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March 9, 2016

Ms. Laurel Ross
Acting Commission Secretary
British Columbia Utilities Commission
Sixth Floor – 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Ms. Ross:

**RE: British Columbia Utilities Commission (BCUC or Commission)
British Columbia Hydro and Power Authority (BC Hydro)
2015 Network Economy Annual Report**

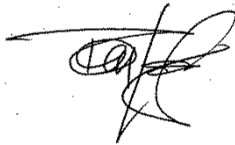
BC Hydro writes in compliance with Commission Order No. G-127-06 in connection with the British Columbia Transmission Corporation (**BCTC**) Application for Network Economy and Open Access Transmission Tariff (October 19, 2006). Section 10 of the Settlement Agreement, attached to Order No. G-127-06 as Appendix 1, requires that BC Hydro prepare an annual report for each calendar year which will provide the annual domestic volumes allocated under the Transfer Pricing Agreement and the net amount imported using the Network Economy Service that has passed the Economic Test set out in paragraph 2 of Attachment Q.

Attached is the Annual Report for the 2015 calendar year containing the required information as noted above.

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

For further information, please contact the undersigned.

Yours sincerely,



Tom Loski
Chief Regulatory Officer

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Enclosure (1)

BC Hydro
2015 Network Economy Annual Report
(January 1, 2015 – December 31, 2015)

Total Domestic Volumes allocated under the Transfer Pricing Agreement for the calendar year of 2015 were net exports of 5,456,870 MWh.

In the period ending December 31 2015, 1,958,026 MWh were imported using Network Economy Service that passed the Economic Test, as set out in paragraph 2 of Attachment Q to Order No. G-127-06.

Time Period	Transfer Pricing Agreement Volumes	Net Amount Imported Using Network Economy Service
January – December 2015	(5,456,870) MWh	1,958,026 MWh