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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-77-10**

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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
Transmission Service Rate
Mount Polley Mining Corporation
F2009/F2010 Customer Baseline Load**

BEFORE: D.A. Cote, Commissioner
A.W.K. Anderson, Commissioner

April 22, 2010

ORDER

WHEREAS:

- A. On August 7, 2009, British Columbia Hydro and Power Authority (BC Hydro) filed its Customer Baseline Load F2009 and F2010 Application (the F09/F10 CBL Application) with the British Columbia Utilities Commission (the Commission) requesting approval of Permanent Adjusted F2009 CBLs and Interim F2010 CBLs under the *Utilities Commission Act*; and
- B. On September 3, 2009, the Commission issued Order G-100-09 and Letter L-68-09, directing BC Hydro to inform each Transmission Service Rate customer of its CBL as proposed in the F09/F10 CBL Application. Customers were requested to provide the Commission with comment on the proposed CBLs by October 14, 2009. If a customer had not responded to the Commission by that date, the Commission would conclude that the customer agreed with the CBLs proposed by BC Hydro; and
- C. By October 14, 2009, the Commission received comment from Mount Polley Mining Corporation (MPMC). MPMC disputed BC Hydro's treatment of energy efficiency enhancements and the resulting adjustment to its CBL; and
- D. On November 6, 2009, in a letter to the Commission, the Joint Industry Electricity Steering Committee expressed support for the MPMC's contention that energy efficiency enhancements should be taken into account when determining CBL adjustments; and

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- E. On December 21, 2009, BC Hydro filed an application to the Commission to amend Tariff Supplement No. 74 CBL Determination Guidelines (the CBL Guidelines Amendment Application). The proposed amendments provide for an increase to a customer's CBL when energy efficiency enhancements are undertaken as part of a plant capacity increase (PCI) or as part of the design of a new plant. In the application, BC Hydro requested that the Commission approve the F09/F10 CBL Application with the exception of MPMC's adjusted F2009 and F2010 CBLs on the basis that the Commission decision on the CBL Guidelines Amendment Application was necessary to finalize MPMC's CBLs. BC Hydro requested that if approved, the amendments would take effect the date of the application so that customers undertaking a PCI or a new plant project in F2010 would be able to make design choices with certainty of the CBL treatment; and
- F. On December 21, 2009, BC Hydro filed a confidential letter to the Commission in response to MPMC's letter of dispute. BC Hydro's letter provided background on the determinations it made with respect to MPMC's F2008, F2009 and F2010 CBLs and stated that if the Commission approved the CBL Guidelines Amendment Application, BC Hydro would not be opposed to the Commission reinstating MPMC's CBL adjustment; and
- G. On January 21, 2010, by Order G-16-10, the Commission approved the F09/F10 CBL Application for all customers except MPMC. The MPMC CBLs were to be considered subsequent to the Commission's determination of the CBL Guidelines Amendment Application; and
- H. On February 11, 2010, by Order G-21-10, the Commission approved the amendments to the BC Hydro Tariff Supplement No. 74 as applied for in the CBL Guidelines Amendment Application, effective the date of the application, December 21, 2009. Approval of the amendments triggered the Commission to consider MPMC's Adjusted F2009 and Interim F2010 CBLs.

NOW THEREFORE the Commission orders as follows:

1. For MPMC, the F09 CBL Adjustment: Plant Capacity Increase, in Appendix A of the F09/F10 CBL Application is reinstated.
2. For MPMC, the "Adjusted F2009 CBL for Final Approval" and "Interim F2010 CBL for Interim Approval" are approved at the level of MPMC's "Interim F2009 CBL" level in Appendix A of the F09/F10 CBL Application.

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of April 2010.

BY ORDER

Original signed by:

D.A. Cote
Commissioner