meet the October 2010 ISD, the Commission has determined that the regulatory review of the Application should proceed by written public hearing.

NOW THEREFORE pursuant to Sections 45 and 46 of the Utilities Commission Act, the Commission orders as follows:

1. The Commission establishes a written public hearing process for the review of the BC Hydro CPCN Application according to the Regulatory Timetable that is in Appendix A to this Order.
2. BC Hydro will publish, as soon as it is possible to do so, in display ad format, the Notice of Application and Written Public Hearing attached as Appendix B to this Order in the Vancouver Sun and Province, the Victoria Times Colonist and such local news publications that will provide adequate notice to the Public in the vicinity of the Project.
3. Persons wishing to be Intervenor and Interested Parties in the proceeding should register in writing with the Commission by Friday, May 11, 2007.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of April, 2007.

BY ORDER

Original signed by:

Robert H. Hobbs
Chair

Attachments

British Columbia Hydro and Power Authority (“BC Hydro”)
Certificate of Public Convenience and Necessity Application
for Revelstoke Unit 5

REGULATORY TIMETABLE

ACTION	DATE (2007)
Commission and Intervenor Information Requests	Friday, May 4
Registration of Intervenor and Interested Parties	Friday, May 11
Intervenor Participant Assistance Budgets	Tuesday, May 15
BC Hydro Responses to Information Requests	Friday, May 18
BC Hydro Final Submission	Tuesday, May 29
Intervenor Final Submissions	Tuesday, June 5
BC Hydro Reply Submission	Tuesday, June 12



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**BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
APPLICATION FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
REVELSTOKE UNIT 5**

NOTICE OF APPLICATION AND WRITTEN PUBLIC HEARING

THE APPLICATION

On April 13, 2007 British Columbia Hydro and Power Authority ("BC Hydro") applied to the British Columbia Utilities Commission for a Certificate of Public Convenience and Necessity to construct and operate Revelstoke Unit 5 ("the Project"). The Project is located at the Revelstoke Dam and Generating Station located on the Columbia River, five kilometres upstream from the City of Revelstoke.

BC Hydro proposes to install a 500 MW fifth turbine/generator set in the existing empty turbine bay at the station, a limited extension of the penstock for Unit 5, a generator transformer and related upgrades to transmission equipment located in the existing powerhouse. The Project is estimated to cost \$280 million and is targeted to be in service in late 2010. The Project will also require an upgrade by the British Columbia Transmission Corporation at the Ashton Creek Substation.

In the 2006 Integrated Electricity Plan/Long Term Acquisition Plan ("IEP/LTAP") proceeding, evidence was presented that showed Revelstoke Unit 5 is required for system reliability purposes by October 31, 2010.

THE REGULATORY PROCESS

Commission Order No. G-43-07 established the Regulatory Timetable for the review of the Application by way of a Written Public Hearing.

The detailed Regulatory Timetable can be reviewed on the Commission's website <http://www.bcuc.com>
>Proceedings&Agendas>Current Applications.

INTERVENTIONS

Persons who expect to actively participate in the BC Hydro proceeding should register as Intervenors with the Commission, in writing, by Friday, May 11, 2007, identifying their interest in the Application. Intervenors will receive copies of the Application as well as all correspondence and filed documentation and should provide an e-mail address if available.

Persons not expecting to actively participate in the BC Hydro proceeding, but who have an interest in the Application, should register as Interested Parties with the Commission, in writing, by Friday, May 11, 2007, identifying their interest in the Application. Interested Parties will receive a copy of the Executive Summary of the Application and all Orders issued.

All submissions and/or correspondence received from active participants or the general public relating to the Application will be placed on the public record and posted to the Commission's web site.

PUBLIC INSPECTION OF THE DOCUMENTS

The Application and supporting materials will be available for inspection at the following locations:

British Columbia Hydro and Power
Regulatory Compliance & Filings
17th Floor – 333 Dunsmuir St.
Vancouver, BC V6B 5R3
<http://www.bchydro.com/>

British Columbia Utilities Commission
Sixth Floor, 900 Howe Street
Vancouver, BC V6Z 2N3
Telephone: 1-800-663-1385
<http://www.bcuc.com>

FURTHER INFORMATION

For further information, please contact the Commission Secretary, Mr. Robert Pellatt or Mr. Brian Williston, Director, Engineering and Energy Markets as follows:

Commission Secretary
Telephone: (604) 660-4700
Facsimile: (604) 660-1102
E-mail: Commission.Secretary@bcuc.com
BC Toll Free: 1-800-663-1385

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