



FOR GENERATIONS

**Joanna Sofield**

Chief Regulatory Officer

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June 17, 2010

Ms. Erica M. Hamilton  
Commission Secretary  
British Columbia Utilities Commission  
Sixth Floor – 900 Howe Street  
Vancouver, BC V6Z 2N3

Dear Ms. Hamilton:

**RE: British Columbia Utilities Commission (BCUC)  
British Columbia Hydro and Power Authority (BC Hydro)  
Network Economy Quarterly Report - First Quarter (Q1) 2010**

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BC Hydro is writing to the BCUC in compliance with BCUC Order No. G-127-06 in connection with the British Columbia Transmission Corporation (**BCTC**) Application for Network Economy and Open Access Transmission Tariff (October 19, 2006). Section 9 of the Settlement Agreement, attached to Order No. G-127-06 as Appendix 1, requires that BC Hydro prepare reports for each quarter of the calendar year containing the information as set out in section 9 of the Settlement Agreement and in section 3 of BCTC's Tariff Supplement BCTC-1 Network Economy Service. The quarterly reports are to be posted on BC Hydro's website and filed with the BCUC and BCTC by the end of the following quarter.

Attachment 1 is the Q1 Quarterly Report related to the first quarter of calendar 2010.

As required by subsection 9 (e) of the Settlement Agreement I attest that the information contained in the Q4 Quarterly Report is accurate and changes to the Threshold Purchase Price were provided to BCTC no later than they were provided to Powerex Corporation.

BC Hydro will be posting this letter and the attached report on its website at [http://www.bchydro.com/planning\\_regulatory/regulatory.html](http://www.bchydro.com/planning_regulatory/regulatory.html).

JM/ma

For further information, please contact the undersigned.

Yours sincerely,



Joanna Sofield  
Chief Regulatory Officer

Enclosure (1)

c. BCTC  
Attention: Janet Fraser  
Director, Regulatory Affairs

Powerex  
Attention: Mike MacDougall  
Director, Trade Policy

## BC Hydro Network Economy Quarterly Report – Q1

(January 1, 2010 – March 31, 2010)

Pursuant to Order No. G-127-06 and Sections 3 and 4 of Tariff Supplement BCTC-1 Network Economy Service:

<b>Initial Threshold Purchase Price<sup>1</sup> at January 1, 2010</b>	<b>Burrard Heat Rate at January 1, 2010</b>
US \$0/MWh <sup>2</sup>	10.7 MMBTU/MWh

Date of Notification	Threshold Purchase Price Change	Burrard Heat Rate Change	Reason for Burrard Heat Rate Change
March 9, 2010	Effective March 9, 2010: Change to Threshold Purchase Price: US \$37/MWh (for all purchases)	No Change	N/A
March 23, 2010	Effective March 23, 2010: Change to Threshold Purchase Price: US \$35/MWh (for all purchases)	No Change	N/A

	January 2010	February 2010	March 2010
Net Domestic volumes (MWh) <sup>3</sup>	1	0	125,431
Burrard Thermal Generating Station volumes (MWh)	1,265	187	0
Monthly System Peak for the integrated domestic system during Q1 (MW)	8,715	8,272	7,978
Monthly Estimated Peak for the Lower Mainland (MW)	4,604	4,238	3,949
Monthly Estimated Peak for Vancouver Island (MW) <sup>4</sup>	1,726	1,670	1,710

<sup>1</sup> Pricing is quoted in US\$. For the purpose of allocation of energy and cost of energy, price is converted to CAN\$ based on the Bank of Canada daily noon exchange rate.

<sup>2</sup> A \$0/MWh Threshold Purchase Price implies that BC Hydro did not require any discretionary imports.

<sup>3</sup> As attributed pursuant to the Transfer Pricing Agreement. Low net domestic volumes in January and February are reflective of the US \$0/MWh Threshold Purchase Price in effect over those two months.

<sup>4</sup> Does not include the Gulf Islands.