



**ORDER NUMBER
E-18-18**

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

and

British Columbia Hydro and Power Authority
Application Requesting the Commission Set a Rate for Boralex LP's Electricity Service to BC Hydro

BEFORE:

B. A. Magnan, Panel Chair/Commissioner
D. J. Enns, Commissioner
W. M. Everett, QC, Commissioner

on June 18, 2018

ORDER

WHEREAS:

- A. On August 29, 2017, British Columbia Hydro and Power Authority (BC Hydro) filed with the British Columbia Utilities Commission (BCUC) an application requesting the BCUC set a rate for Boralex Ocean Falls Limited Partnership's (Boralex) electricity service to BC Hydro (Application);
- B. In the Application, BC Hydro requested the BCUC:
 - i. approve an amendment to Order G-26-10, making Boralex subject to the rate regulation provisions of the *Utilities Commission Act* (UCA) with respect to its service to BC Hydro (Order Amendment Complaint);
 - ii. determine and, by order, set a rate for Boralex's service to BC Hydro pursuant to sections 58 to 60 of the UCA (Rate Setting Request); and
 - iii. accept the Energy Purchase Agreement (EPA) extension agreement, effective July 1, 2017, between BC Hydro and Boralex (the Parties) in relation to the hydroelectricity generating facility at Ocean Falls (Amendment Agreement #2) as being in the public interest pursuant to section 71 of the UCA (Extension Request). BC Hydro states the extension agreement provides that the term continue "until the earlier of (i) June 30, 2018, and (ii) the effective date as agreed to by the Parties or as may be ordered by the Commission for the new terms and conditions....";
- C. By Order G-61-12 dated May 17, 2012, the BCUC established the Rules for Energy Supply Contracts for Electricity (Rules) to facilitate the BCUC's review of energy supply contracts for electricity. As stated in the Rules, the BCUC will rely on all information it considers necessary to determine whether an energy supply contract is in the public interest;

- D. On February 27, 2017, pursuant to section 71 of the UCA, BC Hydro filed with the BCUC a quarterly energy supply contract filing for the period ending December 31, 2016, which included, among other things, an amending agreement to extend the term of the EPA between BC Hydro and Boralex dated December 22, 2016 (Amendment Agreement #1);
- E. By Order E-12-17 dated June 14, 2017, the BCUC accepted, among other things, Amendment Agreement #1 to extend the EPA term by six months to June 30, 2017;
- F. On October 16, 2017, BC Hydro filed a response to BCUC staff questions regarding the Extension Request, and requested that the un-redacted Application and the un-redacted response be held confidential as they contain commercially sensitive information, the release of which could result in prejudice to BC Hydro's negotiating position to the detriment of ratepayers;
- G. By Order E-20-17 dated November 8, 2017, the BCUC accepted Amendment Agreement #2 to extend the EPA term "until the earlier of (i) June 30, 2018, and (ii) the effective date as agreed to by the Parties or as may be ordered by the Commission for the new terms and conditions....";
- H. On June 5, 2018, pursuant to section 71 of the UCA, BC Hydro filed with the BCUC an amending agreement between BC Hydro and Boralex dated July 1, 2018 (Amendment Agreement #3) to further extend the EPA term to the "earlier of: (i) June 30, 2019, or (ii) the effective date as agreed to by the Parties or as may be ordered by the BCUC for the new terms and conditions...." BC Hydro requested the EPA Amendment Agreement #3 be held confidential as it contains commercially sensitive information; and
- I. The BCUC reviewed Amendment Agreement #3 to the EPA in accordance with the criteria under section 71(2.21) of the UCA and the requirements under the Rules, and finds Amendment Agreement #3 to be in the public interest and considers it acceptable for filing.

NOW THEREFORE pursuant to section 71 of the UCA and the Rules, the BCUC orders as follows:

- 1. Amendment Agreement #3 to the EPA between BC Hydro and Boralex, effective July 1, 2018, is in the public interest and is accepted for filing under section 71 of the UCA.
- 2. The BCUC will hold confidential the un-redacted Amendment Agreement #3 to the EPA between BC Hydro and Boralex on the basis that disclosure of commercially sensitive information may result in prejudice to BC Hydro's negotiating position and to the detriment of ratepayers.

DATED at the City of Vancouver, in the Province of British Columbia, this 18th day of June 2018.

BY ORDER

Original Signed By:

B. A. Magnan
Commissioner