



**ORDER NUMBER
E-10-18**

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 March 6, 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 an Interruptible Electricity Supply Agreement (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 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. By Order C-4-11 dated February 17, 2011, a Certificate of Public Convenience and Necessity (CPCN) 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;
- D. 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;

- E. On January 16, 2017, BC Hydro entered into an ESA with the Kwadacha Nation, who own the Generating Facility in Fort Ware. The ESA provides interruptible power to the Generating Facility for emergency purposes. The rate stated in the ESA was not applicable to the Generating Facility – the ESA referenced Rate Schedule 1253, which is applicable only to Independent Power Producers in BC Hydro’s Zone I service area;
- F. On April 21, 2017, the Generating Facility commenced operations;
- G. On October 19, 2017, BC Hydro advised the Kwadacha Nation of the incorrect rate agreed to in the ESA and proposed TS 94, in accordance with Section 10.1 of the BC Hydro Electric Tariff;
- H. By Order G-28-18, dated January 26, 2018, the Commission established a regulatory timetable with one round of information requests to review the Application. In this proceeding, no interveners were registered and no letters of comment were received; and
- I. The Commission has reviewed and considered all of the evidence filed in this proceeding and believes that acceptance of the Application is warranted.

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

- 1. BC Hydro is approved to charge the Kwadacha Nation on energy consumed by the Generating Facility under the existing Electricity Supply Agreement (ESA) in accordance with the terms of Rate Schedule 1253 for the period April 21, 2017 until the date of this Order.
- 2. The Interruptible Electricity Supply Agreement (TS 94) is approved as a pro-forma agreement between BC Hydro and the Generating Facility, effective the date of this Order;
- 3. The existing ESA is terminated and replaced by TS 94, effective the date of this Order; and
- 4. TS 94, as submitted with the Application, is approved as filed.

DATED at the City of Vancouver, in the Province of British Columbia, this 6th day of March 2018.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner