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VIA FACSIMILE  
9,604,623-4407

April 3, 2003

Mr. Ray Aldeguer  
Senior Vice-President  
Corporate Resources & General Counsel  
British Columbia Hydro and Power Authority  
333 Dunsmuir Street  
Vancouver, B.C. V6B 5R3

Post#	Date	# of pages
Fax Note R7673	04/03/03	6
To	Mr. Ray Aldeguer	
Fax#	9,604,623-4407	
From	Robert J. Pellatt	
Phone#	mail to follow	

Dear Mr. Aldeguer:

Re: Proposal regarding a Heritage Contract for B.C. Hydro's Existing Generation Resources  
and regarding Stepped Rates and Transmission Access

Pursuant to the Terms of Reference issued by the Province on March 25, 2003, we enclose Commission Order No. G-23-03 establishing the Inquiry for the review of the above noted matters.

The Regulatory Agenda and Timetable necessarily overlaps with the summer months. The Regulatory Agenda and Timetable is being issued now so that participants have as much notice as possible.

The Terms of Reference define the issues for the Inquiry. The Commission believes that not all issues raised by the Terms of Reference may need to be considered in the public hearing phase of the Inquiry. Therefore, the Regulatory Agenda sets a date for a pre-hearing conference to allow parties to make submissions on issues that they believe should be canvassed at the public hearing.

Participants should note that some issues may be addressed only in the written evidentiary phase of the Inquiry. The Hearing Issues List will not be finalized until after the pre-hearing conference; therefore, participants may want to ensure that filed evidence comprehensively addresses the issues considered important by that participant. Any supplementary evidence following the pre-hearing conference is to be confined to issues on the Hearing Issues List.

Yours truly,

Robert J. Pellatt

cms  
Enclosure



BRITISH COLUMBIA  
UTILITIES COMMISSION

ORDER  
NUMBER G-23-03

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IN THE MATTER OF  
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

British Columbia Hydro and Power Authority  
Proposal regarding a Heritage Contract for B.C. Hydro's Existing Generation Resources  
and regarding Stepped Rates and Transmission Access

BEFORE: R.H. Hobbs, Commissioner )  
K.L. Hall, Commissioner ) April 1, 2003

**O R D E R**

**WHEREAS:**

- A. On November 25, 2002, the Minister of Energy and Mines released "Energy for Our Future: A Plan for BC" ("the Energy Plan"); and
- B. The Energy Plan contemplates that the Commission should conduct an inquiry to develop and refine certain policy areas relating to regulation of British Columbia Hydro and Power Authority ("B.C. Hydro") prior to the commencement of its review of B.C. Hydro's rates, and should submit a report to the Lieutenant Governor in Council by October 17, 2003 describing proposed changes to legislation and regulations that it believes are desirable in that connection; and
- C. On March 25, 2003 the Province, by Order in Council No. 0253, issued Terms of Reference for an Inquiry relating to a Heritage Contract for B.C. Hydro's Existing Generation Resources and to Stepped Rates and Transmission Access; and
- D. The Terms of Reference direct the Commission to conduct an Inquiry pursuant to Section 5 of the Utilities Commission Act; and
- E. The general purpose of the Inquiry is to obtain the Commission's recommendations on what changes, if any, should be made to legislation, regulations, special directions or special directives affecting B.C. Hydro and/or the Commission in order to implement the Energy Plan in connection with specific issues identified in the Terms of Reference; and
- F. The Terms of Reference direct the Commission to require B.C. Hydro to file by April 30, 2003, a proposal that identifies the detailed recommendations and reasons that B.C. Hydro believes should be contained in the Commission's report to the Lieutenant Governor in Council; and
- G. The Commission requires that a regulatory process for the Inquiry be established.

**NOW THEREFORE** the Commission orders as follows:

1. B.C. Hydro is directed to file by April 30, 2003, a proposal that identifies the detailed recommendations and reasons that B.C. Hydro believes should be contained in the Commission's report to the Lieutenant Governor in Council.

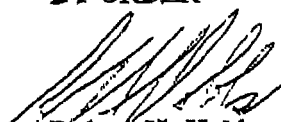
BRITISH COLUMBIA  
UTILITIES COMMISSIONORDER  
NUMBER G-23-03

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2. B.C. Hydro is further directed to publish, as soon as possible, in display-ad format, the Notice attached as Appendix B to this Order, in British Columbia daily newspapers plus the British Columbia editions of the Globe & Mail, and the National Post regarding the Province's direction to the Commission for an Inquiry and the B.C. Hydro proposal.
3. B.C. Hydro is directed to make its proposal available to the public for viewing at its Head office and at its Regional Offices in Victoria, Nanaimo, Prince George, Vernon and Castlegar.
4. To allow for distribution of the B.C. Hydro proposal to Intervenors on April 30, 2003, persons who intend to actively participate in the Inquiry should inform the Commission, in writing, of their intention to intervene in the Inquiry by April 22, 2003; and
5. Persons who do not intend to actively participate in the Inquiry but wish to receive B.C. Hydro's Executive Summary, all Orders issued, and the Final Report should inform the Commission, in writing of the intention to be an Interested Party by April 22, 2003.
6. A Regulatory Agenda and Timetable is attached as Appendix A to this Order. The Commission will advise registered participants of the times and locations of the workshop, pre-hearing conference and public hearing following receipt of the B.C. Hydro proposal.
7. Intervenors intending to apply for participant assistance must submit a budget estimate by Monday, May 12, 2003 consistent with the Commission's Participant Assistance/Cost Award Guidelines. Copies are available upon request or can be downloaded from the Commission's web site at <http://www.bcuc.com/bcuc/paca.html>.

DATED at the City of Vancouver, in the Province of British Columbia, this 3 day of April 2003.

BY ORDER

  
Robert H. Hobbs  
Commissioner

Attachments

**APPENDIX A**  
to Order No. G-23-03  
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**BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**  
Proposal regarding a Heritage Contract for B.C. Hydro's Existing Generation Resources  
and regarding Stepped Rates and Transmission Access

**REGULATORY AGENDA AND TIMETABLE**

<u>ACTION</u>	<u>DATES (2003)</u>
Registration of Intervenor or Interested Parties	April 22
B.C. Hydro files proposal and any written testimony	April 30
Commission Staff Workshop (Note 1)	May 13
Information Requests to B.C. Hydro	May 16
B.C. Hydro Responses to Information Requests	May 29
Intervenor written submissions and any written testimony	June 6
Information Requests to Intervenor	June 13
Intervenor Responses to Information Requests	June 27
Commission Panel circulates draft public hearing Issues List	July 3
Pre-hearing Conference (Note 2)	July 7
Commission Panel Order finalizing public hearing Issues List	July 9
Supplementary Evidence of all Parties relating to Hearing Issues	July 16
Regional Inquiry Sessions:	
Victoria	July 21
Prince George	July 23
Kelowna	July 25
Vancouver public hearing	July 28-August 8
B.C. Hydro Written Argument	August 15
Intervenor Written Argument	August 22
B.C. Hydro Reply Argument	August 29
Final Report to Lieutenant Governor in Council	October 17

Note 1: At the workshop on May 13, the dates for the public hearing in Vancouver and the timing of final argument will be discussed.

Note 2: The pre-hearing conference is a hearing before the Commission Panel to give all Parties the opportunity to make submissions on the issues that they believe should be canvassed at the public hearing, together with submissions on any other issues for the public hearing.

The Time and Place of the workshop, pre-hearing conference and public hearing will be communicated to intervenors and interested parties at a later date.



**APPENDIX B**  
to Order No. G-23-03  
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**NOTICE OF AN INQUIRY  
BY THE BRITISH COLUMBIA UTILITIES COMMISSION**

## **BACKGROUND**

On November 25, 2002, the Minister of Energy and Mines released "Energy for Our Future: A Plan for BC" ("the Energy Plan"). The Energy Plan anticipated an Inquiry by the British Columbia Utilities Commission into certain policy areas relating to regulation of British Columbia Hydro and Power Authority ("B.C. Hydro") prior to its review of B.C. Hydro's rates.

On March 25, 2003, the Province issued Terms of Reference directing the Commission to conduct an Inquiry relating to a heritage contract for B.C. Hydro's existing generation resources, and to stepped rates and transmission access. The general purpose of the Inquiry is to obtain the Commission's recommendations on what changes, if any, should be made to legislation, regulations, special directions or special directives affecting B.C. Hydro and/or the Commission in order to implement these components of the Energy Plan.

The Terms of Reference direct the Commission to require B.C. Hydro to file by April 30, 2003, a Proposal that identifies the detailed recommendations and reasons that B.C. Hydro believes should be contained in the Commission's report to the Lieutenant Governor in Council. The Terms of Reference can be viewed on the BCUC's web site at [www.bcuc.com](http://www.bcuc.com).

## **HOW TO PARTICIPATE**

Persons who intend to actively participate in the Inquiry should register as Intervenors with the Commission, in writing, by Friday, April 22, 2003 identifying their interest in the Proposal, and providing an e-mail address if available. Intervenors will receive copies of the Proposal, all Orders issued, all correspondence and filed documentation, and the Final Report.

Persons not intending to actively participate, but who have an interest in the Proposal, should register as Interested Parties with the Commission, in writing, by Friday, April 22, 2003. Interested Parties will receive a copy of the B.C. Hydro's Executive Summary, all Orders issued, and the Final Report.

## **PUBLIC INSPECTION OF THE DOCUMENTS**

Once filed with the Commission, the B.C. Hydro Proposal and any supporting material will be made available for inspection at the following locations:

### **British Columbia Hydro and Power Authority**

Head Office: 17<sup>th</sup> Floor - 333 Dunsmuir Street, Vancouver, B.C.  
(604) 623-4046

Regional Offices: In Victoria, Nanaimo, Vernon, Castlegar and Prince George

### **British Columbia Utilities Commission**

Sixth Floor, 900 Howe Street, Vancouver, B.C.

The Proposal will also be available for viewing on B.C. Hydro's web site at <http://www.bchydro.com> after it has been filed with the Commission.

## **FURTHER INFORMATION**

For further information, please contact Mr. Robert J. Pellatt, Commission Secretary, or Mr. Jim Fraser, Manager, Strategic Services as follows:

Telephone: (604) 660-4700  
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