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**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER G-116-15**

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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  
Application to Amend Rate Schedule 1289 for Net Metering Service**

**BEFORE:**

L. F. Kelsey, Commissioner  
C. A. Brown, Commissioner  
H. G. Harowitz, Commissioner  
K. A. Keilty, Commissioner  
D. M. Morton, Commissioner

July 9, 2015

**O R D E R**

**WHEREAS:**

- A. By Order G-57-12 dated May 14, 2012, the British Commission Utilities Commission (Commission) approved changes to the British Columbia Hydro and Power Authority (BC Hydro) net metering tariff Rate Schedule 1289. The reasons for decision appended to Order G-57-12 state that barriers entering into the Net Metering program should be minimized to enable customers to take economically efficient steps to build generation capacity;
- B. By Decision and Order G-104-14 dated July 25, 2014, among other things, the Commission approved further amendments to Rate Schedule 1289;
- C. On February 12, 2014, Vancouver Renewable Energy Cooperative (VREC) applied to the Commission seeking an exemption from the provisions of Part 3 of the *Utilities Commission Act* (UCA) for persons who are not otherwise a public utility and their equipment, projects or systems that are leased to a BC Hydro customer under the BC Hydro Net Metering program using technologies defined as "clean or renewable resource" in the *Clean Energy Act*;
- D. Subsequently, on March 19, 2014, the Commission sought the advance approval of the Lieutenant Governor in Council (LGIC) to issue an order under section 88(3) of the UCA for an exemption from regulation from Part 3 and section 71 of the UCA. The Commission expanded VREC's exemption request to include the class of cases where a person not otherwise a public utility, who offers lease agreements or energy supply contracts which provide lessees or buyers respectively with electricity from either solar or wind energy systems or facilities, provided that the value of the installed system, including equipment, labour and permits, does not exceed \$500,000;
- E. By Order in Council No. 23 dated January 16, 2015, the LGIC granted advance approval to the Commission to grant the Commission's requested exemption;

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- F. On January 30, 2015, the Commission issued Order G-7-15, which granted an exemption from regulation for persons who met the class of cases criteria. The Commission noted in Recital H of Order G-7-15 that clause (c) in BC Hydro Rate Schedule 1289 may be amended in the future to foster increased participation in the BC Hydro Net Metering program by granting eligibility to lessees;
- G. On June 26, 2015, BC Hydro applied for approval pursuant to sections 58 to 61 of the UCA to amend Rate Schedule 1289 for Net Metering service to allow BC Hydro Net Metering customers to own or lease clean or renewable generating facilities (Application);
- H. In the Application, BC Hydro is of the view that allowing leased generating facilities to be eligible under Rate Schedule 1289 will likely bring about increased participation by customers in its Net Metering program. BC Hydro also believes that the proposed change will not negatively impact existing or potential Net Metering customers;
- I. The Application outlines three amendments to Rate Schedule 1289 – Net Metering service; and
- J. The Commission has reviewed the Application and considers the Application to be in the public interest.

**NOW THEREFORE** pursuant to sections 58 to 61 of the *Utilities Commission Act*, the British Columbia Utilities Commission orders that the following amendments to Rate Schedule 1289 are approved effective August 1, 2015:

- i. revise the wording of sub-clause (c) of the Generating Facility definition from “owned by the Customer” to “owned or leased by the Customer”;
- ii. include a clarity statement in the Availability section to clarify that Net Metering customers will remain responsible for the operation and maintenance obligations contained in the Special Conditions even when the ownership and operation of generating facilities resides with lease providers; and
- iii. amend Special Condition in section 2 to include that the Customer shall be responsible for the safe and proper operations of the Generating Facility consistent with the requirements of the regulations of the *Safety Standards Act*.

**DATED** at the City of Vancouver, In the Province of British Columbia, this 9<sup>th</sup> day of July 2015.

BY ORDER

*Original signed by:*

D. M. Morton  
Commissioner