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29 March 2004

Mr. Robert J. Pellatt  
Commission Secretary  
British Columbia Utilities Commission  
P.O. Box 250  
600 - 900 Howe Street  
Vancouver, B.C. V6Z 2N3

Dear Mr. Pellatt:

**RE: British Columbia Hydro and Power Authority ("BC Hydro")  
Project No. 3698360 - Order No. G-7-04  
Revenue Requirements 2004/05 and 2005/06 Application**

BC Hydro encloses its responses to the second round of information requests in this proceeding, pursuant to the Regulatory Timetable attached to Order G-7-04. The response is substantially complete, with the following exceptions:

1. Responses to information requests posed by the Sierra Club on March 19, 2004 (17 days late) have not been completed. BC Hydro will file responses to those information requests as soon as possible.
2. Response to information request posed by Alan Wait on March 26, 2004 (24 days late) has not been completed. BC Hydro will file a response to this information request as soon as possible.

As with the responses to the first round of information requests, there are some minor redactions to some of the documents included with certain of the responses. Schedule A indicates the information requests that contain documents from which certain words or appendices have been redacted. Production of the material has the potential to prejudice the interests of BC Hydro and its ratepayers, Accenture, or third parties. Accordingly, BC Hydro believes the redactions are appropriate.

BC Hydro also encloses Schedule B, the direct evidence of the following witnesses BC Hydro expects to call at the oral hearing of this application:

Drew Dunlop, Manager, Strategic Asset Management, Generation;  
Bob Elton, President and Chief Executive Officer;  
Dawn Farrell, Executive Vice-President, Generation;

Sandy Gillies, Director of Operations, Distribution;  
 Jay Grewal, Acting Chief Financial Officer;  
 Dana Hardy, Controller;  
 Mary Hemmingsen, Manager, Power Planning and Portfolio Management;  
 Steve Hobson, Manager, Marketing, Customer Care and Power Smart;  
 Valerie Lambert, Treasurer;  
 Warren McKay, Chief Information Officer;  
 Dennis Maniago, Vice President, Field Services;  
 Richard Marchant, Manager, Customer Care and Power Smart;  
 Tony Morris, Group Controller, Generation;  
 Chris O'Riley, Powerex Risk Manager and Corporate Risk Consultant to  
 BC Hydro;  
 Gary Sherlock, Director of Finance and Business Services, Distribution;  
 Ken Spafford, Principal Engineer, Generation;  
 Beverley Van Ruyven, Senior Vice-President, Distribution; and  
 Nicola Webb, Chief Human Resources Officer;

and

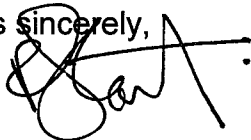
James Gurney, Investment Analysis Manager, BC Transmission Corporation;  
 Elizabeth Hong, Controller, BC Transmission Corporation;  
 Yakout Mansour, Senior Vice-President for System Operations and Asset  
 Management, BC Transmission Corporation; and  
 Jane Peverett, Chief Financial Officer, BC Transmission Corporation.

In addition to the foregoing, BC Hydro is prepared to call the evidence of Mr. Robert Fairholm from the Centre for Spatial Economics regarding the interest rate and foreign exchange rate assumptions used by BC Hydro in the Evidentiary Update. Direct testimony of any additional or substitute witnesses that BC Hydro decides to call will be filed as soon as it becomes necessary or desirable.

For the reasons set out in the direct evidence of Ms. Grewal, BC Hydro is revising its Application to seek an additional permanent rate increase of 1.67%, over and above the interim rate increase of 7.23%, effective 30 days after the Commission's final decision on the Application. This proposed increase, which would likely become effective in the fall of 2004, would stand in the place of the application for a 2% increase previously sought for F2006, which is hereby withdrawn.

Finally, BC Hydro also encloses Schedule C, a further list of errata, and an insert for Chapter 2B of the Application that shows BC Hydro's deferral account proposal.

Yours sincerely,



Richard Stout  
 Chief Regulatory Officer

Enclosures: Schedule A, Redacted Information Requests  
Schedule B, Direct Evidence  
Schedule C, Errata  
Chapter 2B, BC Hydro Deferral Accounts  
Second Round of Information Requests

c: BC Hydro Revenue Requirements 2004/5 and 2005/6 Application  
Registered Intervenors