



LETTER NO. L-75-12

ERICA HAMILTON
COMMISSION SECRETARY
Commission.Secretary@bcuc.com
web site: <http://www.bcuc.com>

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC CANADA V6Z 2N3
TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102
Log No. 41961

VIA EMAIL

bhydroregulatorygroup@bhydro.com

December 21, 2012

To: Ms. Janet Fraser
Chief Regulatory Officer
British Columbia Hydro and Power Authority

Registered Interveners
(BCH-LGSR-RI)

Re: British Columbia Hydro and Power Authority
Response to Clause 17 of Large General Service Rate Application

Clause 17 of the Large General Service (LGS) Rate Application Negotiated Settlement Agreement (LGS NSA) approved by the British Columbia Utilities Commission (Commission) in Order G-110-10 dated May 10, 2010 states the following:

"As part of its first time-of-use rate application, or before December 2012, whichever is sooner, BC Hydro will review the MGS and LGS demand charge rate structures and the impact of making changes, including the costs and benefits of offering an optional interruptible rate for LGS and MGS accounts. This review will include, at least, high-level consideration of potential rate designs, and will be done in consultation with customers and/or stakeholders."

On November 28, 2012, British Columbia Hydro and Power Authority (BC Hydro) filed a letter with the Commission requesting approval for an extension for filing the review from December 2012, to a date within four months of the submission of the Integrated Resource Plan (IRP) to Government, or December 31, 2013, whichever is earlier. BC Hydro states in its letter that it anticipates that the work required for the review will be informed by BC Hydro's next IRP which it does not anticipate submitting to the B.C. Government before August 3, 2013.

As part of the Commission's review it established a process to receive submissions from Interveners who were part of the LGS NSA on the request by BC Hydro and any further process that may be necessary. The Commission received one submission from the Association of Major Power Customers of British Columbia (AMPC) which indicated that they had no objection to BC Hydro's request. No other submissions were received.

Given that BC Hydro considers the work required to prepare the review will be informed by BC Hydro's IRP and no Interveners who participated in the LGS NSA are in disagreement, the Commission approves BC Hydro's request for an extension of time for filing the review to a date within four months of the submission of the IRP to the B.C. Government, or December 31, 2013 whichever is earlier.

Yours truly,

Original signed by:

Erica Hamilton

CM/yl