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**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER** G-97-07

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

**and**

**British Columbia Hydro and Power Authority ("BC Hydro")  
2007 Rate Design Application ("2007 RDA") Phase II**

**BEFORE:** A.J. Pullman, Panel Chair  
R.J. Milbourne, Commissioner August 20, 2007  
L.A. O'Hara, Commissioner

**O R D E R**

**WHEREAS:**

- A. Order No. G-84-07 (Exhibit A-25) approved the current Special Contract Zone II rate on an interim (refundable) basis, directed BC Hydro to file a general Zone II rate application including the Special Contract rate on or before October 1, 2007, and established the review of the application with respect to interruptible rates to the Independent Power Producers serving Zone II customers; and
- B. Phase II of the 2007 RDA will commence on September 4, 2007 in accordance with the Regulatory Timetable established at the public hearing on July 17, 2007 and July 19, 2007 (T8: 1331-1334; T10: 1646-1648) during Phase I; and
- C. By letter dated August 13, 2007 (Exhibit B-82), BC Hydro wrote to the Commission to make submissions on Sections 6 and 7 of the Commission Panel Hearing List in order to provide comments on the scope for Phase II of the proceeding. BC Hydro submits that there is bound to be significant overlap in Phase II of the 2007 RDA, the application concerning Special Contract rate and any general Zone II rate application; and
- D. By letter dated August 13, 2007 (Exhibit C30-11) Central Coast Power Corporation ("CCPC") wrote to the Commission to make submissions on the Commission Panel Hearing List with respect to those issues for Phase II of the proceeding. CCPC submits that issues related to the price paid by BC Hydro to CCPC cannot be varied by the Phase II process and should be deleted from the Issues List; and
- E. By letter dated August 13, 2007 (Exhibit C23-19), Heiltsuk Tribal Council/Shearwater Marine Limited ("Heiltsuk") wrote to the Commission to make submissions on the Commission Panel Hearing List and provide comments with respect to those issues that are central to the Heiltsuk/Shearwater case; and

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- F. By letter dated August 13, 2007 (Exhibit B-83), BC Hydro filed a request for reconsideration of Order No. G-84-07 ("Order"). It submits that Paragraph 3 of the Order ought to be varied because the requirement to file a general Zone II rate application cannot be supported on the basis of the record in Phase I of the 2007 RDA, that BC Hydro was not afforded the opportunity to make any submissions on the October 1, 2007 date, that the date cannot be met in light of the timing of Phase II of the 2007 RDA, and that no fixed date is appropriate until the BCUC has rendered its final decision on Phase II of the RDA and the Zone II Special Contract rate application. It further submits that the letter dated July 6, 2007 (Exhibit A2-3) is a compliance filing and not an application that seeks any relief, and therefore the letter should not be reviewed as ordered in Paragraph 4 of the Order in the 2007 RDA proceeding; and
- G. The Commission received a submission dated August 16, 2007 from Heiltsuk (Exhibit C23-20). Heiltsuk agrees to BC Hydro's request to vary Paragraph 3 of the Order but states that its reason for agreeing to vary the Order is due to its concern that Paragraph 3 in its present form has the potential to indefinitely postpone the opportunity to address Special Contract rates. Heiltsuk opposes BC Hydro's proposed wording which could lead to further procedural wrangling. Heiltsuk further submits that it opposes BC Hydro's request to rescind Paragraph 4. It states that BC Hydro's letter dated July 6, 2007 contains subject matter that is relevant and material to the Commission's determinations in Phase II and Phase III of the proceeding; and
- J. CCPC by letter dated August 16, 2007 (Exhibit C30-12) pointed out a typing error in BC Hydro's submission. It states that BC Hydro has used 'Phase II of the RDA' instead of correctly quoting 'Phase III' which was used in the Order. It also pointed out that Heiltsuk has also mis-quoted the phasing referred to by the Commission. CCPC agrees with BC Hydro's request to eliminate Paragraph 4 but states that it is comfortable that all issues related to Special Contracts would form part of the October 1, 2007 application for Phase III; and
- K. BC Hydro on August 17, 2007 provided a reply submission in response to the Intervenor's submissions (Exhibit B-84). BC Hydro notes that CCPC and Heiltsuk both agree that Paragraph 3 of the Order ought to be varied. BC Hydro further observes that Heiltsuk ignores the distinction between an application and whether an issue or topic is properly within scope of a proceeding. On CCPC's submission on BC Hydro's letter dated July 6, 2007 (Exhibit A2-3), BC Hydro states that it is not its intention to address the subject matter in Exhibit A2-3; and
- L. No other Intervenor's made submissions on the BC Hydro request for reconsideration; and
- M. The Commission Panel has reviewed the request for reconsideration and considers that varying Paragraph 3 is warranted and that the request to rescind Paragraph 4 is denied.

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**NOW THEREFORE** the Commission orders that Paragraph 3 of Commission Order No. G-84-07 is amended to read “BC Hydro is directed to file its application with the Commission to address all the issues related to the Zone II Special Contract rate, on or before October 1, 2007”.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 20<sup>th</sup> day of August 2007.

**BY ORDER**

*Original signed by:*

A.J. Pullman  
Panel Chair