



ORDER NUMBER
G-25-18

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

and

British Columbia Hydro and Power Authority
Application for Approval of Electric Tariff Supplement No. 94 Interruptible
Electricity Supply Agreement for the Fort Ware Bioenergy Facility

BEFORE:

B. A. Magnan, Commissioner

on January 25, 2018

ORDER

WHEREAS:

- A. On November 9, 2017, British Columbia Hydro and Power Authority (BC Hydro) filed with the British Columbia Utilities Commission (Commission) an application to approve the Interruptible Electricity Supply Agreement Tariff Supplement No. 94 (TS 94) for BC Hydro to provide backup electricity service to the Fort Ware Bioenergy Facility (Generating Facility) in Fort Ware, BC (altogether the Application);
- B. The Application includes the following items:
 - I. Approve back bill charges on energy consumed by the Generating Facility under the existing Electricity Supply Agreement (ESA) beginning April 21, 2017, until the date TS 94 is approved;
 - II. Confirm that TS 94 will effectively replace the ESA effective on the date the Commission approves TS 94; and
 - III. Approve the structure of TS 94 as a pro-forma agreement between BC Hydro and the Generating Facility;
- C. On June 25, 2007, the BC Government enacted the Remote Communities Regulation, which directed the Commission to ensure BC Hydro made available to customers of remote communities in Non-Integrated Areas rates and services offered to other entities served by BC Hydro. Rates to be paid by these communities would be established under the *Utilities Commission Act*;
- D. By Order C-4-09A, dated September 17, 2009, the Commission directed BC Hydro to establish a Remote Community Electrification Program Plan working group including stakeholders and First Nations representatives to develop a streamlined regulatory process for projects under the program;

- E. By Order C-4-11 dated February 17, 2011, a Certificate of Public Convenience and Necessity was granted to BC Hydro to serve the community of Fort Ware by upgrading existing diesel facilities in the community, conditional on BC Hydro taking over and owning the distribution system. Order C-4-11 also amended the existing electricity tariff to include Fort Ware as a Rate Zone II community;
- F. By Order C-13-11, dated December 8, 2011, the Commission approved BC Hydro to proceed with system upgrades and diesel plant construction prior to takeover of the electricity distribution system, as per Order C-4-11;
- G. On January 16, 2017, BC Hydro entered into an ESA with the Kwadacha Nation, who owns the Generating Facility in Fort Ware. The ESA provides interruptible power to the Generating Facility for emergency purposes. BC Hydro made a mistake because the rate stated in the ESA was not applicable to the Generating Facility – the ESA referenced Rate Schedule 1253, which is applicable only to IPPs in BC Hydro’s Zone I service area;
- H. On April 21, 2017, the Generating Facility reached commercial operation;
- I. On October 19, 2017, BC Hydro advised Kwadacha Nation of the incorrect rate agreed to in the ESA and proposed a new Interruptible Electricity Supply Agreement TS-94, in accordance with Section 10.1 of the BC Hydro Electric Tariff;
- J. The Commission has reviewed the Application and considers that a regulatory timetable should be established for a formal written process.

NOW THEREFORE pursuant to sections 58 to 61 of the *Utilities Commission Act*, the Commission orders the following:

- 1. The regulatory timetable for the review of the Application is established, as set out in Appendix A of this order.
- 2. BC Hydro is directed to send copies of the Application and this order immediately following issuance to all parties who are registered as interveners in the Application, as well as the Kwadacha Nation.

DATED at the City of Vancouver, in the Province of British Columbia, this 25th day of January 2018.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner

Attachment

British Columbia Hydro and Power Authority
Application for Approval of Electric Tariff Supplement No. 94 Interruptible
Electricity Supply Agreement for the Fort Ware Bioenergy Facility

REGULATORY TIMETABLE

Action	Date 2018
Commission Information Request No. 1 to BC Hydro	Monday, January 29
BC Hydro Responses to Information Request No. 1	Wednesday, February 7
Deadline for Filing Letters of Comment	Wednesday, February 7
BC Hydro Responses to Letters of Comment (if any)	Thursday, February 8
Further Process To Be Determined	Wednesday, February 14