



ORDER NUMBER
G-98-16

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

Powell River Energy Inc.
Application for Exemptions under Section 88(3) of the *Utilities Commission Act*

BEFORE:

D. M. Morton, Commissioner
H. G. Harowitz, Commissioner
R. D. Revel, Commissioner

on June 23, 2016

ORDER

WHEREAS:

- A. Ministerial Order M-22-0101 exempts Powell River Energy Inc. (PREI) and its successor and assigns, certain entities affiliated with PREI, Catalyst Paper Corporation and its successor and assigns, the power facilities owned or operated by PREI in the vicinity of Powell River, the purchasers of electricity from regulation under the *Utilities Commission Act* (UCA) in relation to the generation, transmission and sale of electricity by PREI to Catalyst for use by its Powell River mill or for the sale to public utilities or to wholesale customers;
- B. PREI wishes to extend the exemption granted by Ministerial Order M-22-0101 to:
 - 1. accommodate the renewal of the 2016 Power Purchase Agreement beyond January 31, 2021, and
 - 2. allow PREI to sell surplus power to a wholesale marketing affiliate, in place of Powell River Energy Limited Partnership for resale into the wholesale electricity market;
- C. On May 31, 2016, PREI applied to the British Columbia Utilities Commission (Commission) under section 88(3) of the UCA for exemptions from Part 3 and section 71 of the UCA (Application);
- D. Concurrent with the Application, PREI has asked the Minister responsible for the administration of the Hydro and Power Authority Act to issue new exemptions under section 22 of the UCA to exempt PREI, Brookfield Power (the operator of the power facilities) and Catalyst from Part 3 and section 71, to extend certain exemptions granted by Ministerial Order M-22-0101;
- E. The exemptions requested under section 88(3) of the UCA are necessary to complement the new exemptions requested by the Minister under section 22, so all the exemptions granted by M-22-0101 may continue;
- F. In the Application PREI states that the power supply service at the foundation of this exemption is a bilateral arrangement between PREI and Catalyst, and includes a letter from Catalyst supporting the exemptions

sought. It further states that PREI's power facilities are interconnected to the Catalyst and British Columbia Hydro and Power Authority (BC Hydro) systems and PREI has kept BC Hydro advised and provided an advance copy of the Application to BC Hydro. PREI requests a written review without the need for third party comment;

- G. To date, no comments have been received from BC Hydro or any other affected parties; and
- H. The Commission finds that the opportunity for comments from affected or potentially affected parties, including BC Hydro, is warranted for the review of this Application.

NOW THEREFORE the British Columbia Utilities Commission orders as follows:

1. The regulatory timetable for the review of the Powell River Energy Inc. (PREI) Application for an Exemption pursuant to section 88(3) of the *Utilities Commission Act* is established as set out in Appendix A to this order.
2. PREI is to provide a copy of this order to affected parties, including the British Columbia Hydro and Power Authority (BC Hydro), by July 5, 2016.
3. BC Hydro and any other affected parties are invited to provide comments on the Application and the exemptions requested directly to the commission with a copy to PREI on or before July 14, 2016.

DATED at the City of Vancouver, in the Province of British Columbia, this 23rd day of June 2016.

BY ORDER

Original signed by:

D. M. Morton
Commissioner

Attachment

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REGULATORY TIMETABLE

ACTION	DATE (2016)
Comments from affected parties	Thursday, July 14
Further process to be determined	