



ORDER NUMBER
G-77-17

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

and

British Columbia Hydro and Power Authority
Application for Rate Schedule 1892 – Freshet Energy – Baselines

BEFORE:

D. M. Morton, Commissioner
H. G. Harowitz, Commissioner
B. A. Magnan, Commissioner
R. I. Mason, Commissioner

on May 18, 2017

ORDER

WHEREAS:

- A. On April 26, 2017, British Columbia Hydro and Power Authority (BC Hydro) filed with the British Columbia Utilities Commission (Commission) alternative High Load Hours (HLH) and Light Load Hours (LLH) Baselines and Reference Demands for four of the 44 customers that have elected to participate in year two of the Rate Schedule (RS) 1892 Freshet Rate, and requested the Commission approve the alternative baselines and Reference Demands (Application). The four customers are:
- Catalyst Paper Corporation:
 - Crofton Division;
 - Powell River Division;
 - Howe Sound Pulp and Paper Corporation – Port Mellon; and
 - Tolko Lavington;
- B. On September 24, 2015, BC Hydro filed the first module of a rate design application (2015 RDA) with the Commission;
- C. Among the various approvals sought in the 2015 RDA, BC Hydro sought approval for a new optional RS 1892 Freshet Rate, which provides market pricing to participating customers for incremental consumption during the freshet period on a pilot basis ending December 31, 2017;
- D. Following the January 25, 2016 Streamlined Review Process, on February 9, 2016, by Order G-17-16, the Commission approved RS 1892 effective the date of the order;
- E. RS 1892 requires BC Hydro to determine a HLH Baseline, a LLH Baseline, and a Reference Demand for each participating customer. BC Hydro will use these baselines and Reference Demand in accordance with RS 1892 to determine the amounts of energy and demand to be charged under RS 1823 Transmission Service Stepped Rate and RS 1892, respectively;

F. Special condition 4 of RS 1892 provides as follows:

If BC Hydro and the Customer agree that the LLH and HLH Baselines or Reference Demand calculated in accordance with the provisions above are not representative of the Customer's expected RS 1823 Electricity usage during the Freshet Period of 2016 or 2017, and the parties agree to alternative LLH and HLH Baselines or Reference Demand, BC Hydro will file the agreed-to baselines or Reference Demand with the British Columbia Utilities Commission (BCUC).

Subject to direction from the BCUC, BC Hydro will use such filed baselines or Reference Demand for the purposes of applying this Rate Schedule and Rate Schedule 1823;

- G. BC Hydro requests the Commission grant approval of its Application by Friday, May 19, 2017 to provide the four customers with certainty as to the LLH and HLH Baselines and Reference Demand that will apply during the Freshet Period beginning May 1, 2017;
- H. The Application includes evidence explaining why the LLH and HLH Baselines and Reference Demand calculated in accordance with the provisions of RS 1892 are not representative of the customers' expected RS 1823 electricity usage during the freshet period of 2017, how the alternative baselines and Reference Demands were calculated, and that the four customers agreed to the alternative baselines and Reference Demands;
- I. On May 1, 2017, Commission staff requested corrected and further information. On May 5, 2017, BC Hydro filed the requested information (Supplemental Filing);
- J. BC Hydro filed public and confidential versions of the Application and the Supplemental Filing. In accordance with the Commission's Rules of Practice and Procedures, Part IV, section 18, BC Hydro is requesting that Appendices C and D of the Application and certain information in the Supplemental Filing be held in confidence as they contain information that is commercially sensitive to the four customers; and
- K. The Commission considered the Application and the Supplemental Filing and determines that approval is warranted.

NOW THEREFORE pursuant to sections 58 to 61 of the *Utilities Commission Act*, the British Columbia Utilities Commission orders as follows:

1. The alternative Light Load Hours and High Load Hours Baselines and Reference Demands contained in confidential Appendix D of the April 26, 2017 Application are approved effective May 1, 2017.
2. Appendices C and D and the requested information in the May 5, 2017 Supplemental Filing will be held in confidence as they contain commercially sensitive information.

DATED at the City of Vancouver, in the Province of British Columbia, this 18th day of May 2017.

BY ORDER

Original signed by:

D. M. Morton
Commissioner