

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER G-180-11

TELEPHONE: (604) 660-4700 BC TOLL FREE: 1-800-663-1385 FACSIMILE: (604) 660-1102

SIXTH FLOOR, 900 HOWE STREET, BOX 250 VANCOUVER, BC V6Z2N3 CANADA web site: http://www.bcuc.com

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

and

An Application by Coastal Rivers Power Limited Partnership
to Transfer to CPI Preferred Equity Ltd.
an Exemption from Section 71 of the *Utilities Commission Act*for Sales of Electrical Power Services from the Upper Mamquam Hydro Facility
to the Lower Mamquam Hydro Facility

BEFORE: L.F. Kelsey, Commissioner October 31, 2011

ORDER

WHEREAS:

- A. Coastal Rivers Power Limited Partnership (Coastal Rivers), a subsidiary of CPI Preferred Equity Ltd. (CPI), is the owner of the Lower Mamquam Hydro facility;
- B. As part of a corporate reorganization, it is intended that Coastal Rivers will transfer its ownership in the Lower Mamquam Hydro facility to CPI, and Coastal Rivers will subsequently be dissolved;
- C. On April 26, 2007 by Order G-47-07 and with the approval of the Lieutenant Governor in Council, the British Columbia Utilities Commission (Commission) granted an exemption in favour of Coastal Rivers from section 71 of the *Utilities Commission Act* (Act) with respect to the sale by Canadian Hydro of electrical power to Coast Rivers pursuant to an Energy Purchase Agreement;
- D. On October 18, 2011, Coastal Rivers and CPI applied to the Commission to transfer the exemption, granted in favour of Coastal Rivers by Order G-47-07, from Coastal Rivers to CPI;
- E. The Commission has considered the application and is satisfied that Order G-47-07 under section 88(3) of the Act exempting the electrical power sales by Canadian Hydro to Coastal Rivers from the requirements under section 71 can be transferred from Coastal Rivers to CPI while properly conserving the public interest.

NOW THEREFORE the Commission orders as follows:

1. Pursuant to section 99 of the Act, the Commission varies the exemption given under Order G-47-07 in

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favour of Coastal Rivers such that it will continue in favour of CPI upon completion of the transfer of ownership of the Lower Mamquam Hydro facility by Coastal Rivers to CPI.

- 2. CPI will notify the Commission within 90 days of the completion of the transfer of the Lower Mamquam Hydro Facility.
- 3. The exemption for CPI will be effective the date of the completion of the transfer of the Lower Mamquam Hydro facility to CPI.
- 4. CPI will become responsible for the safe and proper operation of the Lower Mamquam Hydro facility consistent with the requirements of the Electrical Safety Branch on the date of the completion of the transfer of the facility.

DATED at the City of Vancouver, in the Province of British Columbia, this 31st day of October 2011.

BY ORDER

Original signed by:

L.F. Kelsey Commissioner