



FOR GENERATIONS

Janet Fraser

Chief Regulatory Officer

Phone: 604-623-4046

Fax: 604-623-4407

bchydroregulatorygroup@bchydro.com

December 16, 2014

Ms. Erica 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 or Commission)
British Columbia Hydro and Power Authority (BC Hydro)
Network Economy Quarterly Report - Third Quarter (Q3) 2014**

BC Hydro writes to the Commission in compliance with Commission Order No. G-127-06 in connection with the British Columbia Transmission Corporation 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 BC Hydro Tariff Supplement 80 - Network Economy Service – section 2, page 2.

Attachment 1 is the Network Economy Quarterly Report related to the third quarter of calendar 2014 (**Q3 Quarterly Report**).

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

BC Hydro will be posting this letter and the attached report on its website at https://www.bchydro.com/about/planning_regulatory/regulatory.html.

For further information, please contact the undersigned.

Yours sincerely,

Original signed

Janet Fraser
Chief Regulatory Officer

jm/ma
Enclosure (1)

Copy to: **Powerex**
Attention: Mike MacDougall
mike.macdougall@powerex.com

BC Hydro Network Economy Quarterly Report – Q3
(July 1, 2014 to September 30, 2014)

Pursuant to Commission Order No. G-127-06 and Tariff Supplement 80 - Network Economy Service - section 2, page 2:

Initial Threshold Purchase Price¹ on July 1, 2014	Burrard Heat Rate on July1, 2014
-\$999/MWh	10.0 MMBTU/MWh

Date of Notification	Threshold Purchase Price Change	Burrard Heat Rate Change	Reason for Burrard Heat Rate Change
N/A	No Change	No Change	No Change

	July 2014	August 2014	September 2014
Net Domestic Volumes (MWh)	8,790 ²	504 ²	427 ²
Burrard Thermal Generating Station Volumes (MWh)	792	827	218
Monthly System Peak for the Integrated Domestic System (MW)	7,351	7,419	6,737
Monthly Estimated Peak for the Lower Mainland (MW)	3,896	3,925	3,507
Monthly Estimated Peak for Vancouver Island (MW) ³	1,263	1,120	1,116

¹ 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.

² A positive volume indicates net domestic imports during the month.

³ Does not include the Gulf Islands.