



LETTER NO. L-94-07

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Log No. 22776

VIA E-MAIL

Mike.Aziz@goldcorp.com

November 22, 2007

Mr. Mike Aziz
Manager
Goldcorp Canada Ltd.
Equity Silver Mine
PO Box 1450
Houston, B.C. V0J 1Z0

Dear Mr. Aziz:

Re: Goldcorp Canada Ltd.
Request for Exemption from Stepped Rate Schedule 1823

In its letter dated November 6, 2007, Goldcorp Canada Ltd. ("Goldcorp") requested that the Commission review the requirement for Goldcorp to purchase electrical power under Rate Schedule ("RS") 1823 for its Equity Mine in Houston B.C. and allow Goldcorp to purchase electrical power under the former RS 1821.

The only rate schedules currently available to transmission voltage customers are Schedules 1823 (Stepped Rate), 1825 (Transmission Time-of-Use Rate), and 1827 (Transmission Rate for Exempt Customers). RS 1821 was terminated upon introduction of the Stepped Rate following the Heritage Contract Inquiry, which the Commission undertook in 2003 in response to a direction from the Provincial Government. The Inquiry terms of reference from Government directed the Commission to make specific recommendations with respect to the rates of transmission voltage customers to accomplish the goals of the 2002 Energy Plan, including detailed provisions of new stepped rate schedules. Following the Heritage Inquiry and the Commission's Report and Recommendations to the Lieutenant Governor in Council, the Government issued its responses, which included Heritage Special Direction No. HC2 to the British Columbia Utilities Commission.

HC2 requires, by reference to recommendations #8 to #15 of the Commission's Heritage Inquiry Report and Recommendations, that the stepped rate be mandatory. Specifically, recommendation #14 recommended that 1821 customers be required to take service under the stepped or time-of-use rate and that RS 1821 would be terminated. Recommendation #15 specifically exempted Aquila (now FortisBC), New Westminster, and UBC on the grounds that they distributed all or a significant portion of their load to others. An exempt rate (RS 1827) was created for those customers. Subsequently, Simon Fraser University and the Vancouver Airport Authority were exempted on the basis that they also distribute to others.

Having reviewed Goldcorp's request, the Commission concludes that it would not be appropriate to place Goldcorp on RS 1827 or otherwise exempt it from the Stepped Rate. The Commission considers the CBL adjustment mechanism to be the best available mechanism for dealing with Goldcorp's request. The Commission notes that BC Hydro has included in its October 5, 2007 Transmission Service Rates Customer Baseline Load F2008 Application a revision to the Goldcorp Equity Mine CBL.

Commission Letter No. L-85-07 dated October 25, 2007 requested that any RS 1823 customers whose CBL had been revised, confirm in writing by November 9, 2007 whether or not they agree with or dispute the revised CBL proposed for them by BC Hydro. If Goldcorp has not responded to that letter, and wishes to dispute the CBL established by BC Hydro please advise the Commission by November 28, 2007. A further Commission Order establishing a process for reviewing disputed CBL adjustments will be issued in due course.

Yours truly,

Original signed by

Erica M. Hamilton

JWF/dg

cc: Ms. Joanna Sofield
Chief Regulatory Officer
British Columbia Hydro and Power Authority
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