



FOR GENERATIONS

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December 21, 2009

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 - Third Quarter (Q3) 2009**

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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 Q3 Quarterly Report related to the third quarter of calendar 2009.

As required by subsection 9 (e) of the Settlement Agreement I attest that the information contained in the Q3 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).

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 – Q3

(July 1, 2009 – September 30, 2009)

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 July 1, 2009</b>	<b>Burrard Heat Rate at July 1, 2009</b>
US\$10 / MWh	10.7 MMBTU / MWh

Date of Notification	Threshold Purchase Price Change	Burrard Heat Rate Change	Reason for Burrard Heat Rate Change
July 3, 2009	Change to Threshold Purchase Price: US\$22 / MWh	No Change	N/A
July 30, 2009	Change to Threshold Purchase Price: US\$33 / MWh	No Change	N/A
August 14, 2009	Change to Threshold Purchase Price: US\$36 / MWh	No Change	N/A
September 8, 2009	Change to Threshold Purchase Price: US\$37 / MWh	No Change	N/A
September 14, 2009	Change to Threshold Purchase Price: US\$999/MWh <sup>2</sup> (Up to 10 GWh per day in LLH and 10 GWh per day in HLH) US\$37 / MWh (for additional volumes)	No Change	N/A
September 17, 2009	For weekend of September 19 and 20 only: Change to Threshold Purchase Price: US\$37 / MWh	No Change	N/A

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

<sup>2</sup> Due to system conditions in September, BC Hydro was required to import electricity to meet domestic load. In order to maintain transmission priority for imports that were required to meet load, BC Hydro adopted a two tiered pricing structure. A Threshold Purchase Price was specified for imports up to a GWh / day import limit (required to meet current load), and a separate Threshold Purchase Price was set for any additional energy after the import limit had been reached.

<b>Date of Notification</b>	<b>Threshold Purchase Price Change</b>	<b>Burrard Heat Rate Change</b>	<b>Reason for Burrard Heat Rate Change</b>
September 17, 2009	Effective September 21: Change to Threshold Purchase Price: US\$999/MWh <sup>2</sup> (Up to 5 GWh per day in LLH and 5 GWh per day in HLH) US\$37 / MWh (for additional volumes)	No Change	N/A
September 24, 2009	For September 25, 26 and 27 only: Change to Threshold Purchase Price: US\$37 / MWh	No Change	N/A
September 24, 2009	Effective September 28 Change to Threshold Purchase Price: US\$999/MWh <sup>2</sup> (Up to 10 GWh per day in LLH and 10 GWh per day in HLH) US\$37 / MWh (for additional volumes)	No Change	N/A

	<b>July 2009</b>	<b>August 2009</b>	<b>September 2009</b>
Net Domestic volumes (MWh) <sup>3</sup>	12,300	147,330	441,819
Burrard Thermal Generating Station volumes (MWh)	0	26,239	124,191
Monthly System Peak for the integrated domestic system during Q3 (MW)	7,118	6,722	6,736
Monthly Estimated Peak for the Lower Mainland (MW)	4,242	3,543	3,565
Monthly Estimated Peak for Vancouver Island (MW) <sup>4</sup>	1,103	1,101	1,285

<sup>3</sup> As attributed pursuant to the Transfer Pricing Agreement.

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