

GSXCCC Information Request No. 1.1.3 Dated: 08 December 2004 BC Hydro Response issued 20 December 2004	Page 1
British Columbia Hydro and Power Authority Call for Tenders for Capacity on Vancouver Island Review of Electricity Purchase Agreement	

1.0 Reference: CFT Report, p.1, lines 18-23

1.1.3 Please confirm that BC Hydro intends to keep the HVDC line in service during and after it is zero-rated.

RESPONSE:

BCTC's Transmission System Capital Plan, filed with the Commission on 31 May 2004, outlines in section 3.1.4.3 projects in progress and future projects to sustain the HVDC system. Capital investments for the HVDC system are directed at replacing and upgrading system components that are either failing or have a high risk of failure, to ensure that firm capacity is maintained until 2007 and that emergency capacity is maintained thereafter.