



IN THE MATTER OF

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY

**2007 RATE DESIGN APPLICATION
PHASES –II AND III**

DECISION

December 21, 2007

Before:

**Anthony J. Pullman, Panel Chair & Commissioner
Robert J. Milbourne, Commissioner
Liisa A. O'Hara, Commissioner**

TABLE OF CONTENTS

	<u>Page No.</u>
2007 RATE DESIGN – PHASE II	1
1.0 INTRODUCTION	1
1.1 Procedural Background	1
2.0 REGULATORY AND POLICY FRAMEWORK	7
2.1 Historical Background for Zone II Tariff	7
2.2 Special Direction No. 10 and Remote Communities Regulation	8
2.3 BC Hydro Tariff Definitions and Implications of SD10	9
3.0 ZONE II TARIFF	13
3.1 Zone II Current Rate Schedules	14
3.1.1 Residential Rates	14
3.1.2 Small General Service Rates (GS<35 kW)	15
3.1.3 Large General Service Rates (GS>35kW)	16
3.1.4 Extensions for Rate Zone II	17
3.2 Rate Differentiation in Zone I and Zone II	17
3.2.1 Policy and Criteria for Differentiation	17
3.2.2 Anomalies in Zone I and Zone II	18
3.3 Non-Integrated Areas	20
3.4 BC Hydro 1991 Undertaking Regarding Zone II Rate Design	22
4.0 BELLA BELLA NIA TARIFF	23
4.1 Heiltsuk Request for Relief	23
4.2 Bella Bella NIA Customer Bill Analysis	24
4.3 Definition of Bella Bella NIA	25
4.4 Supply Characteristics in Bella Bella	26

TABLE OF CONTENTS

	<u>Page No.</u>
4.4.1 Historical Background	26
4.4.2 BC Hydro Power Purchase Agreements (EPA) with CCPC	27
4.4.3 Rationale for Rates in Bella Bella	27
4.5 Retroactivity	28
4.6 Unduly Discriminatory Rates	29
4.7 BC Hydro Position Regarding Heiltsuk Request for Relief	31
5.0 COMMISSION DETERMINATION	33
2007 RATE DESIGN - PHASE III	35
1.0 PROCEDURAL BACKGROUND	35
2.0 THE APPLICATION	44
2.1 Special Contract Customers	45
2.2 IPP Special Contract Rates	50
2.3 RS 1901- Deferral Account Rider	56
 COMMISSION ORDER NO. G-171-07	
APPENDICES	
APPENDIX A List of Abbreviations	
APPENDIX B BC Hydro Electric Tariff Excerpts	
APPENDIX C List of Appearances/List of Witnesses	
APPENDIX D List of Exhibits	

2007 RATE DESIGN – PHASE II

1.0 INTRODUCTION

This Document contains the Commission's Decisions with respect to Phases II and III of British Columbia Hydro and Power Authority's ("BC Hydro") 2007 Rate Design Application ("2007 RDA"). It should be read in conjunction with the Commission's Decision dated October 26, 2007 attached to Order No. G-130-07, concerning Phase I of BC Hydro's 2007 RDA. A full description of the conduct of the hearing from the filing by BC Hydro of its 2007 RDA to the closure of the record of Phase I of the hearing on July 19, 2007, and of the genesis of the subsequent phases of the proceeding can be found on pages 28-46 of that Decision.

1.1 Procedural Background

In a letter dated July 4, 2007 to the Commission BC Hydro provided its comments on proposed issues No. 5.1 to 5.8 (the NIA Issues) contained in a draft Issues List prepared by Commission staff. BC Hydro stated that each of the eight NIA issues was inappropriate for resolution in the 2007 RDA, noting that, as framed, they were all general issues regarding the principles of Zone II rates, and pointing out that, other than Heiltsuk Tribal Council/Shearwater Marine Limited ("Heiltsuk"), there was no NIA/Zone II representation in this proceeding, and that the Heiltsuk did not purport to represent other NIA customers, nor did they advocate that their proposal - the extension of Zone I rates to Bella Bella - should be applied throughout the Non-Integrated Areas ("NIA"). BC Hydro submitted that, until the staff Issues List was issued, less than a week before the oral phase of the proceeding, there was no reasonable basis for any potential NIA intervenor to believe that NIA rates would in general be the subject of this hearing and that it would be inappropriate at best, and likely procedurally unfair, to make this proceeding the forum to resolve these general NIA issues.

BC Hydro also noted that Orders in Council ("OIC") 508 and 509 had been approved and ordered by the Lieutenant Governor in Council on June 25, 2007 and that the former brought into force Special Direction No. 10 ("SD10") which, among other things, obliges the Commission to extend Zone II rates to "remote communities", and further obliges the Commission to allow BC Hydro to recover in its rates the costs incurred to serve remote communities. BC Hydro submitted that any general

consideration of Zone II rates must be delayed for at least enough time to allow all parties to consider the extent to which these new legislative provisions affect such considerations (Exhibit B-21).

By letters dated July 31, 2007 BC Hydro and Central Coast Power Corporation (“CCPC”) informed the Commission that they had reached a common view on how the 33 questions from Heiltsuk as contained in Exhibit C23-7 could be best responded to. BC Hydro also advised that despite a meeting and subsequent communications with the Heiltsuk, no agreement had been achieved among the three parties. The responses were filed as an attachment to the BC Hydro letter dated July 31, 2007 (Exhibit B-79) and the reasons for not providing certain answers were given by CCPC, including its concern that the information could be used for competitive purposes to its detriment (Exhibit C30-6).

By letter dated August 2, 2007, the Heiltsuk requested that the Commission direct BC Hydro and CCPC to provide responsive answers to the questions identified in its letter, and in the absence of answers to those questions, that the Power Purchase Agreement (“EPA”) between BC Hydro and CCPC should be produced without further delay (Exhibit C23-18). By letter dated August 3, 2007, BC Hydro opposed the motion by the Heiltsuk to direct BC Hydro to answer all the questions but took no position on the alternative relief sought by the Heiltsuk (Exhibit B-81).

On August 13, 2007 by Order No. G-91-07, the Commission ordered as follows:

- “1. BC Hydro is to make available within 7 calendar days of the date of this Order the following documents:
 - (a) the original EPA between BC Hydro and CCPC;
 - (b) the exchange of correspondence between BC Hydro and CCPC referred to be BC Hydro’ counsel at T2:185 that sets out the terms and conditions of the amended EPA between BC Hydro and CCPC; and
 - (c) the original lease agreement between BC Hydro and CCPC and any amendments thereto.
2. That the documents referred to in (1) above be filed with the Commission on a confidential basis, and that access to the documents be restricted to the counsel and experts retained by the parties to this proceeding who have first

executed and filed a declaration in respect of the use of the confidential information in the Undertaking form attached as Appendix A to this order” (Exhibit A-27).

CCPC filed its evidence for Phase II of the 2007 RDA on July 24, 2007 (Exhibits C30-4 and C30-5). The latter exhibit (Exhibit C30-5) contained confidential materials that were also handled in accordance with the Commission Document Filing Protocol (Exhibit A-24).

On August 13, 2007, BC Hydro responded to the Commission Panel’s direction at T8:1331-1333 in the 2007 RDA Phase I proceeding for parties to make submissions on Sections 6 and 7 of the Issues List (Exhibit B-82). BC Hydro’s submission is summarized as follows:

- BC Hydro understands that the purpose of these submissions is to allow the Commission to set the scope of Phase II of the 2007 RDA proceeding.
- BC Hydro refers to its “General Zone II Rate Application” as an “application by BC Hydro to review all Zone II rates and policies, exclusive of those issues that are addressed or resolved in Phase II of the 2007 RDA proceeding and exclusive of the application for special Contract rates...”
- BC Hydro believes that there is bound to be significant overlap in Phase II of the 2007 RDA, the application concerning Special Contracts and any General Zone II Rate Application. In other words, BC Hydro states that “it will be impossible for the Commission to assess whether Zone II rates in Bella Bella are unjust, unfair or unduly discriminatory without forming some conclusions about the principles that ought to govern Zone II rates” and that “to the extent that the Commission does not narrowly confine the scope of Phase II, there will be greater overlap”.
- The current Zone II tariff structure originated over 40 years ago and in Phase II, BC Hydro believes, it will have to take a position on the relief the Heiltsuk seeks in the context of that long-standing policy because there is no time to consult, review and propose possible changes to that policy prior to commencement of Phase II.
- In light of Special Direction No. 10 (“SD10”), which in BC Hydro’s view implicitly requires the continued distinction between Zone I and Zone II rates (T2: 178-180), and the Remote Communities Regulation, government would also have to be consulted before any proposed changes to the Zone II tariff policy.
- Any broad enquiry into Zone II rates in Phase II by Intervenors or the Commission is bound to be an exercise in frustration for all participants.

- At a minimum, Phase II will address the specific relief that the Heiltsuk seek – the extension of Zone I rates to Bella Bella.

Based on these reasons, BC Hydro submits that none of the general Zone II issues should be within the scope of Phase II and observes that with two exceptions, all items in Section 6 of the Issues List (Non-Integrated Area – Zone II Customers) are general Zone II issues. The first exception is the part of issue 6.5 that addresses Special Contract rates and will be dealt with in Phase III. The other exception is issue 6.7, which relates to the Commission’s decision regarding BC Hydro’s 1991 rate design application and which BC Hydro has already committed to addressing in Phase II.

Regarding Section 7 of the Issues List, BC Hydro observes that a number of them fall into two general categories: those that relate to BC Hydro’s current supply characteristics in Bella Bella (7.3, 7.4, 7.8), and those that relate to what BC Hydro’s supply characteristics might be under different circumstances (7.6, 7.9 and 7.10). Regarding the former, BC Hydro states that it will not object to the scope of Phase II including consideration of BC Hydro’s current supply characteristics in Bella Bella.

Regarding those issues that relate to future potential supply characteristics, BC Hydro submits that they can not properly be in scope. BC Hydro states that the contractual arrangements with CCPC are outside the Commission’s jurisdiction as long as Exemption Order No. G-40-86 is in place.

In conclusion, BC Hydro submits that only the issues from the Issues List within the scope of Phase II are: 6.7; 7.1; 7.2; 7.3; 7.4; 7.5; 7.7; 7.8; 7.11 and 7.12 (Exhibit B-82).

The Heiltsuk essentially supports the maintenance of the original Issues List with minor exceptions such as moving Special Contract related issues to Phase III of the 2007 RDA proceeding (Exhibit C23-19).

CCPC makes no submission in respect to items in Section 6.0 Non-Integrated Area – Zone II Customers. With regard to Section 7.0 “Bella Bella” NIA Customers, CCPC comments:

“The first sentence of issue 7.6 which reads as follows: “*Is the price for electric power paid BC Hydro to CCPC set appropriately.*” should be deleted as an issue
....

The price paid by BC Hydro to CCPC has no relevance to the RDA. This price is set by Contract and cannot be varied through this process. Similarly, issue 7.11 goes to the price paid by BC Hydro to CCPC. As this price cannot be altered in this forum, the issue should be deleted.” (emphasis in original) (Exhibit C30-11)

After considering the submissions, the Commission Panel issued the Revised Hearing Issues List (“Revised Issues List”) for Phase II of the 2007 RDA on August 20, 2007 (Exhibit A-29).

To further describe the scope of the Phase II proceeding and the roles of the participants, a submission by counsel for BC Hydro of August 31, 2007 is noteworthy. In that document BC Hydro states:

“BC Hydro understands Phase II to be an opportunity for interested participants to enquire into the issues set out in the Commission Panel Revised Hearing Issues List (Exhibit A-29), for the primary if not sole purpose of addressing whether Zone I rates ought to be extended to Bella Bella customers of BC Hydro. Since these issues do not arise (directly, at least) from BC Hydro’s application, it does not anticipate its witnesses having any opening statements, and I do not anticipate having any opening submissions.

However, on behalf of BC Hydro I attach a number of documents that address topics BC Hydro anticipates will be subject of questions to the BC Hydro witness panel” (Exhibit B-87).

The oral hearing commenced on September 4, 2007 and continued through September 7, 2007. The parties appearing in the Phase II proceeding were BC Hydro, Joint Industry Electricity Steering Committee (“JIESC”), the Heiltsuk and CCPC. Only BC Hydro and the Heiltsuk introduced witness panels for cross-examination with BC Hydro’s panel being heard first.

Following agreement among the parties as to the order in which Argument and Reply Argument would be filed, the Heiltsuk filed Argument on September 21, 2007, BC Hydro and CCPC filed Argument on October 5, 2007, and the Heiltsuk filed Reply on October 12, 2007.

On motion from Commission Counsel, subject to the outstanding information responses or undertakings be delivered, in the case of the parties other than the Heiltsuk by September 14, 2007 and in the case of Heiltsuk by September 21, 2007 and the inclusion in the record of any letters received but not yet posted, the Commission Panel Chair declared the record for Phase II closed as of 4:44 p.m. on September 7, 2007 (T13:2319).

2.0 REGULATORY AND POLICY FRAMEWORK

The regulatory and policy framework for the 2007 RDA is described more comprehensively in Section 1.0 of the Phase I Decision, including the postage stamp rate principle in Section 6.7. This Section addresses issues specifically relevant to Phase II in more detail.

2.1 Historical Background for Zone II Tariff

BC Hydro states that upon its formation in 1962, it assumed responsibility for the supply of electricity to the majority of B.C. residents from its predecessor companies, the B.C. Power Commission and B.C. Electric and that, in 1962, the residential rate was established on a “postage stamp” basis throughout the province with the government agreeing to provide a subsidy of \$150,000 towards the losses incurred in districts served by diesel generation.

BC Hydro states that in 1966 the provincial government established the policy that it was not prepared to subsidize electric space heating from diesel generated electricity in the Atlin district, and that two separate tariff or rate zones were to be created, following which BC Hydro applied the same principle to all districts served by diesel generation. BC Hydro states that Zone II has been a separate rate zone on BC Hydro’s rate map since January 1967, and that certain residential customers in Zone II, who were using electricity for space heating at that time, were grandfathered. All other residential users in Zone II were served on a rate schedule that included the first 1,500 kW.h/month at Zone I rates with a higher price for consumption greater than 1,500 kW.h/month, to discourage the use of electricity for space heating. The price for energy consumption greater than 1,500 kWh/month was originally based on the operating costs of the diesel generation (Exhibit B-3, Heiltsuk 1.12.1, and BCUC 1.44.1).

BC Hydro states that the rationale for the structure of the Zone II Small General Service (“GS<35kW”) rate is similar to the rationale for the structure of the Zone II residential rate and that, since 1966, when the two separate rate zones were created, the policy direction from the government had been that the rate for small commercial customers in the districts served by diesel generation should recover operating costs in those districts. The current rate structure, in which the first 7,000

kWh/month for GS<35 kW customers in Zone II is supplied at the same rate as in Zone I, was established in April 1980, and the price for energy consumption greater than 7,000 kWh/month was originally based on the operating cost of the diesel generation (Exhibit B-3, Heiltsuk 1.13.1).

2.2 Special Direction No. 10 and Remote Communities Regulation

On June 25, 2007, pursuant to section 3 of the UCA, SD10 to the Commission was made by OIC No. 508. It includes definitions of “integrated” and “non-integrated area” as follows:

“integrated area” means the geographic areas in the Province, other than the non-integrated areas, in which the authority serves customers under its schedules of rates filed with the commission from time to time;

“non-integrated area” means Anahim Lake, Atlin, Bella Bella, Bella Coola, Dease Lake, Eddontenajon, Queen Charlotte islands and Telegraph Creek District”; ...

and, *inter alia*, further requires the Commission in regulating and setting rates for BC Hydro to use the criterion that BC Hydro is to achieve energy and capacity self sufficiency by 2016, and to exceed its electricity supply obligations by at least 3,000 gigawatt hours per year “as soon as practicable but no later than 2026”.

Paragraph 5(1) of SD10 provides that:

“In setting rates for the authority, the commission must ensure that the authority’s rates and classes available to customers in the non-integrated area, including rates available to customers whose electricity demand is or is likely to be in excess of 45 kVA, are available to customers who receive electricity service under section 2 of the Remote Communities Regulation.”

Paragraph 5(2) (c) provides that:

“In setting rates for the authority, the commission must ensure that those rates allow the authority to collect sufficient revenue in each fiscal year to enable the authority to recover costs related to provision of electricity service under section 2 of the Remote Communities Regulations.”

Pursuant to section 4 of the BC Hydro Public Power Legacy and Heritage Contract Act, S.B.C 2003, the Remote Communities Regulation was made by OIC 509 on June 25, 2007. It is designed to provide four remote communities, identified on an attached schedule, access to BC Hydro electricity service under BC Hydro’s Zone II tariff (Exhibit B-21).

2.3 BC Hydro Tariff Definitions and Implications of SD10

BC Hydro states that the distinction between Zone I and Zone II is described in several definitions contained in its Electric Tariff as follows:

- Rate Zone I is defined on page A-8-1 of the Electric Tariff as “The Integrated Service Area and the Districts of Kingsgate-Yahk and Lardeau-Shutty Bench”;
- Rate Zone II is defined on the same page A-8-1 of the Electric Tariff as “Anahim Lake, Atlin, Bella Bella, Bella Coola, Dease Lake, Eddontenajon, Queen Charlotte Islands and Telegraph Creek District”;
- The “Integrated Service Area” is defined on page A-8-1 as “All distribution areas served by B.C. Hydro within the limits from time to time outlined in Rate Map “A” which is a part of this Tariff”; and
- Rate Map “A” itself on page A-9 of the Electric Tariff provides a graphical distinction between Rate Zone I and Rate Zone II (Exhibit B-89).

During the first day of the Phase I oral hearing, which was given over to procedural matters, BC Hydro submitted that “... by implication at least, the Special Direction [SD10] prescribes the scope of [what] the non-integrated area - the minimum size of the non-integrated area - as including, among others, Bella Bella” (T2:180).

BC Hydro raised the concern whether the specific relief sought by the Heiltsuk is actually available to them in the 2007 RDA proceeding and elaborated the impact of the above implication by stating that “Its at least arguable that an extension of Zone I rates into the Bella Bella community is inconsistent with this Special Direction” (T2:180). Therefore, BC Hydro states, in light of SD10 and the remote Communities Regulation, government would also have to be consulted before any proposed changes to the Zone II tariff policy can be made (Exhibit B-82).

Finally, BC Hydro submitted that section 5(2)(c) of SD10 results in an enlargement of Zone II which is to be included in BC Hydro’s revenue requirement, which in turn expands the potential scope of legal and other issues that are raised by the motions, SD10 and the specific relief sought by the Heiltsuk (T2:181-182).

To alleviate the concern raised, BC Hydro submitted “Now, I’m not saying that that means there’s no possible solution and no possible way to address Bella Bella’s complaint” (T2:180).

In a later exchange with the Commission Panel, BC Hydro further submitted:

“... it seems to me that what the Commission can do is set Zone II rate structure in a way that allows, within the structure itself, for exceptions to the normal postage stamp rates within Zone II” (T13:2245),

and reconfirmed this position in its Argument:

“However, if the Commission is inclined to grant an exception to Bella Bella ratepayers, and direct BC Hydro to extend Zone I rates to them, BC Hydro suggests that for the purpose of avoiding any legal difficulties arising from SD10 that the Commission set out some general principles justifying the exception that could be reflected in tariff language to be drafted by BC Hydro and submitted as part of a compliance filing within a fixed period of time after the decision” (BC Hydro Argument, p. 4).

Postage Stamp Rates

BC Hydro files a copy of a letter dated May 27, 2003 from the Minister of Energy to the Union of BC Municipalities, which states in part:

“Electricity rates will be set on a postage stamp basis. This means all customers within a particular customer class will receive the same rate, regardless of their location in the Province” (Exhibit B-47).

Remote Communities Electrification

Policy Action No. 27 of the 2007 Energy Plan states “Pursue Government and BC Hydro’s planned Remote Community Electrification Program to expand or take over electricity service to remote communities in British Columbia”.

BC Hydro states that there are approximately 50 communities that may be eligible for the Remote Community Electrification (“RCE”) program. BC Hydro’s best estimate is that there are approximately 1,000 residential dwellings in these 50 communities. There are no known industrial loads and only a small number of small commercial loads. BC Hydro estimates that 24 of these communities are First Nations communities, and states that “Electrification of remote communities will increase their quality of life, assure reliable communications, and assist in building more trusting and mutually beneficial relationships with each region. The program will also provide environmental benefits by contracting with IPPs to provide renewable energy and reducing reliance on diesel and gasoline generators”. BC Hydro expects that the program will electrify all eligible and interested communities by 2017.

BC Hydro states that it sought input from First Nations and non First Nations communities to establish program objectives and prioritization criteria. For prioritization purposes, it was agreed that the criteria should be the degree of community hardship, the readiness to participate, and the demonstrated ability for the program to succeed in the community.

BC Hydro states that the process it will follow to select communities includes determining community eligibility according to the following criteria:

- a community in a rural area with more than 25 people, and 10 or more permanent principal residences for the last 20 years;

- residences must be no more than 200 m apart, and on average for the community, no more than 100 m apart;
- a community not directly connected to the BC Hydro grid;
- a community that does not sit on private land;
- a community either more than 1.5 km away from the nearest integrated distribution system or not able to take advantage of its uneconomic extension assistance (“UEA”) program; and
- a community that is not a recreational property or commercial enterprise (e.g. apartment blocks, row house complex, motels, trailer parks, marinas).

BC Hydro states that it has not yet taken any communities into the NIA under the RCE program (Exhibit B-11, Panel IR 2.1.0).

3.0 ZONE II TARIFF

Supply Characteristics in Other NIA's

BC Hydro testified that the nine communities in the NIA differ distinctly from each other on the basis of supply characteristics:

- Bella Bella and Dease Lake are supplied practically 100 percent by hydroelectric generation from IPPs. BC Hydro provides diesel generation back-up to these two communities.
- Sandspit receives 70 percent of its supply from hydroelectric generation with Queen Charlotte Power Corporation ("QCPC") as the supplier. The remaining 30 percent is supplied from the BC Hydro diesel plant in Sandspit.
- Bella Coola receives 60 percent of its supply from BC Hydro's Clayton Falls hydroelectric plant and the remaining 40 percent from BC Hydro's diesel plant.
- Anahim Lake, Atlin, Eddontenajon, Masset and Telegraph Creek are served 100 percent by diesel plants (T11:1740-1741).

BC Hydro supplies the following data concerning energy supply in the NIA for F2007:

Station/Location	GWh. Generated	GWh. Station Service	GWh. Delivered
Bella Bella (IPP)	12,584		12,584
Bella Bella (DGS)	243	211	32
Bella Coola (Hydro)	10,696	45	10,651
Bella Coola (DGS)	7,493	340	7,153
Dease Lake (IPP)	6,910		6,910
Dease Lake (DGS)	420	327	93
Sandspit/Masset (IPP)	18,871		18,871
Sandspit (DGS)	9,927	587	9,360
Masset (DGS)	26,891	905	25,986
Anahim Lake (DGS)	7,750	374	7,376
Atlin (DGS)	4,798	193	4,605

Eddontenajon (DGS)	3,533	276	3,257
Telegraph Creek (DGS)	2,624	199	2,425
TOTAL	112,721	3,438	109,283

(Exhibit B-103)

Customers and Revenues

BC Hydro provides the following table showing the proportion of energy sales and customer count of each of the customer classes attributable to Zone II customers based on F2006 billing data.

	Zone II per cent by kWh	Zone II per cent by customers
Residential	0.89%	0.85%
General Service<35kW	0.22%	0.20%
General Service >35kW	0.23%	0.07%

(Exhibit B-3, BCOAPO, 1.43.1)

Contribution to Earnings

BC Hydro filed the NIA's profit and loss account for F2006, which shows that its Zone II revenues were \$7.7 million, while its cost of fuel and purchased power was \$19.1 million and its remaining direct operating costs were \$9.8 million resulting in an operating loss (before allocation of finance charges and Head Office charges) totalling \$21.2 million (Exhibit B-3, BCUC 1.44.5).

3.1 Zone II Current Rate Schedules

3.1.1 Residential Rates

Residential Rate Schedules 1107, 1117 and 1127 for Rate Zone II, effective February 1, 2007 are set out in Appendix A1. In summary, the first 3,000 kW per (2 month billing) period is provided at 6.15 cents per kW.h which is the same rate as the rate charged Zone I residential customers, with all

additional consumption in Zone II being charged at 10.56 cents per kW.h, compared to the rate for Zone I customers of 6.15 cents per kW.h for all consumption. BC Hydro states that the “run-off block” of RS 1107 is designed to reflect the higher costs of providing diesel generation to Zone II customers, which BC Hydro calculated to be 21.31 cents/kWh as of June 2006, but that it does not propose an increase to the run-off rate in the 2007 RDA as it considers that the Zone II customers are “receiving an appropriate price signal at this time, reflective of the higher cost of generation in Zone II” (Exhibit B-3, BCUC 1.44.5).

3.1.2 Small General Service Rates (GS<35 kW)

Small General Service Rate Schedule 1234 for Zone II, effective February 1, 2007 is set out in Appendix A2. For the first 14,000 kW.h per (2 month billing) period the GS<35 kW customers are charged 6.91 cents per kW.h, but for any additional consumption they are charged 11.51 cents per kW.h. In contrast, the Zone I GS<35 kW customers are paying a flat rate of 6.91 cents per kW.h regardless of their consumption levels.

BC Hydro states that the run-off block of RS 1234 is designed to reflect the higher costs of providing diesel generation to Zone II customers, which BC Hydro calculated to be 21.31 cents/kWh as of June 2006, but that it does not propose an increase to the run-off rate in this application as it considers that the Zone II customers are receiving an appropriate price signal at this time, reflective of the higher cost of generation in Zone II (Exhibit B-3, BCUC 1.44.5).

BC Hydro adds that the rationale for the structure of the Zone II GS < 35 kW rate is similar to the rationale for the structure of the Zone II residential rate. In 1996, when the two separate rate zones were created, the policy direction from the government was that the rate for small commercial customers in the diesel districts should recover operating costs in those districts. The current rate structure, in which the first 7,000 kWh/month for GS < 35 kW customers in Zone II is supplied at the same rate as in Zone I, was established in April 1980. The price for energy consumption greater than 7,000 kWh/month was based on the operating costs of the diesel generation (Exhibit B-3, Heiltsuk 1.13.1).

3.1.3 Large General Service Rates (GS>35kW)

Large General Service (“GS>35 kW”) Rate Schedules 1255, 1256, 1265, 1266 for Zone II, effective February 1, 2007 are set out in Appendix 3. For the first 200kW.h per kW of demand per month Zone II GS>35 kW customers are charged 6.91 cents per kW.h and 11.51 cents per kW for all additional consumption. This structure is different from the Zone I rate structure for GS>35 kW service.

BC Hydro filed Exhibit B-103 in response to an undertaking to the Chairperson which compares the average price per kW.h paid by commercial customers in Zone I and Zone II at Load Factors of 25, 50 and 100 per cent. The following table shows the different average prices in cents per kW.h for a customer with a 35 kW demand:

Load Factor	Zone I	Zone II
25%	6.91	6.91
50%	6.91	8.99
100%	5.40	10.25

(Source Exhibit B-103)

In response to a question from the Chairperson—“whoever designed that rate, what sort of price signal he had in mind?” BC Hydro replied “Well, I’m not sure, Mr. Chair. Clearly the lower load factor customers benefit from a lower average rate” (T13:2265)

Where a customer’s demand is or is likely to be in excess of 45 kVA, BC Hydro may require that supply to such customer be by special contract and that such supply be subject to such special conditions as BC Hydro, in its sole discretion, considers necessary to insert in the customer’s special contract. BC Hydro’s Special Contracts are the subject of Phase III of the 2007 RDA.

3.1.4 Extensions for Rate Zone II

The Terms and Conditions for Extensions for Rate Zone II, Electric Tariff page B-13-1, effective April 1, 1998, are set out as Attachment A4. BC Hydro submitted no evidence on this subject in its 2007 RDA; nevertheless, for completeness of the record this document is reproduced primarily because the terms and conditions in Zone II differ from those in Zone I.

3.2 Rate Differentiation in Zone I and Zone II

This section addresses policies and criteria applied by BC Hydro to differentiate rates in Zones I and II and the apparent anomalies in certain areas.

3.2.1 Policy and Criteria for Differentiation

With regard to the policies supporting the differentiation between Zone I and Zone II, BC Hydro testified in response to an undertaking from the Commission Panel that it has been unable to locate any documentation that supports the differentiation between Zone I and Zone II (Exhibit B-103).

In reference to inconsistencies, the Heiltsuk submits that the 2007 RDA proposed increasing rates in Zone II based on the need for rate rebalancing in Zone I, and that the rate rider (RS 1901) applies in Zone II as well (Heiltsuk Argument, p. 9).

BC Hydro submits that it is irrelevant whether the policy basis for the distinction between Zone I and Zone II rates is found in the tariff or not. BC Hydro further submits that as long as the NIA communities in BC Hydro's service territory are sufficiently well indicated in the tariff, the policy basis need not be articulated (BC Hydro Argument, p. 7).

In Reply, the Heiltsuk submits:

“The problem is that articulation of the policy basis is not absent only from the tariff – it simply is not found anywhere. Not in the tariff, not in the best available expression of government policy, not in SD10, not in the 2007 RDA, and not in BC Hydro documents. A sound policy basis for rate differentiation in Zone I and Zone II doesn’t exist. The fact that BC Hydro administers rates and rate design on the basis of unspecified distinctions with no clear or defined criteria doesn’t cure that policy void.” (Heiltsuk Reply, p. 4)

3.2.2 Anomalies in Zone I and Zone II

The Heiltsuk submits that Fort Nelson, Lytton and Prince Rupert are anomalies in Zone I for the following reasons (Heiltsuk Argument, p. 9).

Fort Nelson

BC Hydro testified that Fort Nelson is not directly connected to BC’s transmission grid, but is connected to the Alberta integrated transmission system (T11:1856), and that Fort Nelson was classified as being in Zone II until 1987, when it first became Zone I-B, and was eventually classified as being in Zone I in December 2000 (T11:1798). BC Hydro testified that during 13 year period that Fort Nelson was classified as Zone I-B, customers in that zone were charged the equivalent of Zone I rates (T11:1798-1799).

Lytton

The Heiltsuk filed a BCTC document which states that until recently Lytton was served by a transmission line with “the poorest reliability record out of all of the transmission lines in the BCH system”, resulting in “several long-duration outages each year” (Exhibit C23-27, p. E-8). BC Hydro testified that during those outages Lytton was served exclusively by diesel generation (T12:1967).

Prince Rupert

Prince Rupert has a 46 MW generating station “fired by natural gas with *diesel back-up*” but is served under Zone I rates (emphasis in original) (Exhibit C23-28). In contrast, the Heiltsuk submits the Bella Bella NIA has diesel back-up, but is served under Zone II rates (emphasis in the original).

The Heiltsuk submits that in Tariff page A-8-1 effective July 1, 1990, the Rate Zone II definition no longer included Bamfield or Stewart although both communities were included in Tariff page A-7 effective May 15, 1987 in Zone II. Similarly, effective December 20, 2000, the Electric Tariff page A-8-1 no longer included Kitkatla, which had been included in Zone II effective July 1, 1990 (Heiltsuk Argument, p. 10; Exhibit B-91, pp. 4, 6 and 8).

The Heiltsuk further submits that residents of Hyder, Alaska who are served by a BC Hydro subsidiary at Zone I rates plus a 10 percent premium, are paying rates that are below the rates charged to customers in the Bella Bella NIA (Exhibit B-3, BCUC IR 1.44.11), and that BC Hydro provided no evidence of any government policy to charge much lower rates, made possible by Heritage Resources, to customers outside B.C. and Canada, when those same low rates are not available to NIA customers within B.C. (Heiltsuk Argument, pp. 10-11).

In response to a question from the Commission Panel regarding Field, BC Hydro states:

“Field B.C. was connected to the BC Hydro integrated system in January 1997, after construction of a 55 km, 3 phase 25 kV overhead power line from Golden B.C. It was at this time that the customers in Field came into BC Hydro’s service area. BC Hydro also notes that the customer portion of the cost of the new line was paid via a \$.09/kWh surcharge that was charged to all customers in Field up until December 2006” (Exhibit B-103).

With regard to potential exceptions, BC Hydro submits that it accepts that a particular circumstance of an NIA community may warrant the application of Zone I rates in that community (BC Hydro Argument, p. 7).

In response to the Heiltsuk Arguments, BC Hydro submits:

“... BC Hydro maintains on the basis of the record of this proceeding that Fort Nelson is the only community it has served that has not been connected to the high-voltage transmission grid and which has had Zone I rates. The references to Lytton and Prince Rupert in the Heiltsuk Argument are irrelevant because they are connected to the grid.”

“... in establishing tier 1 rates in the NIA communities at the same level as Zone I rates, BC Hydro has indirectly extended the benefit of the Heritage Resources to the NIA communities. For that reason, and because Bella Bella customers enjoy the bulk of their electricity supply at Zone I rates, BC Hydro believes its Zone II rates policy fairly and appropriately extends the benefits of the Heritage Resources to those customers” (BC Hydro Argument, p. 7).

In Reply, with reference to Fort Nelson, the Heiltsuk submits that the evidence clearly shows that Zone I or equivalent Zone I-B rates have been and are charged in a community that was formerly classified as Zone II. The Heiltsuk further submits that because of that precedent BC Hydro is not prevented from reclassifying the Bella Bella NIA as Zone I or equivalent, and the Commission has the requisite authority to approve rates on that basis (Heiltsuk Reply, p. 4).

The Heiltsuk submits that circumstances in Lytton and Prince Rupert are not irrelevant, because they demonstrate that the existence of diesel back-up supply is not in itself sufficient reason to apply Zone II rates (Heiltsuk Reply, p. 5).

In reference to Heritage Resources, the Heiltsuk points to the second tier of Zone II rates, Special Contract rates and the 2 percent rate rider and concludes “Viewed in the context of their entire electricity bills, it is apparent that customers in the Bella Bella NIA don’t receive a fair share of the benefits of the Heritage Resources” (Heiltsuk Reply, p. 5).

3.3 Non-Integrated Areas

Although BC Hydro’s Electric Tariff includes definitions of Zone I, Zone II and the Integrated Service Area, as described in Section 2.0, attempts were made during the proceedings to establish a clear distinction between Zone II and the NIA.

BC Hydro testified that the “Zone II was actually a definition used for rate or tariff definition purposes” and that in the case of NIA terminology “we found it more helpful and friendly to talk about communities and people” (T11:1802).

BC Hydro’s 2004 NIA Business Strategy, a document commissioned by BC Hydro from Grant Thornton, a firm of management consultants, states:

“The Non-Integrated Areas (NIA) business, defined by the electricity servicing requirements of nine remote service areas not currently connected to the *province’s main transmission grid...*”(emphasis in the original) (Exhibit B-3, Heiltsuk IR 1.3.4, Attachment, p. 8).

The Heiltsuk submits that throughout the course of the hearing, BC Hydro significantly expanded the definition of the main transmission grid for purposes of distinguishing the NIA’s from the integrated area (Heiltsuk Argument, p. 11). BC Hydro’s Remote Community Electrification Program presentation suggests that the primary criteria for the classification as a NIA is that it is not connected to the grid (Exhibit C23-24, p. 3).

When asked whether the interconnection of two utilities, such as BC Hydro and CCPC, constituted a grid, BC Hydro testified:

“... when we use that term, “the grid”, generally speaking we’re talking about the integrated high-voltage transmission system that’s synchronously operated across the winter – westland connection [western interconnection], that BC Hydro customers in Zone I, or that are under Zone I rates, take service from” (T11:1849).

In further testimony, BC Hydro referred to the grid as “... the synchronously-operated Western interconnection system that we run, that’s run across B.C. and into our neighbouring province and the States” (T11:1850).

BC Hydro submits that while the distinguishing characteristics of the NIA communities have been described in different ways in BC Hydro's evidence, nothing turns on these different descriptions. Instead, BC Hydro submits, the Commission's response to the Heiltsuk request for relief ought to be based on policy grounds and not on semantics (BC Hydro Argument, p. 8).

3.4 BC Hydro 1991 Undertaking Regarding Zone II Rate Design

The Revised Issues List item 6.2 enquires whether BC Hydro's current rate strategy for the NIA is appropriate and whether it reflects the rate design proposal for Zone II, which BC Hydro undertook to submit in the 1991 RDA. BC Hydro's response to this question was filed as additional evidence at the commencement of the Phase II oral hearing (Exhibit B-87).

BC Hydro testified that in the 1991 RDA a broad rate design strategy for Zone II was not specifically addressed. While not requiring any further action from BC Hydro in its RDA Decision, the Commission issued a letter on September 30, 1992 to BC Hydro advising that a consistent policy for Zone II remains outstanding and that the issue of rate design in Zone II should be reviewed at the next public hearing into its revenue requirements. The Commission further stated:

“Such policies should be thoroughly canvassed and addressed as a draft policy, including recommendations on service in Zone II ...” (T11:1735; Exhibit B-87).

In February 1993, in its revenue requirement application, BC Hydro recommended that in order to ensure an understanding of the issues involved, BC Hydro believes that rate design in Zone II should be addressed separately from the issues of the general rate application (Exhibit B-87). BC Hydro further testified that due to events that unfolded in the 1990's, BC Hydro's attention to rates was minimal (T11:1737).

During Phase I of the 2007 RDA proceeding, BC Hydro made a commitment to bring forward a General Zone II Rate Application during 2008 (Exhibit B-73).

4.0 BELLA BELLA NIA TARIFF

4.1 Heiltsuk Request for Relief

The Heiltsuk submits that Zone I or the equivalent rates are appropriate in the Bella Bella NIA:

“If the Commission determines that rates or service in the Bella Bella NIA are and/or were in the past unfair, unreasonable or unreasonably discriminatory... the Commission should order BC Hydro to charge Zone I rates, or the equivalent, in the Bella Bella NIA.

If the Commission determines that Indian Reserve No. 1 (Bella Bella) is not in Zone II, then ... the Commission should order BC Hydro to charge Zone I rates to those customers.

If the Commission determines that rates or service in the Bella Bella NIA were in the past unfair, unreasonable or unreasonably discriminatory ... the Commission should order BC Hydro to provide a credit amount to customers in the Bella Bella NIA equivalent to the amounts charged in the past that were unfair, unreasonable or unreasonably discriminatory” (Heiltsuk Argument, p. 31).

This submission is consistent with the Heiltsuk pre-filed evidence (Exhibit C23-4, p. 12).

The Heiltsuk submits that SD10 may preclude application of Zone I rates in Bella Bella but points out that just as in the case of Fort Nelson exceptions can be made (Heiltsuk Argument, p. 30).

The Heiltsuk further submits that the Commission could grant the relief requested by the Heiltsuk, while meeting the requirements of SD10, by setting NIA rates and/or classes or service that include:

- a distinction between generation sources (e.g. diesel vs. hydroelectric);
- a distinction between the amount of supply from hydroelectric generation (e.g. over 99 percent of annual supply vs. under 99 percent of annual supply);
- a distinction between supply with a declining-block price structure vs. increasing marginal cost; and

- a distinction between integrated systems of two (or more) public utilities that share a common generation source vs. a single public utility that is not integrated with another.

In Heiltsuk's submission, those rates and/or classes of service would be available to remote communities regulation customers, provided that they satisfied the terms and conditions to be eligible (Heiltsuk Reply, p. 6).

4.2 Bella Bella NIA Customer Bill Analysis

BC Hydro testified that using 2006 customer billing data, a switch from Zone II rates to Zone I rates in Bella Bella NIA would result in the following reduction in revenues:

	Average Zone II rate cents per kWh	Average Zone I rate cents per kWh	Decrease %	Total Revenues Existing Rates (\$000)	Total Revenues Proposed Zone I Rates (\$000)
Residential Customer	7.09	6.55	-7.6	421	388
GS < 35 kW	7.86	6.73	-14.4	149	128
GS > 35 kW	9.25	4.97	-46.3	188	101
Total				851	662

(Source: Exhibit B-87A, T11:1739-1740)

BC Hydro also filed evidence, which set out the direct costs of providing service to Bella Bella in F2006 as being \$2,151,000 for purchased power; \$7,000 for diesel oil and local O&M costs of \$226,000, and stated that the direct costs of serving Bella Bella exceeded the revenues received in Bella Bella by slightly over \$1.5 million (Exhibit B-103).

4.3 Definition of Bella Bella NIA

The Heiltsuk submits that as “Indian Reserve No. 1 (Bella Bella)” is not in a NIA, SD10 implicitly requires that it be classified an integrated area, because SD10 provides no other classification. Accordingly, the Heiltsuk submits, BC Hydro must charge Zone I rates to customers in “Indian Reserve No. 1 (Bella Bella)” (Heiltsuk Argument, p. 15).

The Heiltsuk relies on a reference contained in BC Hydro’s 2004 NIA Business Strategy where it states that the Bella Bella NIA encompasses the Central Coast Regional District Area A (Exhibit B-85, Heiltsuk IR 3.40.1, p. F-18). The Heiltsuk submits that the Central Coast Regional District Electoral Area A includes Ocean Falls and excludes the Indian Reserve No. 1 (Bella Bella) and files additional documentation to support its claim (Exhibit C23-42).

Although BC Hydro had testified that the 2004 NIA Business Strategy is “the most comprehensive document describing the NIAs and that it remains the most complete and accurate description of the Bella Bella NIA” (T11:1830-1833), BC Hydro submits that the 2004 NIA Business Strategy, which was written by a third party consultant “to assist the Distribution Line of Business in the development of a strategy for electricity supply to NIA in British Columbia”, has virtually nothing to do with rates. BC Hydro further submits:

“The expression “Bella Bella” in both SD10 and BC Hydro’s tariff should be given its ordinary meaning consistent with the scheme and object of those documents, their originating statutes, and the intention of the Lieutenant Governor in Council and the Commission, respectively. In BC Hydro’s view the application of that approach is that “Bella Bella” means the geographic area in and around the community of Bella Bella in which BC Hydro has a service obligation, including Indian Reserve No. 1 (Bella Bella)” (BC Hydro Argument, p. 9).

Finally, BC Hydro submits that its Rate Map A is consistent with this interpretation (Exhibit B-89).

In Reply, the Heiltsuk submits that BC Hydro confuses its service obligation in the Bella Bella NIA with whether it can or must charge Zone II rates in that area. In the Heiltsuk's submission, those are independent considerations: BC Hydro is obliged to serve the customers within a prescribed distance of its facilities but the rates it charges for that service is an entirely different matter (Heiltsuk Reply, p. 7).

4.4 Supply Characteristics in Bella Bella

4.4.1 Historical Background

The Bella Bella communities of Waglisla and Shearwater are located on the Central Coast, halfway between Port Hardy and Prince Rupert, directly on the Inside Passage to Alaska. Waglisla is located on Campbell Island while Shearwater is situated on Denny Island. The population of the Heiltsuk Nations is approximately 2,200 of which about 1,200 live in Waglisla (Exhibit C23-4, p. 1).

In 1969 BC Hydro established a diesel generating station at Shearwater on Denny Island with an underwater cable to Campbell Island, thereby providing a dependable electrical service to the entire Bella Bella area. Prior to 1969, Waglisla and Shearwater operated their own diesel generator units (Exhibit C23-4, p. 2).

CCPC is the IPP that provides hydro-generated power to the Bella Bella NIA. CCPC's plant is located in Ocean Falls and the power is transmitted about 45 kilometres on CCPC's transmission line to Waglisla and Shearwater (Exhibit C23-4, p. 1).

CCPC states that it was formed in 1985 and subsequently took over the hydroelectric and associated assets of the Ocean Falls Corporation. It states that there were four main parties involved in structuring the Ocean Falls/Bella Bella power agreements in the 1985/86 period: the Provincial Government, which as the asset owner operated through Ocean Falls Corporation, BC Hydro, the Commission and CCPC (Exhibit C30-4).

4.4.2 BC Hydro Power Purchase Agreements (EPA) with CCPC

In response to a Commission directive, BC Hydro filed a summary of the EPA between BC Hydro and CCPC for the sale to BC Hydro in Bella Bella of electricity from CCPC's Ocean Falls hydroelectric project. The agreement was signed in February 1986 and amended in 1998 with regard to pricing and contract term. The original Agreement was provided for the supply of electricity at Bella Bella for a term of twenty years from a commencement date of no later than September 1, 1987.

The key terms of the EPA so far as Phase II of the 2007 RDA is concerned are price and volumes. The summary states that the current (Tier 1) price at July 2007 is 18.15 cents per kW.h and is indexed to changes in the CPI. The Tier 1 volume is 11,500 MWh in a year after which the unit (Tier 2) price drops to 11 cents per kW.h which is not indexed (Exhibit B-79).

4.4.3 Rationale for Rates in Bella Bella

The Heiltsuk filed a letter from the Minister of Energy to the President of Shearwater Marine Group to support its case for the unique supply circumstances, which reads in part:

"I have been advised that your region's electricity needs are primarily met by the nearby Ocean Falls hydro plant and, as a result, the more costly BC Hydro diesel electricity generation plant rarely operates. I also understand the Ocean Falls hydro plant has considerable surplus electricity potential.

The Bella Bella/Shearwater/Ocean Falls region's circumstance appears exceptional, as Zone 2 areas generally lack extra electricity resources and tend to receive most of their electricity from diesel generation resulting in high, local electricity costs. I understand you plan to participate in the British Columbia Utilities Commission's review of BC Hydro's 2006 Rate Design Application. This is the appropriate forum to argue that your unique supply circumstances justify a review and revision of the region's current cost and rate structure" (Exhibit C23-27).

BC Hydro testified that the relatively high cost of purchasing energy in the Bella Bella NIA supports charging Zone II rates on a postage stamp basis to that community as well as other NIA communities. BC Hydro also testified that the rationale in general for Zone II rates is still to discourage the use of diesel-generated or high-cost generation [for space heating] (T11:1890).

The Heiltsuk submits that the original rationale for Zone II rates to discourage use of diesel-generated electricity for space heating does not apply in the Bella Bella NIA. The Heiltsuk further submits:

“Having failed to show that the postage stamp Zone II rates have any connection to the type of generation used in the Bella Bella NIA, BC Hydro deviates entirely from the government’s principle for Zone II rates and introduces a new EPA-specific rationale” (Heiltsuk Argument, p. 9).

BC Hydro submits that whether the arrangements BC Hydro has with CCPC are in the public interest should not be relevant to the relief the Heiltsuk is seeking. BC Hydro further submits that the Commission has ordered that the Heiltsuk Complaints into those arrangements is to be held in abeyance and that drawing any conclusions about the merits of those arrangements in Phase II would undermine the purpose of putting the complaint off to a separate proceeding. In BC Hydro’s submission, the Commission Panel in Phase II ought to accept the CCPC. BC Hydro arrangements for what they are, and consider the Heiltsuk request for relief in Phase II in that context (BC Hydro Argument, p. 10).

In Reply, the Heiltsuk submits that although a determination on the merits of the EPA is not required in Phase II, the Commission should confirm that the amended EPA has never been determined to be in the public interest (Heiltsuk Reply, p. 8).

4.5 Retroactivity

The Heiltsuk submits one of the Issues contemplates retroactive rate relief. If the Commission determines that rates or service in the “Bella Bella NIA” were in the past unfair, unreasonable or unreasonably discriminatory, the Heiltsuk submits that the Commission should order BC Hydro to

provide a credit amount to customers in the “Bella Bella NIA” equivalent to the amounts charged in the past that were unfair, unreasonable or unreasonably discriminatory.

With regard to the retroactive relief requested by the Heiltsuk, BC Hydro submits that there is neither a factual nor a legal basis for the request, nor any basis upon which the Commission might avoid the well-known prohibition against retroactive rate-making (BC Hydro Argument, p. 14).

In its Reply the Heiltsuk submit that in the event that the Commission determines that rates charged in the “Bella Bella NIA” have not been fair, just and not unduly discriminatory, the prohibition against retroactive ratemaking may be problematic, but suggests that one approach for making relief available may be found in the *Hydro And Power Authority Act* [RSBC 1996] Chapter 21239, section 35 that states:

“Despite the Utilities Commission Act, the Lieutenant Governor in Council may issue directives directing the authority in a fiscal year to pay to the government an amount specified in the directive and may issue directives directing the authority in a fiscal year to pay to the persons constituting one or more classes of the authority's past or present customers an amount specified in the directive” (emphasis added)

and that the Commission or BC Hydro, or both, could request the Lieutenant Governor in Council to pay customers in the “Bella Bella NIA” appropriate credit amounts, and that if necessary, the “Bella Bella NIA” customers could be designated as a “class of customers” for purposes of the credits (Heiltsuk Reply, para. 11.4).

4.6 Unduly Discriminatory Rates

The Heiltsuk devotes section 6 of its Argument to “Unduly Discriminatory Rates” and submits that while customers in the Bella Bella NIA and in Ocean Falls receive power produced by the same hydroelectric plant, “Yet BC Hydro has “no understanding” of how CCPC manages to serve its industrial customers at rates no higher and perhaps lower than BC Hydro’s Zone 1 rates for similar service” (Heiltsuk Argument, para.6.1). The Heiltsuk refers to CCPC’s letter to the Commission dated July 23, 2007, in which CCPC asserts that “The BCUC had a public interest to protect and a

mandate to ensure that the residents of Ocean Falls and any potential industrial customers in Ocean Falls receive a continuous supply of safe, reliable electricity at reasonable rates” and submits that “It can’t possibly be more important to afford rate protection to *possible future* customers in Ocean Falls than to provide just and reasonable and not unduly discriminatory rates to the *existing* customers in the “Bella Bella NIA” who make the CCPC generating plant financially viable. How is it fair for Johnny-come-lately customers to get the *best rates* and those who underpin the cost of the facility for 30 years get the *worst rates*?” (Heiltsuk Argument, para.6.1) (emphasis in original). The Heiltsuk submits that “The only other way that CCPC could offer its rates to industrial customers, and is required to offer by the BCUC Order G-30-02, is if those rates are subsidized by the high EPA price paid by BC Hydro. The EPA price in turn is used by BC Hydro to justify high rates in the “Bella Bella NIA”, making those rates unduly discriminatory” (Heiltsuk Argument, para. 6.3).

BC Hydro submits “it was always apparent on the record before the Commission when it granted the exemption order that there would be different rate structures in Bella Bella and Ocean Falls (BC Hydro Argument, p. 12). In case the Commission rejects its foregoing submission, BC Hydro summarizes why the different rate structures in the two communities are fair and appropriate by pointing out that had BC Hydro and CCPC not entered into the EPA, “electricity supply in Ocean Falls was going to be discontinued, the valuable hydroelectric facilities in Ocean Falls were going to be mothballed or even decommissioned, and BC Hydro would be continuing to supply Bella Bella with diesel generation”. BC Hydro characterizes the arrangements as a win/win for Ocean Falls, Bella Bella, all BC Hydro’s Zone II customers and society as a whole (BC Hydro Argument, p. 13.)

CCPC points out that separate utilities have different rate structures and the fact that BC Hydro and CCPC conduct business together is irrelevant with respect to the rates that they charge their own customers, and submits that “CCPC has neither discriminated against any of its ratepayers nor against any company purchasing electricity from it under contract. Again, CCPC’s rates in Ocean Falls, low or otherwise, reflect nothing but Provincial policy, and the price paid by BC Hydro is the revenue required to run the business. The power demands of the tiny community of Ocean Falls are insignificant compared to the power demands of supplying BC Hydro in Bella Bella” (CCPC Argument, para 4.1.4).

In Reply, the Heiltsuk submit that customers of both utilities receive power from a single source but pay very different rates, and that the ceiling on rates to some of CCPC's customers in Ocean Falls was set by Orders No. G-40-86 and G-30-02, but that much has changed in the ensuing 21 years. Whether or not rates in the "Bella Bella NIA" were or appeared unduly discriminatory at the time they were first set, they have clearly become so over time. The Heiltsuk characterizes BC Hydro's position as being tantamount to saying that "even if rates in the "Bella Bella NIA" have been unjust, unreasonable or unduly discriminatory the Commission should refuse to make that determination because it *might* adversely impact CCPC or its customers. That suggested approach completely ignores the adverse impacts that will be experienced by some Zone I customers if BC Hydro's rate rebalancing proposals were accepted. BC Hydro appears to have no problem accepting those adverse impacts on customers in Zone I. At least BC Hydro is consistent in having one set of standards for Zone I and quite another for Zone II (Heiltsuk Reply para 6.1).

4.7 BC Hydro Position Regarding Heiltsuk Request for Relief

In Phase I of the 2007 RDA proceeding, BC Hydro acknowledged that the Zone II structure may be inappropriate for Bella Bella. BC Hydro submits that it came to this preliminary view in light of the difficulties with the Special Contracts, because of the somewhat unique supply arrangement in Bella Bella; and because BC Hydro has on an exceptional basis provided service at Zone I rates to at least one community (Fort Nelson) in the NIA (BC Hydro Argument, p. 2).

However, BC Hydro submits that the declining-block price structure in the CCPC EPA was the primary reason for the consideration, not the fact that CCPC's supply is hydroelectric. BC Hydro further submits that because it does not face an increasing marginal cost of supply in Bella Bella, the maintenance of the Zone II rate structure, with its inclining block rate, is perhaps not as important when viewed in isolation from other rate design principles (BC Hydro Argument, p. 2).

To contrast with the above, BC Hydro submits, in support of Zone II rates for Bella Bella, that even at Zone II rates, Bella Bella customers pay significantly less than their cost of service. BC Hydro submits that through the first tier of Zone II rates, it is extending indirectly to Bella Bella customers

a significant portion of the benefits of the Heritage Resources and that the lowest price it pays for electricity from CCCP is still approximately the same as tier 2 rates applicable in Bella Bella (BC Hydro Argument, pp. 3-4).

However, BC Hydro submits that if the Commission is inclined to grant an exception to Bella Bella ratepayers, and direct BC Hydro to extend Zone I rates to them, BC Hydro suggests the following to avoid any legal difficulties arising from SD10:

“... that the Commission set out some general principles justifying the exception that could be reflected in tariff language to be drafted by BC Hydro and submitted as part of a compliance filing within a fixed period of time after the decision” (BC Hydro Argument, p. 4).

5.0 COMMISSION DETERMINATION

The Commission Panel notes that the evidence before it in both Phase I and Phase II of the Application does not enable it to make determinations concerning the fairness and reasonableness of Zone II rates other than in the Bella Bella NIA. The Commission Panel notes that BC Hydro has stated its intention to file a full rate design application in 2008 concerning its NIA operations and expects that such an application should address the inclining block rate structure presently employed in Zone II Rate Schedules 1107, 1117, 1127 and 1234, the structure of the Large General Rate Schedules 1255, 1256, 1265 and 1266 and the Zone II system extension policies.

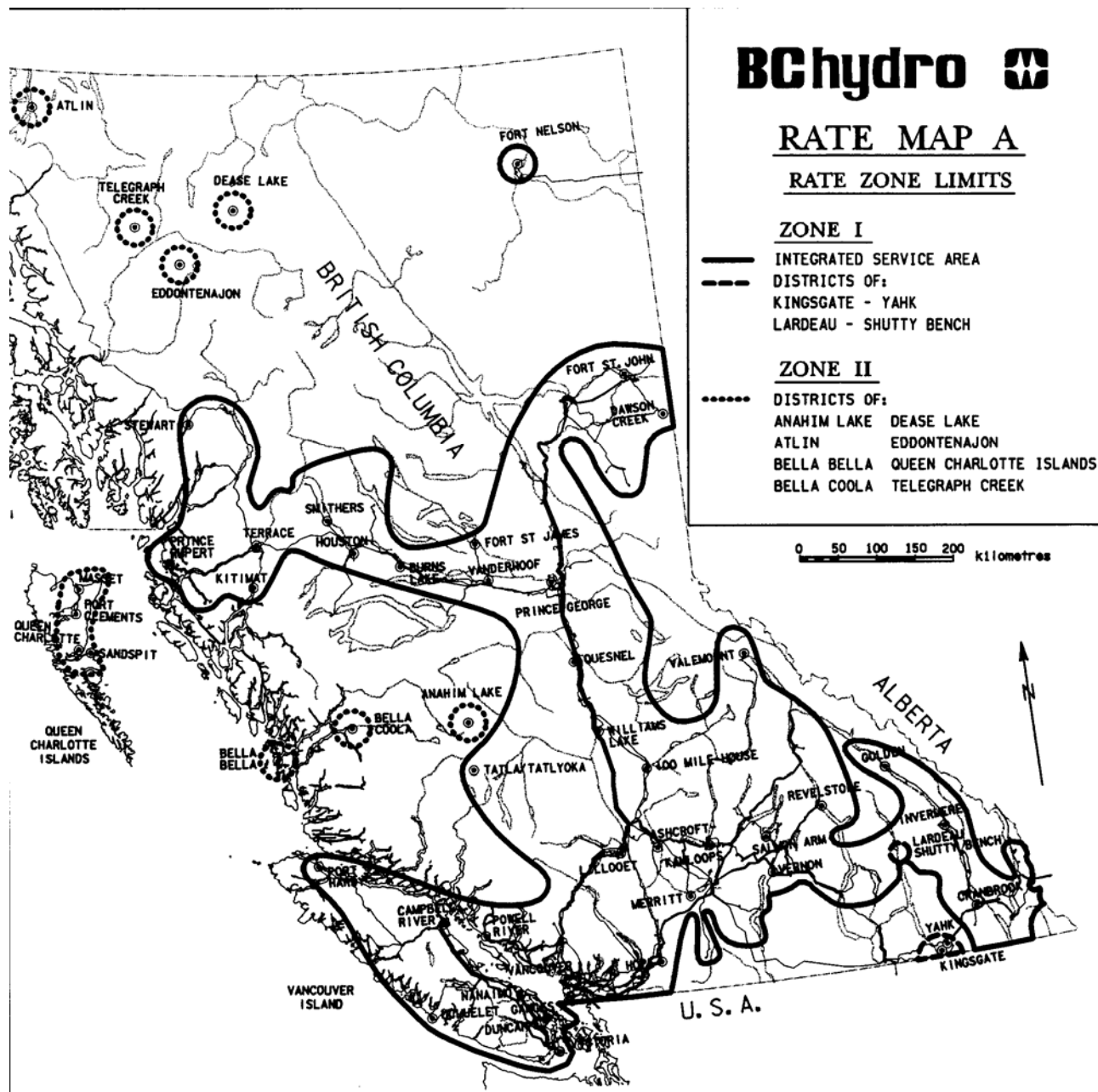
In addition, the Commission Panel expects BC Hydro to address the “postage stamp” rate design issue as it applies to Zone II.

So far as concerns the relief sought by Heiltsuk for Zone I rates to apply in the Bella Bella NIA, the Commission Panel finds no merit in the Heiltsuk arguments that Indian Reserve No. 1 (Bella Bella) is not in Zone II or that connection to a transmission line from Ocean Falls constitutes being on the provincial grid. The Commission Panel finds BC Hydro’s Rate Map “A” fully determinative that Bella Bella lies in the area to which Zone II rates apply.

The Commission Panel does not find BC Hydro’s rates in the Bella Bella NIA to be unduly discriminatory as that term is used in the Act and rejects the Heiltsuk’s arguments in this regard. The Commission Panel does not consider the rates charged by CCPC to be an issue in these proceedings. Discrimination, when applied to rates for utility service, can only be of an “intra-utility” nature and not “inter-utility”.

So far as concerns the Heiltsuk request for relief from the Zone II rate structure, the Commission Panel is persuaded that the declining block price structure in the EPA between BC Hydro and CCPC constitutes a rationale for finding that the inclining block feature of BC Hydro’s Zone II Rate Schedules is inappropriate for the Bella Bella NIA.

Accordingly, the Commission Panel directs BC Hydro to amend its tariff with effect from April 1, 2008 to allow the Bella Bella NIA to qualify for Zone I rates. BC Hydro may wish to create a Zone I-B as it did for Fort Nelson. The Commission Panel rejects the Heiltsuk's request for this determination to be made retroactive, as there is no evidence before which demonstrates that the Zone II rates in effect in the Bella Bella NIA were ever unjust, unreasonable or discriminatory.



2007 RATE DESIGN - PHASE III

1.0 PROCEDURAL BACKGROUND

In a letter dated July 4, 2007 to the Commission BC Hydro referred to Exhibit B-20, in which it had stated that it was prepared to file the cost information and the calculation of the Zone II Special Contract rate for 2007/2008. BC Hydro described the Special Contract rate as formulaic and updated effective June 1st each year, using current cost information and in accordance with a methodology approved by the Commission in 1998 (Order No. G-30-98). BC Hydro calculated that the Special Contract rate would be 25.22 cents per kWh effective June 1, 2007, an increase of 42.6 percent from the current rate of 17.69 cents per kWh.

For all of these reasons, BC Hydro proposed to file an application to maintain the Special Contract rate at the current level of 17.69 cents per kW.h, on an interim (refundable) basis. BC Hydro also offered, subject to the Commission's acceptance that issues related to the Zone II rates not be addressed as part of the current 2007 RDA, to bring a separate application on or before December 1, 2007 to address all issues related to the Zone II rates, including the issues raised in Items 5.1 to 5.8 of the staff Issues List, issues related to the Special Contract rate and the Heiltsuk complaint (Exhibit B-21, pp. 3-4).

On July, 6 2007 BC Hydro filed for compliance purposes with the Commission new prices for sales of electricity made under the following Tariff Supplements:

IPP Special Contract Customers

Tariff Supplement No.	IPP Name	Original contract effective date
7	Central Coast Power Corporation	April 17, 1991
8	Queen Charlotte Power Corporation	August 14, 1991
39	Stikine Nation Power Corporation	June 1, 2002

(Exhibits A2-3; B-105-1, Appendix C)

By letter dated July 11, 2007 BC Hydro filed an interim application and advised the Commission that, in accordance with its Tariff at page 8-36, which the Commission approved by Order No. G-30-98 and amended by Order No. G-120-00, it is required each year to calculate the rate to be charged to its Zone II Special Contract customers as the average unit cost it incurred to generate electricity at all diesel generating stations (excluding standby diesel generating stations) it owned and operated in Zone II, and that it calculated the Special Contract rate by summing all costs of fuel oil and maintenance in the previous fiscal year and dividing that cost by the total kilowatt hours generated by those generating stations in the previous fiscal year.

For the Special Contract year commencing June 1, 2007, BC Hydro calculated the energy charge to be 25.22 cents per kW.h based on the actual costs incurred in F2007 compared to the current energy charge of 17.69 cents per kW.h. This would represent an increase of approximately 43 per cent for Special Contract customers, which BC Hydro considered to be an unacceptably high increase, even though it is in accordance with the Tariff. BC Hydro ascribed the increase primarily to increases in the average cost of diesel fuel. BC Hydro noted that of the twenty-three Special Contract customers, six customers are partially “grandfathered” with a tiered pricing structure, where the Special Contract rate is not applied until after the energy in the first two tiers has been used. The remaining seventeen Special Contract customers do not have a tiered pricing structure and all of the energy purchased is at this Special Contract price. The high cost of diesel fuel became an issue in F2006, and BC Hydro included in the Non-Heritage Deferral Account (NHDA) the difference between the forecasted and actual diesel costs for that year. In F2007 the cost of diesel fuel was again higher than BC Hydro had forecast and a further amount was placed into the NHDA. With the sustained level of high diesel costs BC Hydro stated that the calculation of the Special Contract rate should be reviewed.

BC Hydro proposed that the Zone II Special Contract rate of 17.69 cents per kW.h which was effective June 1, 2006 continue to be applicable for the contract year beginning June 1, 2007 on an interim (refundable) basis and undertook to file with the Commission, on or before October 1, 2007, an Application in which it will address the determination of the Zone II Special Contract rate.

In a letter dated July 11, 2007, BC Hydro stated that its Tariff Supplements No.7, 8 and 39 are Interruptible Electricity Supply Agreements applicable to certain Independent Power Producers (IPPs) in the Zone II area which apply to the delivery of energy by BC Hydro to the IPPs when required, and are annually adjusted on July 1. BC Hydro stated that on July 6, 2007, it filed a letter with the Commission setting out the new rates to be effective as of July 1, 2007 and does not propose that these rates be made interim.

BC Hydro summarized its application for an interim BCUC Order directing that Section 2 of Tariff page B-36 be removed and replaced with a revised Section 2 which reads:

“For a customer in Rate Zone II (other than an Independent Power Producer), where all or a portion of the Customers load is served under a special contract, the energy component of the special contract rate shall be \$0.1769 per kWh on an interim basis effective June 1, 2007.”

BC Hydro proposed that the rate will remain interim until such time as BC Hydro has filed its Application for a new Special Contract rate calculation and the Commission has issued its Order regarding that Application (Exhibit B-37).

By Order No. G-84-07, dated July 19, 2007 the Commission made the following orders:

1. approving BC Hydro's current Zone II Special Contract rate on an interim (refundable) basis, effective from June 1, 2007 until BC Hydro has filed its application for a new Zone II Special Contract Rate calculation and the Commission has made its Order regarding that application;
2. approving BC Hydro's request to remove Section 2 of Tariff page B-36 and replace it with the revised Section 2 as proposed in its July 11, 2007 application;
3. directing BC Hydro to file its application with the Commission to address all the issues related to the Zone II rates, including issues related to the Special Contract rate, on or before October 1, 2007; and

4. deferring the review of the application with respect to the interruptible rates to the Independent Power Producers serving Zone II customers until Phase III of the 2007 RDA proceeding, or another process that the Commission may establish upon receipt of BC Hydro's application on Zone II rates.

(Exhibit A-25)

By letter dated August 13, 2007 BC Hydro sought reconsideration of the Commission's Order No. G-84-07, and an order varying paragraph 3 and rescinding paragraph 4 of the Order, both pursuant to section 99 of the Utilities Commission Act. BC Hydro discussed the two-phase process set out in the Commission's Guidelines and observed "Typically it does dispense with the standard two-phase process when, for example, the subject of reconsideration is procedural in nature, or when expediency demands it. BC Hydro submits that the subject of this reconsideration application justifies a single phase process on the merits" (Exhibit B-83, pp. 1-2).

BC Hydro addressed paragraph 3 of Order and submitted that it directed BC Hydro to file by October 1, 2007 an application "to address all the issues related to the Zone II rates," and interprets the intent of paragraph 3 to be that such a General Zone II Rate Application consider the entirety of the Zone II rates and rate structures, including the contemplated Zone II Special Contract rate application, except those issues that had already been resolved or were the subject of the Phase II of BC Hydro's 2007 RDA proceeding which was scheduled to commence on September 4, 2007. In BC Hydro's submission, paragraph 3 of the Order ought to be varied because:

- the requirement to file such an application by October 1, 2007, or by any fixed date, cannot be supported on the basis of the record in Phase I of the 2007 RDA;
- BC Hydro was not afforded an opportunity to make submissions on whether, in light of the BCUC's procedural directions in the 2007 RDA proceeding, a certain date should be established for such an application, or whether the specific October 1 date was appropriate;
- the October 1 filing date cannot be met in light of the timing of Phase II of the 2007 RDA; and

- no fixed date for the filing of a General Zone II Rate Application is appropriate until the Commission has rendered final decisions on Phase II of the 2007 RDA and BC Hydro's Zone II Special Contract rate application.

(Exhibit B-83, pp. 4-6)

BC Hydro addressed paragraph 4 of Order No. G-84-07 and referred to language in the paragraph “application with respect to the interruptible rates to the Independent Power Producers serving Zone II customers”, and in recital E to an “application for interruptible rates to Independent Power Producers serving Zone II customers”, and submitted that while recital E indicated that the “application” was the July 6 letter filed by BC Hydro with the Commission (that was entered as Exhibit A2-3 in the 2007 RDA), its July 6, 2007 letter was not an application, and did not seek any relief, or invoke any Commission power to grant relief. BC Hydro submitted that the letter was a compliance filing, as indicated in the first paragraph, and that, while the last line of the letter referred to “further information regarding this application ...”, this was simply an “erroneous suggestion” that the filing was an application. BC Hydro stated that it had been its practice to submit compliance filings in June of each year that set out the calculation of the rates to be charged to IPPs in the Zone II area under Interruptible Electricity Supply Agreements. The methodology for the calculation was found on page B-36 of BC Hydro Electric Tariff. In previous years, BC Hydro had filed the letter with the Commission to demonstrate that the calculation has been done in accordance with the tariff and to provide the newly-calculated rate for information purposes. BC Hydro had not proposed any change to the Electric Tariff with respect to the methodology on page B-36 and was only notifying the BCUC of the operation of the methodology effective June 1, 2007 (Exhibit B-83, pp 6-7).

By letter dated August 16, 2007 the Heiltsuk agreed to BC Hydro’s request to vary Paragraph 3 of the Order but stated that its reason for agreeing to vary the Order was due to its concern that Paragraph 3 in its present form had the potential to indefinitely postpone the opportunity to address Special Contract rates. Heiltsuk opposed BC Hydro’s proposed wording which it believed could lead to further procedural wrangling, and submitted that it opposed BC Hydro’s request to rescind Paragraph 4 on the grounds that BC Hydro’s letter dated July 6, 2007 contained subject matter that was relevant and material to the Commission’s determinations in Phase II and Phase III of the proceeding (Exhibit C23-20).

By letter dated August 16, 2007 CCPC agreed with BC Hydro's request to eliminate Paragraph 4 but stated that it was comfortable that all issues related to Special Contracts would form part of the October 1, 2007 application for Phase III (Exhibit C30-12).

By letter dated August 17, 2007 BC Hydro provided a reply submission in response to the Intervenor's submissions noting that CCPC and Heiltsuk both agreed that Paragraph 3 of the Order ought to be varied.

BC Hydro addressed an assertion made by CCPC in its submission of its understanding that BC Hydro's Special Contract application would address the subject matter of the rates charged by BC Hydro to Zone II IPPs for back-up supply from BC Hydro, and stated "This is not BC Hydro's intention". BC Hydro noted that the Special Contract application that it would file by October 1, 2007 arose solely from the application it made in Exhibit B-37 on July 11, 2007 to make the Special Contract rates of BC Hydro's bundled service Zone II retail customers interim and refundable. Rates charged to Zone II IPPs for back-up supply under Tariff Supplements No. 7, 8 and 39 were expressly excluded from that filing, and given their nature as back-up supply to Zone II IPPs, BC Hydro did not believe those rates raised the same issues that caused BC Hydro to seek interim relief in regard to its bundled service retail Special Contract customers in Zone II (Exhibit B-84).

By Order No. G-97-07 dated August 20, 2007, the Commission ordered that Paragraph 3 of Commission Order No. G-84-07 be amended to read "BC Hydro is directed to file its application with the Commission to address all the issues related to the Zone II Special Contract rate, on or before October 1, 2007". The Commission Panel also noted that during Phase I of the hearing, all Parties were notified that the BC Hydro letter dated July 6, 2007 concerning the Special Contract rates for the three IPPs would form part of Phase III of the proceeding (T10: 1648), and determined that it would be appropriate to review the compliance filings as contained in the July 6, 2007 letter in the context of the 2007 RDA proceeding (Exhibit A-30).

On October 1, 2007, BC Hydro filed its Zone II Special Contract Rate Application (“Application”) (Exhibit B-105-1) pursuant to Commission Orders No. G-84-07 and G-97-07. In the cover letter to the Application, BC Hydro proposed that there be a period of time to allow registration of Special Contract customers as Intervenors, a round of information requests and response to information requests, and an opportunity for submissions on the review process.

By Order No. G-122-07, the Commission established a Regulatory Timetable for registration of Intervenors and for preliminary review of the Application leading to submissions on a formal review process for the Zone II Special Contract Application and directed BC Hydro to provide a copy of the Order and the Zone II Special Contracts application to its Zone II Special Contracts customers and to the Zone II IPPs with Interruptible Electricity Supply Agreements with BC Hydro. The Regulatory Timetable called for the filing of Information Requests to which BC Hydro was to respond by November 19, 2007 and directed interested parties to make written submissions on the procedure the Commission should follow to review the Application (Exhibit A-35).

Heiltsuk, CCPC and British Columbia Old Age Pensioners’ Association *et al* (“BCOAPO”) registered as Intervenors.

By letters dated November 23, 2007 and November 25, 2007, CCPC submitted that an oral hearing of approximately three days would be the most appropriate process. CCPC also advised the Commission of its non-availability during the period January 8 to January 21, 2008 (Exhibit C30-18; Exhibit C30-19).

By letter dated November 23, 2007, the Heiltsuk submitted that an oral hearing would be the most appropriate process to review the Application and advised the Commission that it was not preparing to file evidence or present a witness panel provided that their evidence in Phase II forms part of the record in the Phase III proceeding (Exhibit C23-46).

By letter dated November 23, 2007, BC Hydro proposed a written process for the review of the Application in light of the fact that only three parties have registered as Intervenors, and, out of the three, only two have filed IRs. BC Hydro proposed a written submission by Intervenors and a reply

submission from BC Hydro without the need to file a formal argument as a first step in the process (Exhibit B-114).

By Order No. G-142-07, dated November 27, 2007 the Commission established a Written Public Hearing process for the regulatory review of the Zone II Special Contract Rate Application; and a Regulatory Timetable, whereby Intervenors would file Argument on December 10, 2007, following which BC Hydro would submit Reply on December 17, 2007. The Commission Panel also directed that evidence filed in Phase II of the 2007 RDA would form part of the record in the Phase III proceeding (Exhibit A-41).

BC Hydro filed with its Application Attachment E, which contained information on the annual bill impact of Special Contract Customers who would be affected by its proposal, as a confidential document. BC Hydro stated that the copy of the Application which was sent to each End- Use Special Contract customer contained in Attachment E with only that particular customer's annual bill impact disclosed (Exhibit B-105-2).

On October 2, 2007, Mr. Weisberg, counsel for the Heiltsuk filed with the Commission an executed Undertaking (Exhibit C23-43) requesting access to Attachment E, following which, by letter dated October 10, 2007, the Commission, in accordance with its Practice Directive related to Confidential Filings ("Practice Directive"), asked Registered Intervenors and BC Hydro to advise the Commission by October 16, 2007 if they object to BC Hydro's claim for confidentiality of Attachment E (Exhibit A-36). The letter also asked BC Hydro if it objected to the release of the Confidential document to Mr. Weisberg, and to advise the Commission of its reason for objection.

By letter dated October 15, 2007 to the Commission, BC Hydro provided reasons as to why the release of the bill impact information would make public what would otherwise be confidential consumption and billing data. BC Hydro noted that it is subject to the provisions of the *Freedom of Information and Protection of Privacy Act* ("FIPPA") Section 21 which states, in essence, that BC Hydro must not disclose information if the disclosure could reasonably be expected to harm significantly the competitive position of the third party. BC Hydro noted that Heiltsuk and

Shearwater are both Special Contract customers. Furthermore, BC Hydro requested that the deadline for objecting to the release of Attachment E to Mr. Weisberg be moved to October 26, 2007 (Exhibit B-106).

By letter dated October 26, 2007 to BC Hydro, the Commission accepted Exhibit B-106 as sufficient compliance with Section 2 of the Practice Directive in response to Mr. Weisberg's request. The letter from the Commission extended the deadline for filing objections to October 29, 2007. The letter further asked BC Hydro to advise the Commission why it believes that Section 61 of the *Administrative Tribunal Act* does not provide an answer to its submissions on Section 21 of the FIPPA (Exhibit A-38).

By letter dated November 13, 2007, BC Hydro responded to the Commission letter dated October 26, 2007, submitting that it may lawfully submit Attachment E in confidence to the Commission as it did, but may not lawfully disclose Attachment E publicly unless and until the Commission makes a legally valid disclosure order, in which case BC Hydro may disclose the document only to the extent of such an order (Exhibit B-110).

By Order No. G-141-07, dated November 22, 2007 the Commission concluded that the release of Attachment E to Mr. Weisberg was not warranted and ordered that access by Special Contract customers to the confidential document as filed in Attachment E of the Application be restricted to only that particular customer's annual bill impact (Exhibit A-40).

2.0 THE APPLICATION

BC Hydro applies, pursuant to Sections 58 to 61 of the *Utilities Commission Act*, to:

- revise its Electric Tariff (the Tariff) to specifically remove from the Terms and Conditions contained in the Tariff the section that permits BC Hydro to place those customers in Zone II, whose demand is or is likely to be in excess of 45 kVA, on a Special Contract;
- have the interim Special Contract rate of 17.69 cents per kW.h (as per Commission Order No. G-84-07) made permanent for the period from June 1, 2007 to November 1, 2007, or the effective date of the order granting this relief, whichever is later; and
- amend Rate Schedule 1901, the Deferral Account Rate Rider (RS 1901) to remove from the rate the requirement that the 2 per cent rate rider be applicable to IPPs taking power under their Special Contracts.

(Exhibit B-105-1, p. 1)

BC Hydro cites a number of reasons why the Special Contract provisions in the Tariff relating to those customers with loads in excess of 45 kVA should be removed.

- BC Hydro states that the tariff provision that allows it to place Zone II customers with expected loads greater than 45 kVA on a Special Contract was put in place in order to protect BC Hydro and its ratepayers from customers that may be uneconomic and who may also create a disturbance on its system. BC Hydro states that it was assumed at one time that there was a potential for a significant number of new large loads to connect to the distribution system in the Non-Integrated Area (NIA) communities but that the evidence to date is that this concern is unfounded, and that since 1991 only 23 customers have signed Special Contracts, and none since 2002;
- BC Hydro states that it does not consider that removing the requirement for a Special Contract for those customers with loads in excess of 45 kVA will lead to increased large commercial loads in NIA communities. New commercial customers in Zone II would be placed on RS 1255 and since 1999/00 there has been a net increase of three RS 1255 customers in Zone II, with several NIA communities experiencing a decrease in large commercial customers, while it has added seven new accounts at Sandspit and three at Anahim Lake. In any event, additional barriers to economic growth include transportation issues and remoteness from markets. In addition, BC Hydro states that under its existing Zone II extension test new customers in the NIA will continue to be required to pay for the full cost of distribution extensions required to connect to the electrical system; and

- BC Hydro states that the addition of a large new load to a NIA community may once have resulted in the need for significant new generation resources at great expense, and also leading to increases in unused capacity, it now has much greater flexibility with regard to its diesel resources. Rather than being required to add a large amount of stationary diesel generation, BC Hydro is now able to utilize smaller mobile generator units that can be easily installed and better matched to new load in any particular community.

BC Hydro states that there has been no strain placed on BC Hydro's Zone II system by the 23 Special Contract customers, and it has come to the view that charging these customers a rate that is significantly higher than other commercial customers is unduly discriminatory. The cost to BC Hydro in terms of operations and infrastructure required to serve these customers is more or less the same as that of serving other commercial customers, and is certainly not as great in comparison to other customers as the high Special Contract rate would imply (Exhibit B-105-1, p. 4).

2.1 Special Contract Customers

BC Hydro states that it currently has 26 Special Contracts, 23 with end-use customers (End-Use Special Contracts) and 3 with Independent Power Producers ("IPPs") (IPP Special Contracts). Of the 23 End-Use Special Contracts, 6 are grandfathered ("Grandfathered Special Contracts"), and 17 are standard ("Standard Special Contracts"). BC Hydro states that Standard Special Contracts have a flat energy rate calculated on the basis of Zone II costs, while grandfathered Special Contracts have a three tiered rate structure, with only the last rate tier being set on the basis of Zone II costs (Exhibit B-105-1, p. 2).

BC Hydro states that it plans to cancel all the current Special Contract Tariff Supplements, and place the 23 Special Contract customers onto Rate Schedule 1255 - Zone II General Service >35 kW (RS 1255), effective November 1, 2007, and that such a proposal does not require Commission approval (Exhibit B-105-1, p. 1). In its Reply, it states that it has placed all 23 customers onto RS 1255 as of November 2007 (BC Hydro Reply, p. 1).

BC Hydro states that from 1991 to 1998 it set electricity rates for Special Contracts in Zone II based on either the incremental operating cost of diesel generation, or the cost of purchased electricity in a particular Zone II district (for the last tier of Grandfathered Special Contract consumption and for all Standard Special Contract consumption) which resulted in a unique electricity rate for each NIA district. This rate was adjusted annually on June 1st of each year, based on BC Hydro's costs in the immediately preceding year and resulted in periodic upward spikes as a result of major overhauls of diesel generators taking place approximately every five years, and significant changes whenever a new IPP became the prime supplier of electricity in a diesel district.

As a result, BC Hydro states that it revised the calculation of the annual rate in June 1998 to one based on the average unit cost of all Zone II diesel generating stations, and that the calculation was defined as the cost of fuel oil, lube oil and maintenance divided by the total kilowatt hours generated over the previous fiscal year. In December 2000 the calculation was amended to exclude the cost of lube oil and the costs incurred at standby diesel generating stations (Exhibit B-105-1, pp. 2-3).

BC Hydro states that the Special Contract rates in cents per kW.h have been as follows for years commencing on June 1:

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007 ⁽¹⁾
11.47	9.88	12.60	15.60	14.00	142.7	16.97	20.55	17.69	25.22

Note 1: pro-forma calculation based on current tariff provision.
(Exhibit B-105-1, Attachment D)

BC Hydro states that the Special Contract rate that would be effective July 1, 2007 as per the calculation set out in the tariff is 25.22 cents per kW.h, and would constitute a 43 per cent increase over the rate for the 2006 contract year, which it considered “excessive”, and that it therefore applied on July 11, 2007 to have the 2006 Special Contract rate of 17.69 cents per kW.h made interim and applicable on a refundable basis until such time as an application to address Zone II Special Contracts had been filed and approved by the Commission (Exhibit B-105-1, p. 3).

BC Hydro estimates that its revenue from the 23 Special Contract customers in F2007 was approximately \$841,000 and that placing these customers onto RS 1255 would reduce all their bills and BC Hydro's revenues by approximately \$315,000. This reduction would increase the amount of the overall loss from the Zone II area which is recovered in the rates charged to Zone I customers, however, the effect on Zone I rates would be negligible (Exhibit B-105-1, p. 4).

The Heiltsuk submit that the three changes for which BC Hydro seeks approval should be approved by the Commission and that a sufficient basis for those changes is provided in the Application and is further supported by the records in the RDA Phase I and II proceedings, which form part of the record in this Phase III proceeding (Heiltsuk Argument, para. 1).

However, the Heiltsuk take issue with BC Hydro's statement that Special Contract rates have been set based on "...the cost of purchased electricity in a particular Zone II district," and submit that the Application and BC Hydro's responses to Information Requests provide no basis whatsoever to conclude that; and to the contrary, apart from the quoted statement, all evidence in the RDA Phase I, II and III proceedings establishes beyond question that Special Contract rates are and have been set based exclusively on costs associated with diesel generation. Descriptions of the rate setting formula for Special Contracts, in the Application and elsewhere, detail the cost components associated with diesel generation but never mention the cost of purchased electricity.

The Heiltsuk continue and submit that "In the case of the "Bella Bella NIA" there has never been a fair, just or not unduly discriminatory basis to apply diesel-based rates for customers that receive over 99 percent of their annual electricity supply from hydro generation. Indeed, the Application clearly states that since December 2000 the rate setting formula for Special Contracts has specifically excluded "costs incurred at standby diesel generating stations". Those standby diesel costs were the only *possible* basis for applying the rate setting formula for Special Contracts to establish rates in the "Bella Bella NIA". For the last 7 years there has been no element of the rate setting formula for Special Contract rates that has *any* factual connection to electricity supply in the "Bella Bella NIA". For that period, December 2000 to present, there can be no question that Special

Contract rates charged in the “Bella Bella NIA” were unfair, unjust and unduly discriminatory by every measure save the narrowest legal interpretation of approval by the Commission” (Heiltsuk Argument, para. 3).

Accordingly, the Heiltsuk suggest that the appropriate relief for Special Contracts customers in the Bella Bella area should not be to move them to Rate Schedule 1255, but to a new Rate Schedule otherwise identical to Rate Schedule 1200 – General Service (35 kW And Over) [Zone I], and submit that such a change would begin to make up for years (up to December 2000) of those customers being charged Special Contract rates even though the rate setting formula was completely inappropriate for and unrelated to the hydro generation that provided virtually all of their electricity; and would avoid the need to go through years of billing details to calculate the amount of “unfair, unjust and unduly discriminatory rates that have been charged by BC Hydro” (Heiltsuk Argument, para. 4).

The Heiltsuk submit that the Commission has the means to address that historic rate inequity without engaging in retroactive ratemaking, and cite Section 35 of the Hydro and Power Authority Act, (RSBC 1996, c. 212,) which states:

“Despite the Utilities Commission Act, the Lieutenant Governor in Council may issue directives directing the authority in a fiscal year to pay to the government an amount specified in the directive and may issue directives directing the authority in a fiscal year to pay to the persons constituting one or more classes of the authority's past or present customers an amount specified in the directive.” (Emphasis added)

The Heiltsuk submit that the Commission should direct BC Hydro to calculate the difference between what it did charge “Bella Bella NIA” End-Use Special Contract customers and what it would have charged those customers under Rate Schedule 1255, for the period from December 2000 to December 2007. BC Hydro, with the Commission’s express approval, should request the Lieutenant Governor in Council to issue a directive to pay that amount to “Bella Bella NIA” End-Use Special Contract customers (Heiltsuk Argument, para. 4).

The Heiltsuk refer to BC Hydro's response to one of their IRs where BC Hydro had stated "Rates established in accordance with the *Utilities Commission Act* are at all times, except when they are interim, "fair, just and not unduly discriminatory", and submit that BC Hydro's response is correct in law but doesn't accord with its own view, stated in the Application at page 4, that charging end-use customer Special Contract rates is unduly discriminatory (Heiltsuk Argument, para. 5).

The Heiltsuk observe that the impact on BC Hydro's customers of placing all 23 Special Contract customers onto Zone I rates for General Service > 35 KW customers would be negligible and submit that "It follows that providing additional relief to the three Special Contract customers in the "Bella Bella NIA", as requested herein, would similarly have no noticeable rate impacts on other BC Hydro customers" (Heiltsuk Argument, para. 6).

In Reply, BC Hydro submits that while the Heiltsuk imply that the Commission has the jurisdiction to direct BC Hydro to seek government relief pursuant to section 35 of the Hydro and Power Authority Act, no such authority exists in the Commission.

BC Hydro addresses various types of relief sought by the Heiltsuk and submits that this underlying theory to the various forms of relief sought by the Heiltsuk has no basis in law, as the Heiltsuk readily admit on the bottom of page 5: "BC Hydro's response is correct in law ...". BC Hydro submits that to attempt to avoid the inescapable consequences of their admission by arguing that there is a difference between a practical view of the matter and a legal view of the matter has no merit and further submits that the Commission may act only in accordance with the law, and the law is clear that rates are always just, reasonable and not unduly discriminatory when set in accordance with the *Utilities Commission Act* (except when they are interim). "Thus the End-Use Special Contract rates were for all purposes fair, just and reasonable until BC Hydro eliminated them on November 1, 2007 and no decision regarding future rates can be based on a conclusion that the rates were anything but fair, just and not unduly discriminatory" (BC Hydro Reply, p. 2).

Commission Determination

The Commission Panel accepts BC Hydro's submissions that charging its Special Contract customers a rate that is significantly higher than other commercial customers is unduly discriminatory and approves BC Hydro's application to revise its Electric Tariff to specifically remove from the Terms and Conditions contained in the Electric Tariff, the section that permits BC Hydro to place those customers in Zone II, whose demand is or is likely to be in excess of 45 kVA, on a Special Contract.

So far as the interim Special Contract rate is concerned the Commission Panel orders that the interim Special Contract rate of 17.69 cents per kW.h (as per Commission Order No. G-84-07) be made permanent for the period from June 1, 2007 to November 1, 2007.

The Commission Panel, in its Phase II Decision, directed BC Hydro to amend its Electric Tariff with effect from April 1, 2008 to allow the Bella Bella NIA to qualify for Zone I rates, and directs BC Hydro to ensure that the Special Contract customers in the Bella Bella NIA also qualify for Zone I rates on that date.

The Commission Panel has considered the Heiltsuk submission for retroactive relief. The Commission Panel notes that almost all of the Special Contracts were approved by Commission Orders and finds nothing on the record before it that these Contracts have been consistently discriminatory since their introduction as the Heiltsuk claim. **Accordingly the Commission Panel denies the Heiltsuk's claim for retroactive relief for Special Contract customers in the Bella Bella NIA.**

2.2 IPP Special Contract Rates

BC Hydro states that it has three IPP Special Contracts in Zone II, whose Interruptible Electricity Supply Agreements with it contain a rate that is set on an annual basis commencing July 1st. The calculation of the annual rate has been in place since the initial two IPP contracts with CCPC and

QCPC in 1991. A third IPP Special Contract was put in place with the Stikine Nation Power Corporation ("SNPC") in 1998.

For the IPP Special Contracts the rate to be charged is the greater of the unit price paid by BC Hydro to the IPP for the most recent purchase of electricity from the IPP or the average unit cost incurred by BC Hydro to generate electricity at all diesel generating stations (including standby diesel generators) plus a 10 per cent profit margin. The average unit cost is calculated by summing the cost of fuel oil, operating and maintenance costs. In June 1998 BC Hydro's Tariff was amended to include in the Tariff the calculation of the IPP Special Contract rate as set out in those Special Contracts (Exhibit B-105-1, p. 3).

BC Hydro states that it does not propose to make any changes to the calculation of the rates charged to its three IPP Special Contract customers under their Interruptible Electricity Supply Agreements. BC Hydro considers it appropriate that the emergency power should continue to be priced at the higher of the cost that BC Hydro purchases the power from the IPP or the average cost of diesel generation plus a 10 per cent profit margin, as was originally negotiated with the CCPC and QCPC prior to the rate calculation being placed into the Tariff in 1998. Without the inclusion in the rate of the "higher of" ratchet, BC Hydro states that it is concerned that there may be less incentive for IPPs to properly schedule maintenance on their equipment and avoid the requirement for emergency power from BC Hydro, and that, with no ratchet, the IPP may in some cases be better off paying BC Hydro for emergency back-up rather than incurring extra maintenance costs. For all three IPP customers the use of electricity taken under the Special Contracts is limited to emergency use only. For CCPC and QCPC the emergency power supplied can also be resold to others, while for SNPC the use of the emergency power is further limited to heating and other essential needs at the SNPC powerhouse.

BC Hydro states that since the contracts have been put into place, CCPC has used power under the Special Contract once in 1991 (as set out in Exhibit B-90) and that neither QCPC nor SNPC has purchased power under these agreements. As this power is for emergency use, is seldom used and requires that BC Hydro incur unplanned generation costs, BC Hydro is of the view that the current methodology of setting the IPP Special Contract rate is appropriate, stating that by basing the rate on

the costs of all diesel generating units in Zone II it provides the IPPs with some protection from price spikes that may occur in a year at a particular diesel station; and by using the higher of this cost or the cost of power purchased from the IPP it ensures that the IPP will only purchase power in what are considered true emergency situations.

As it proposes no revisions to the rates calculated for its IPP Special Contract customers, BC Hydro states it will charge those customers as of July 1, 2007, the rates for emergency power as calculated in its letter to the Commission of July 6, 2007 (Exhibit B-105-1, p. 5).

The current IPP Special Contract rates vary by IPP and effective July 1, 2007 the Special Contract rate for CCPC and QCPC is calculated as 31.85 cents per kW.h and for SNPC is 37.37 cents per kW.h (as set out in BC Hydro's letter to the BCUC of July 6, 2007, which provides the calculation of the 2007 billing year rate). This represents an increase from the previous year of approximately 35 per cent for CCPC and QCPC and an increase of approximately 1.8 per cent for SNPC (Exhibit B-105-1, p. 1).

The only IPP to intervene is CCPC. CCPC submits that in 1998 and in 2000, BC Hydro unilaterally changed the terms of its Special Contract with CCPC and that these changes were made without any prior consultation with or notification to CCPC and with no negotiations. The terms were established arbitrarily by BC Hydro. This process, Part III of BC Hydro's 2007 Rate Design Application, is, therefore, the first opportunity that CCPC has had in order to register its concerns with respect to these rates. CCPC "objects to the suggested rate that BC Hydro proposes to establish as a charge to CCPC, as outlined in this Application. The terms and conditions of the Special Contract are neither based on normal contracted (negotiated) terms nor on any logical rate based principle. In addition, the suggested rate is excessive and not supported by the facts" (CCPC Argument, pp. 1-2).

CCPC states that it has the full ability to provide for all of its own Station Service requirements, and its commercial customer also has the ability to provide for its own emergency power requirements, which leaves the residents of Ocean Falls as the only customers who would not have power if CCPC could not provide it. The supply of power to the residents of Ocean Falls from BC Hydro would

result in a loss to CCPC of approximately \$0.25/kWhr for each kWh used by the residents, based on the requested 2007 Special Contract rates, and submits that “The requirement to supply power to the residents of Ocean Falls, from BC Hydro, is as a result of an order from the BCUC” (CCPC Argument, p. 6).

CCPC submits that BC Hydro’s overall costs of the power supply in the Bella Bella NIA, CCPC’s supply area, are the second lowest in BC Hydro’s diesel plant operation and are “considerably below the rate that BC Hydro proposes to charge CCPC” (CCPC Argument, p. 7).

CCPC submits that in the event that it had to purchase power from BC Hydro, under this Special Contract, BC Hydro’s costs would “truly be the incremental cost of the oil and fuel used in order to supply the residents of Ocean Falls. All other aspects of BC Hydro’s operation would be the same. This cost determination is substantiated because of the facts that: if CCPC could not supply power to Bella Bella, BC Hydro would have to be running their (sic) diesels; all diesel maintenance is based on hours of operation, not load; and the administration and overhead costs remain the same” (CCPC Argument, p. 7).

CCPC submits that that BC Hydro’s proposed rate formulation has no relevance to any rate design principals and certainly not to the rates it proposes to charge CCPC and notes that BC Hydro has included the costs of other diesel plants and the costs of other IPPs in its application to CCPC, when there is “no relevancy between the costs in Dease Lake, for example, and anything that occurs in Bella Bella” (CCPC Argument, p. 7).

CCPC submits that including all diesel plant costs is inappropriate in that “CCPC is unique in respect to this Special Contract consideration and will most likely be the only customer (effectively) to have a Special Contract if the BCUC agrees to delete the commercial Special Contract class, also pursuant to this application” (CCPC Argument, p. 7).

Finally CCPC addresses BC Hydro’s statement that the “Heritage Asset Fund” is not applicable to residents of Ocean Falls as they are customers of another utility”, and submits that while it agrees with that general concept, “the fact that the Ocean Falls residents are residents of BC, that they are

being supplied by BC Hydro indirectly, that the Province (and, therefore, their wholly owned corporation, BC Hydro) was intimately involved in the construct of the rates and conditions of supply to the residents of Ocean Falls, suggests strongly that the Province should bear equally in the responsibility for losses because of the supply to the residents of Ocean Falls. The Heritage Asset funds, therefore, should be available to the residents of Ocean Falls in order to reduce the losses for CCPC, in this circumstance” (CCPC Argument, p. 8).

CCPC recommends that the Commission reject BC Hydro’s application in respect to its applicability to the IPP Special Contracts. CCPC submits that one of the following rate formulations should be applied:

- that it pay the proportional cost of the fuel and lube oil that BC Hydro uses to supply the CCPC load, or
- that it pay the same rate per kWh that CCPC charges BC Hydro; or
- that it pay in accordance with RS 1255 for the power.

In the alternative, CCPC asks that the Commission consider “CCPC to charge a rate adjustment for those times when CCPC would be required to purchase power from BC Hydro. CCPC suggests that it be allowed to charge the residents of Ocean Falls the same Special Contract rates charged to CCPC by BC Hydro. Included in this Rate Schedule would be the provision that each resident could have the option to receive, or to not receive, power during that period and to pay the elevated rates charged to CCPC for any power taken during that period. CCPC does not believe it should be regulated to charge rates under which it suffers significant losses.”

In Reply, BC Hydro submits that CCPC’s submissions are a challenge to address because they mix argument with assertions of fact that have no evidentiary basis. The terms and conditions of that Tariff Supplement are binding on both BC Hydro and CCPC unless and until the Commission orders a change to its provisions.

BC Hydro refers to CCPC's submission that until Phase III of the 2007 RDA it had no opportunity to register its concerns regarding Tariff Supplement No. 7 and submits that this assertion is incorrect and that like any customer of BC Hydro, CPC is and always has been free to bring its concerns to the Commission.

BC Hydro submits that the gist of CCPC's argument in favour of a change to Tariff Supplement No. 7 seems to arise from the fact that CCPC has load serving obligations.

BC Hydro notes "that it has itself no load serving obligations to CCPC's Ocean Falls customers, nor to CPC itself except in accordance with the terms of Tariff Supplement No. 7. Moreover, Tariff Supplement No. 7 is on its face an interruptible supply arrangement, and service is available only for emergency purposes and for up to 30 days. It follows that if CCPC foresees a circumstance where it requires a different supply arrangement with BC Hydro in order to continue to meet its load serving obligation it is incumbent on it to provide BC Hydro and the Commission with evidence demonstrating why the existing arrangement is inadequate. In the absence of such evidence, the relief requested by CCPC ought to be denied" (BC Hydro Reply, p. 3).

Commission Determination

The Commission Panel has considered CCPC's submissions in respect of its Special Contract with BC Hydro and CCPC's recommendations on how the price in its Special Contract should be established.

In the Commission Panel's view the evidence and submissions do not constitute a reason to amend the three Special Contracts with IPPs. Accordingly the Commission Panel accepts Tariff Supplements No. 7, 8 and 39 as filed by BC Hydro.

The Commission also notes that the relief sought by CCPC in respect of the prices it charges its customers while it takes power from BC Hydro under its Special Contract, is not an issue before it in this proceeding and takes no position on it.

2.3 RS 1901- Deferral Account Rider

BC Hydro states that both the Special Contract customers and IPP Special Contract Customers are currently charged the two per cent rate rider as per RS 1901, but that, as a consequence of cancelling the requirement for Special Contracts with Zone II customers, RS 1901 must also be revised to remove the applicability of the surcharge to those customers. BC Hydro also considers it appropriate that the rate rider also not be applied to energy purchased by Zone II IPPs under their Special Contracts, as these customers are not receiving any of the benefits of energy from Heritage Resources and therefore, should not be required to contribute to paying down the deferral accounts that arise primarily from the Heritage Contract. BC Hydro therefore proposes that RS 1901 be amended to no longer be applicable to rates established under Zone II Special Contracts for both customers and IPPs, effective November 1, 2007 (Exhibit B-105-1, p. 6).

BC Hydro states that most of the Special Contract customers are not being provided any of the benefits from Heritage Energy that the other Zone II customers enjoy through the first tier of their rates but are being required to pay the two per cent rate rider than is being used to pay down the balances in the deferral accounts that arise primarily from the Heritage Contract (Exhibit B-105-1, p. 4).

In a response to an IR from Heiltsuk BC Hydro states that IPPs who take power under Special Contracts pay a rate that is the higher of the "unit price paid by BC Hydro to the IPP for the most recent purchase of electricity from the IPP", and "the average unit cost incurred by BC Hydro to generate electricity at all diesel generating stations... plus a 10% profit margin" but that under this formula IPPs do not get even an indirect financial benefit from the low embedded cost Heritage Resources, unlike other rate classes in the NIA. Further, the deferral account balances that are being amortized through the rate rider largely arose from the Trade Income Deferral Account and the Heritage Deferral Account, which are the mechanisms by which the benefits (and costs) of the Heritage Resources are passed on to BC Hydro's customers. Since they receive no benefit from those assets, NIA IPP customers should not pay any of the costs of those assets (Exhibit B-111, Heiltsuk 1.3.3).

The Heiltsuk note that the 2 percent rate rider has been charged to Special Contracts customers since February 1, 2007 in accordance with Commission Order No. G-143 06 and cite the Application, where it states:

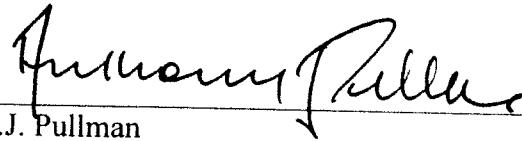
“In addition, most of the *Special Contract customers are not being provided any of the benefits from Heritage Energy* that the other Zone II customers enjoy through the first tier of their rates but are being required to pay the two per cent rate rider than is being used to pay down the balances in the deferral accounts that arise primarily from the Heritage Contract.” (emphasis added)

and submit that, in light of that evidence, it has been unfair to charge the 2 percent rate rider to Special Contract customers. The Heiltsuk propose that the Commission order BC Hydro to provide [former] Special Contract customers with a 2 percent credit on their bills for as many months as they have been charged the 2 percent rate rider. If Special Contract customers are put onto Rate Schedule 1255 as BC Hydro intends, at the time the change takes effect those customers will begin to receive some benefit (e.g. lower rates) from the Heritage Contract. If that change is not made, fairness requires that the 2 percent rate rider should be eliminated for all Special Contracts customers (Heiltsuk Argument, para. 5).

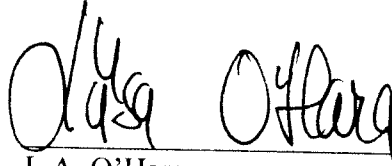
The Commission Panel accepts BC Hydro’s submission that the rate rider contained in Rate Schedule 1901 - Deferral Account Rate Rider (RS 1901) not be applied to energy purchased by Zone II IPPs under their Special Contracts, as these customers are not receiving any of the benefits of heritage energy and approves BC Hydro’s application to amend RS 1901 to remove from the rate the requirement that the 2 per cent rate rider be applicable to IPPs taking power under their Special Contracts.

With respect to the Heiltsuk’s submission for retroactive relief, the Commission concludes that BC Hydro charged RS 1901, Deferral Account Rate Rider, on the basis of a tariff approved by Commission Order No. G-143-06. **This Panel considers it inappropriate to revisit that Order and denies the Heiltsuk’s request for retroactive relief.**

DATED at the City of Vancouver, in the Province of British Columbia, this 21st day of December 2007.



A.J. Pullman
Panel Chair and Commissioner



L.A. O'Hara
Commissioner



R.J. Milbourne
Commissioner

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-171-07

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

**IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473**

and

**British Columbia Hydro and Power Authority ("BC Hydro")
2007 Rate Design Application ("2007 RDA") Phase II and Phase III**

BEFORE:

A.J. Pullman, Panel Chair
R.J. Milbourne, Commissioner
L.A. O'Hara, Commissioner

December 21, 2007

O R D E R

WHEREAS:

- A. BC Hydro filed on March 15, 2007, pursuant to the Utilities Commission Act ("Act") and Commission Order No. G-148-06, the 2007 Rate Design Application ("Application") to update BC Hydro's rates and terms and conditions of service; and
- B. On May 8, 2007, the Commission established an Oral Public Hearing process for the review of the Application by Order No. G-50-07 (Exhibit A-4); and
- C. Central Coast Power Corporation ("CCPC") is an Independent Power Producer ("IPP") in the Non-Integrated Area ("NIA") whose Energy Purchase Contract with BC Hydro was the subject of Information Requests ("IRs") and a motion by a Registered Intervenor, the Heiltsuk Tribal Council/Shearwater Marine Limited ("Heiltsuk"). On July 3, 2007, the Commission issued Commission Letter No. L-57-07 to inform all Parties that the Commission would hear the motion from Heiltsuk ("Heiltsuk Motion") immediately following the Opening Statement of the Chair; and
- D. The Commission Panel Hearing Issues List was issued on July 6, 2007 (Exhibit A-23). Items No. 6 and No. 7 on the Issues List related to NIA – Zone II rates and the Bella Bella NIA, and were identified in the cover letter as subject to the Commission Panel's determination on the motions before the Commission Panel at that time; and
- E. The Oral Public Hearing of the Application commenced on July 9, 2007 in Vancouver, BC; and
- F. By letter dated July 11, 2007, BC Hydro filed with the Commission a proposal that the F2006 Zone II Special Contract rate of \$0.1769 per kWh effective June 1, 2006 continue for the contract year beginning June 1, 2007 on an interim (refundable) basis (Exhibit B-37); and

- G. By letter dated July 6, 2007, BC Hydro submitted its compliance filings on interruptible rates to IPPs serving Zone II customers for the period commencing July 1, 2007 and ending June 30, 2008 (Exhibit A2-3); and
- I. On July 17, 2007, the Commission Panel determined that the Application would be heard in three phases. Phase I would cover the issues in Items No. 1 to 5 of the Issues List; Phase II would cover Items 6 and 7 of the Issues List; and Phase III would cover BC Hydro's Special Contract rates (T8: 1331-1333 and T10: 1646-1648). The Commission Panel's determinations were set out in Commission Order No. G-84-07 dated July 26, 2007 (Exhibit A-25) as amended by Commission Order No. G-97-07 dated August 20, 2007 (Exhibit A-30); and
- J. Subject to the filing of certain outstanding information requests, the evidentiary phase of Phase I closed on July 19, 2007; and
- K. The Oral Public Hearing for Phase II commenced on September 4, 2007; and
- L. Subject to the filing of certain outstanding information requests, the evidentiary phase of Phase II closed on September 7, 2007. The schedule for Argument provided that Heiltsuk file its Final Argument on September 21, 2007; Intervenor(s) and BC Hydro file their Arguments on October 5, 2007, and Heiltsuk file its Reply Argument on October 12, 2007; and
- M. On September 19, 2007, the Commission Panel issued interim Commission Order No. G-111-07 regarding the Fully Allocated Cost of Service Study and Rate Schedules to ensure that the Rate Schedules resulting from the Commission Panel's Decision could be in place by April 1, 2008; and
- N. On October 1, 2007, pursuant to Commission Orders No. G-84-07 and No. G-97-07 and Sections 58 to 61 of the Act, BC Hydro filed an application ("Phase III Application") to address all issues related to Zone II Special Contract rates, including Special Contracts for IPPs in Zone II (Exhibits B-105-1 and B-105-2); and
- O. In the Phase III Application, BC Hydro sought to (i) revise its Electric Tariff specifically to remove from the Terms and Conditions in the tariff the section that permits BC Hydro to place customers in Zone II whose demand is or is likely to be in excess of 45 kVA on a Special Contract; (ii) have the interim Special Contract rate of \$0.1769 per kWh as approved by Commission Order No. G-84-07 made permanent for the later of the period from June 1, 2007 to November 1, 2007 or the effective date of the Order granting the relief sought; and (iii) amend RS 1901 to remove from the rate the requirement that the 2 percent rate rider be applicable to IPPs taking power under their Special Contracts; and
- P. By Order No. G-122-07 dated October 5, 2007, the Commission, among other things, established a Preliminary Regulatory Timetable for the review of the Phase III Application including IRs by November 2, 2007 and responses to IRs on November 19, 2007; and
- Q. On October 26, 2007, the Commission issued its Decision on Phase I issues with Commission Order No. G-130-07 attached. In the Decision, the Commission also confirmed that the subject matter of interim Order No. G-111-07 was confirmed as final; and

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-171-07**

3

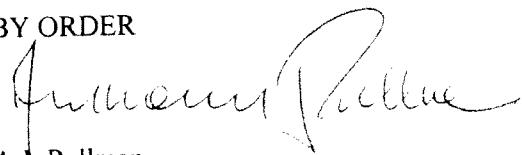
- R. By Order No. G-142-07 dated November 27, 2007, the Commission established a Written Public Hearing for the review of the Phase III Application; and
- S. CCPC submitted its Argument with respect to Phase III on December 9, 2007; Heiltsuk submitted its Argument on December 10, 2007, and BC Hydro submitted its Reply Argument on December 17, 2007; and
- T. The Commission Panel has reviewed the evidence and arguments for both Phase II and Phase III of the Application.

NOW THEREFORE the Commission for the reasons stated in the Decision issued concurrently with this Order, orders as follows:

1. BC Hydro shall amend its tariff effective from April 1, 2008 to allow customers in the Bella Bella NIA to qualify for Zone I rates.
2. BC Hydro's application to revise its Tariff to specifically remove from the Terms and Conditions in the Tariff, the section permitting BC Hydro to place those customers in Zone II, whose demand is or is likely to be in excess of 45 kVA, on a Special Contract is approved.
3. The interim Special Contract rate of \$0.1769 per kWh is made permanent for the period from June 1, 2007 to November 1, 2007.
4. BC Hydro is to ensure that the Special Contract customers in the Bella Bella NIA also qualify for Zone I rates effective from April 1, 2008.
5. BC Hydro's Tariff Supplements No. 7, 8 and 39 are accepted as filed.
6. BC Hydro's application to amend RS 1901 to remove from the rate requirement that the 2 percent rate rider be applicable to IPPs taking power under their Special Contracts is approved.
7. The requests by Heiltsuk that the Bella Bella NIA non-Special Contract customers qualify retroactively for Zone I rates, that Special Contract customers in the Bella Bella NIA qualify retroactively for Zone I rates, and that Special Contract customers who were charged the 2 percent rate rider under RS 1901 be provided with retroactive relief by way of a 2 percent credit on their bills for as many months as it was charged, are denied.
8. BC Hydro is directed to comply with all other directives in the Decision.

DATED at the City of Vancouver, in the Province of British Columbia, this 21st day of December 2007.

BY ORDER



A.J. Pullman
Panel Chair and Commissioner

LIST OF ABBREVIATIONS

2007 RDA	2007 Rate Design Application
Application	BC Hydro's October 1, 2007 Zone II Special Contract Rate Application
BC Hydro	British Columbia Hydro and Power Authority
BCOAPO	British Columbia Old Age Pensioners' Association <i>et al</i>
CCPC	Central Coast Power Corporation
EPA	Power Purchase Agreement between BC Hydro and CCPC for the sale of electricity from CCPC's Ocean Falls hydroelectric project to BC Hydro in Bella Bella
FIPPA	Freedom of Information and Protection of Privacy Act
Grandfathered Special Contracts	23 End-Use Special Contracts
GS<35kW	Small General Service
GS>35 kW	Large General Service
Heiltsuk	Heiltsuk Tribal Council and Shearwater Marine Limited
IPPs	Independent Power Producers
JIESC	Joint Industry Electricity Steering Committee
NIA	Non-Integrated Areas
OIC	Order in Council
Practice Directive	BCUC Practice Directive related to Confidential Filings
QCPC	Queen Charlotte Power Corporation
RCE	Remote Community Electrification
Revised Issues List	Revised Hearing Issues List for Phase II
SD10	Special Direction No. 10
SNPC	Stikine Nation Power Corporation
Standard Special Contracts	17 Standard End-Use Contracts
the Act	Utilities Commission Act
UEA	uneconomic extension assistance program

British Columbia Hydro and Power Authority
Electric Tariff
Twenty-first revision of Page C-3
Effective: 1 February 2007

SCHEDULES 1107, 1117, 1127

RESIDENTIAL SERVICE

Availability: For residential service. Service is normally single phase, 60 hertz at the secondary potential available. In the Authority's discretion, service may be three phase 120/208 or 240 volts.

Applicable in: Rate Zone II.

Rate: For a period of two months:

1. Schedule 1107 - Residential Service

Basic Charge \$7.38 per period

First 3000 kW.h per period @ 6.15¢ per kW.h
All additional kW.h per period @ 10.56¢ per kW.h.

2. Schedule 1117 - Residential Service - Common Use

Basic Charge \$7.38 per period

First 3000 kW.h per period @ 6.15¢ per kW.h
All additional kW.h per period @ 10.56¢ per kW.h.

3. Schedule 1127 - Multiple Residential Service

Basic Charge \$7.38 per single-family dwelling per period
First 3000 kW.h per single-family dwelling per period @ 6.15¢ per kW.h
All additional kW.h per period @ 10.56¢ per kW.h.

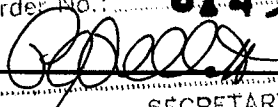
Minimum Charge:

Schedule 1107 - The Basic Charge per period.

Schedule 1117 - The Basic Charge per period.

Schedule 1127 - The Basic Charge per single-family dwelling per period.

Accepted for filing: JAN 22 2007
Effective: FEB 1 2007
Order No.: 6143 2006



SECRETARY
B.C. UTILITIES COMMISSION

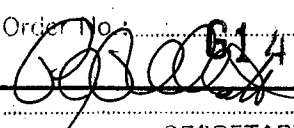
British Columbia Hydro and Power Authority
Electric Tariff
Sixteenth Revision of Page C-4
Effective: 1 February 2007

SCHEDULES 1107, 1117, 1127

RESIDENTIAL SERVICE (Cont'd)

Rate Rider: Effective February 1, 2007 a Deferral Account Rate Rider in the amount as set out under Schedule 1901 shall be applied to all charges, before taxes and levies. | c

Special Condition: The maximum capacity of all heating elements energized at any one time in any water heater served under this schedule shall not exceed 45 watts per litre (200 watts per imperial gallon) of tank capacity, except with the written permission of the Authority.

Accepted for filing: JAN 22 2007
Effective: FEB 1 2007
Order No: G143 2006

SECRETARY
B.C. UTILITIES COMMISSION

British Columbia Hydro and Power Authority
Electric Tariff
Twenty-fifth Revision of Page C-22
Effective: 1 February 2007

SCHEDULE 1234

GENERAL SERVICE (Under 35 kW)

Availability: For all purposes where a demand meter is not installed because the customer's demand as estimated by the Authority is less than 35 kW.

Supply is 60 hertz, single or three phase at an available secondary potential.

Applicable in: Rate Zone II.

Rate: For a period of two months:

Basic Charge \$8.83 per period

First 14000 kW.h per period @ 6.91¢ per kW.h
All additional kW.h per period @ 11.51¢ per kW.h.

Minimum Charge: Thirteen dollars and two cents (\$13.02) for a period of two months.

Rate Rider: Effective February 1, 2007 a Deferral Account Rate Rider in the amount as set out under Schedule 1901 shall be applied to all charges, before taxes and levies.

Special Conditions for Unmetered Service: Same as in Schedule 1220.

Accepted for filing: JAN 22 2007
Effective: FEB 1 2007
Order No.: G1432006

British Columbia Hydro and Power Authority
Electric Tariff
Twenty-third Revision of Page C-23
Effective: 1 February 2007

SCHEDULES 1255, 1256, 1265, 1266

GENERAL SERVICE (35 kW and over)

Availability: For all purposes. Supply is 60 hertz, single or three phase at secondary or primary potential. The Authority reserves the right to determine the potential of the service connection.

Applicable in: Rate Zone II.

Rate: Basic Charge \$4.42 per month

First 200 kW.h per kW of demand per month
@ 6.91¢ per kW.h
All additional kW.h per month @ 11.51¢ per kW.h.

d

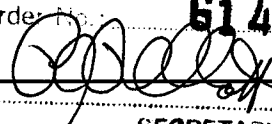
Discounts

1. A discount of 1½% shall be applied to the above rate if a customer's supply of electricity is metered at a primary potential.
2. A discount of 25¢ per kW of billing demand shall be applied to the above rate if a customer supplies transformation from a primary to a secondary potential.
3. If a customer is entitled to both of the above discounts the discount for metering at a primary potential shall be applied first.

Billing Codes: Schedule 1255 applies if a customer's supply of electricity is metered at a secondary potential and the Authority supplies transformation from a primary potential to a secondary potential.

Schedule 1256 applies if a customer's supply of electricity is metered at a primary potential and the Authority supplies transformation from a primary potential to a secondary potential.

Accepted for filing: JAN 22 2007
Effective: FEB 1 2007
Order No: 6143 2006



SECRETARY
B.C. UTILITIES COMMISSION

British Columbia Hydro and Power Authority
Electric Tariff
Seventeenth Revision of Page C-24
Effective: 1 February 2007

SCHEDULES 1255, 1256, 1265, 1266

GENERAL SERVICE (35 kW and over) (Cont'd)

Billing Codes: Schedule 1265 applies if a customer's supply of electricity is metered at a secondary potential and the customer supplies transformation from a primary potential to a secondary potential.

Schedule 1266 applies if a customer's supply of electricity is metered at a primary potential and the customer supplies transformation from a primary potential to a secondary potential.

Monthly Minimum Charge: The Monthly Minimum Charge paid by a customer on Schedule 1255, or 1256, or 1265 or 1266 shall be the charge the customer would have paid if he had been billed on Schedule 1200, or 1201, or 1210 or 1211 respectively.

Rate Rider: Effective February 1, 2007 a Deferral Account Rate Rider in the amount as set out under Schedule 1901 shall be applied to all charges, before taxes and levies. | c

Special Conditions:

1. A demand meter will normally be installed; prior to the installation of such a meter, or if such a meter is not installed, the demand for billing purposes shall be the assessed demand estimated by the Authority.
2. Where the customer's demand is or is likely to be in excess of 45 kV.A, then B.C. Hydro may require that supply to such customer be by special contract and that such supply be subject to such special conditions as B.C. Hydro, in its sole discretion, considers necessary to insert in the customer's special contract.

Accepted for filing: **JAN 22 2007**
Effective: **FEB 1 2007**
Order No.: **61432006**


SECRETARY
B.C. UTILITIES COMMISSION

B. C. Hydro
Electric Tariff
Original Page B-13-1
Effective: 1 April 1998

TERMS AND CONDITIONS

c

DISTRIBUTION EXTENSIONS ON PUBLIC PROPERTY (Cont'd)

Residential Subdivisions (Cont'd)

the estimated impact of subsequent Customer additions over the first five years, there will be no additional refunds in the future.

n

Alternatively, the subdivider may elect to have the subdivision treated on the same terms and conditions as applicable to "Nonresidential Subdivisions".

Extensions for Rate Zone II

An applicant in Rate Zone II (including an Extension to serve a subdivision) will be required to contribute the Estimated Construction Cost of the Extension (including the Estimated Construction Cost of all Shared and Dedicated Extension Facilities and Transformation), plus the present value of net operating and maintenance costs, school taxes and capital taxes, as included in the SET, except for the period commencing on 1 April 1998 and terminating on 31 March 2002, the applicant's contribution will be in accordance with the terms as set out in this Tariff under "Dedicated Facility Costs" or "Shared Facility Costs" as applicable. An applicant in Rate Zone II who contributes towards the construction of an Extension will not be eligible for any future refunds.

n

Uneconomic Extension Fund

For the purpose of this section, "extension cost" is defined as the Extension Fee as determined by the SET or the applicant's contribution as defined above in "Extensions for Rate Zone II".

B.C. Hydro will budget funds annually to its Uneconomic Extension Fund which is intended to provide limited assistance to eligible applicants who are required to pay an extension cost for the construction of an Extension. Each year applications will be received and funds will be allocated on the basis of lowest cost per Customer connected to the B.C. Hydro distribution system.

c

Applicants must apply for funding from the Uneconomic Extension Fund and will be subject to the following requirements:

- a) For a single phase Extension to serve a principal residence on a parcel of land, the applicant shall pay:

TERMS AND CONDITIONS

c

DISTRIBUTION EXTENSIONS ON PUBLIC PROPERTY (Cont'd)

Uneconomic Extension Fund (Cont'd)

- (i) an extension cost for the first Span of Line, including Transformation and a Crossing Pole, and the extension cost of any distribution line in excess of the next 800 metres beyond the first Span of Line; and
 - (ii) for the next 800 metres beyond the first Span of Line, 10% of the Estimated Construction Cost and the present value of net operating and maintenance costs, school taxes, and capital taxes, as included in the SET;
- b) For a single phase Extension to serve a principal residence on a productive farm, the applicant shall pay:
- (i) an extension cost, for the first Span of Line, including Transformation and a Crossing Pole, and the extension cost of any distribution line in excess of the next 1200 metres beyond the first Span of Line; and
 - (ii) for the next 1200 metres beyond the first Span of Line, 10% of the Estimated Construction Cost and the present value of net operating and maintenance costs, school taxes, and capital taxes, as included in the SET;
- c) For a single or three phase Extension to serve a productive farm irrigation load, the applicant shall pay an extension cost, on the complete Extension, less a contribution by B.C. Hydro of up to six times the estimated annual revenue. The maximum contribution by B.C. Hydro will be no more than the Estimated Construction Cost of the Extension.

c

Applicants who contribute towards the construction of an Extension and who receive funding from the Uneconomic Extension Fund will not be eligible for any future refunds.

LIST OF APPEARANCES

G.A. FULTON, Q.C.	Commission Counsel
J. CHRISTIAN	British Columbia Hydro and Power Authority
I. CHANG	Joint Industry Electricity Steering Committee
F. WEISBERG	Heiltsuk Tribal Council and Shearwater Marine Limited
A. KNOWTT	Central Coast Power Corporation

LIST OF WITNESSES

British Columbia Hydro and Power Authority Panel	JOANNA SOFIELD DONIA SNOW PUN CHU
Heiltsuk Tribal Council and Shearwater Marine Limited Panel	ROSS WILSON CRAIG WIDSTEN

IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

British Columbia Hydro and Power Authority
2007 Rate Design Application

EXHIBIT LIST

Exhibit No.	Description
<i>COMMISSION DOCUMENTS</i>	
A-1	Letter dated March 23, 2007 issuing Order No. G-36-07 setting Preliminary Regulatory Timetable and Notice of Procedural Conference
A-2	Letter dated April 5, 2007 issuing Commission Information Request No. 1
A-3	Letter dated May 2, 2007 issuing notice of available audio on-line broadcasting service on May 4, 2007 commencing at 1:30 p.m. for the balance of the proceeding
A-4	Letter dated May 8, 2007 and Order No. G-50-07 establishing an Oral Public Hearing and issuing the Regulatory Agenda and Reasons for Decision with respect to the Commission Panel's determinations on the hearing format, regulatory timetable and the disposition of the deferral account balances
A-5	Letter dated May 16, 2007 issuing Commission Information Request No. 2 to BC Hydro
A-6	Letter dated May 24, 2007 issuing amendment to date in Regulatory Timetable
A-7	Letter dated May 30, 2007 issuing a response to inquiry on BC Hydro contract between BC Hydro and Central Coast Power Corporation
A-8	Letter dated May 30, 2007 issuing Commission Panel Information Request No. 1 to BC Hydro
A-9	Letter dated June 13, 2007 issuing Commission Panel Information Request No. 2 to BC Hydro
A-10	Letter dated June 15, 2007 issuing Commission Information Request No. 1 to the Scott Thomson, Terasen Gas
A-11	Letter dated June 15, 2007 issuing Commission Information Request No. 1 to Jim Quail, BCOAPO

Exhibit No.	Description
A-12	Letter dated June 15, 2007 issuing Commission Information Request No. 1 to Kelly Cairns, representing the E-Plus Group
A-13	Letter dated June 15, 2007 issuing Commission Information Request No. 1 to Dan Potts of the JIESC
A-14	Letter dated June 15, 2007 issuing Commission Information Request No. 2 to Dan Potts of the JIESC
A-15	Letter dated June 15, 2007 issuing Commission Information Request No. 3 to Dan Potts of the JIESC
A-16	Letter dated June 15, 2007 issuing Commission Information Request No. 1 to Heiltsuk Tribal Council
A-17	Letter dated June 21, 2007 announcing the date, time and place of the public hearing; advising that Opening Statements will take place; and that BCOPAO's Witness Panel will also testify at the opening of the hearing
A-18	Letter dated June 25, 2007 addressing the issue of consultation with witnesses under cross-examination
A-19	Letter dated June 29, 2007 providing the participants with information to assist them by explaining the process of what to expect at the Oral Public Hearing
A-20	Letter dated July 4, 2007 responding to the Heiltsuk Motion
A-21	Letter dated July 5, 2007 issuing an amendment to the Oral Public Hearing hours
A-22	Letter dated July 6, 2007, issuing hearing notice to Central Coast Power Corporation to have their position presented on the Heiltsuk's Motion (Exhibit A-7 / Exhibit A-20)
A-23	Letter dated July 6, 2007, issuing the Commission Panel Hearing Issues List

Exhibit No.	Description
PHASE II - COMMISSION DOCUMENTS	
A-24	Letter dated July 26, 2007, issuing comments on the procedural process of confidential submissions during Phase II of the hearing proceeding
A-25	Letter dated July 26, 2007 and Order No. G-84-07 approving the current BC Hydro Special Contract Rate as Interim effective June 1, 2007 (Phase III)
A-26	Letter dated July 31, 2007 issuing Information Request No. 1 to Central Coast Power Corporation
A-27	Letter dated August 13, 2007 issuing Order No. G-91-07 to file the original EPA and exchange of correspondence between BC Hydro and CCPC referred to in the Transcript Volume 2, page 185
A-28	Letter dated August 15, 2007 issuing request for submissions with respect to reconsideration of Order No. G-84-07 to vary Paragraph 3 and rescind Paragraph 4
A-29	Letter dated August 20, 2007 issuing the Commission Panel's Revised Issues List for Items 6.0 and 7.0
A-30	Letter dated August 20, 2007 issuing response to request for reconsideration of Order No. G-84-07 and issuing Order No. G-97-07
A-31	Letter dated August 23, 2007 providing clarification on item 7.2 of the Commission Panel Revised Hearing Issues List to CCPC (Exhibit A-29)
A-32	Letter dated August 27, 2007 issuing response to confirm the understanding of Item 7.2 of the Revised Issues List (Exhibit C30-14)
A-33	Letter dated August 29, 2007 advising participants that the Commission is undecided about holding an Oral Argument Phase
A-34	Letter dated September 18, 2007, advising Phase I participants of the Oral Phase Argument outcome and directing Phase I participants to file PACA's
A-35	Letter dated October 5, 2007 and Commission Order No. G-122-07 establishing Preliminary Regulatory Timetable

Exhibit No.	Description
PHASE III - COMMISSION DOCUMENTS	
A-36	Letter dated October 10, 2007, issuing request to Intervenor to file comments on the request to release a confidential document to Mr. Weisberg (Exhibit B-105-2, Exhibit C23-43)
A-37	Letter dated October 2007, issuing request to Intervenor to file comments on the release of confidential document to BCOAPO (Exhibit B-105-2, Exhibit C6-19)
A-38	Letter dated October 26, 2007 granting Undertaking Filing Extension regarding Exhibit B-105-2
A-39	Letter dated October 26, 2007 issuing Information Request No. 1 to BC Hydro
A-40	Letter dated November 22, 2007 and Order No. G-141-07 and Reasons for Decision regarding the access by Special Contract customers to Confidential Attachment E (Exhibit B-105-2) of BC Hydro's Application
A-41	Letter dated November 27, 2007 and Order No. G-142-07 establishing a Written Public Hearing process and amended Regulatory Timetable
COMMISSION COUNSEL DOCUMENTS	
A2-1	Letter dated June 27, 2007 providing Participants with Procedural Information on the Oral Hearing Process
A2-2	SUBMITTED AT HEARING – Witness Aid on BC Hydro Electric Load Forecasts
A2-3	SUBMITTED AT HEARING – Copy of letter from BC Hydro filing a table showing the average unit cost per kilowatt hour incurred by BC Hydro to generate electricity at the diesel generating stations in Rate Zone II for F2007
PHASE II - COMMISSION COUNSEL DOCUMENTS	
A2-4	SUBMITTED AT HEARING – Filing copy of Schedule 1289 – Net Metering Service Tariff accepted dated May 19, 2004
A2-5	SUBMITTED AT HEARING – Filing copy of the BC Hydro Comparison of Zone I and Zone II Largest GD Rates

Exhibit No.	Description
<i>APPLICANT DOCUMENTS</i>	
B-1	Letter dated March 15, 2007 filing BC Hydro's 2007 Rate Design Application
B-2	Email dated April 4, 2007 filing confirmation of the Notice of Procedural Conference published in local and community newspapers (Order No. G-37-07)
B-3	Letter dated April 30, 2007 filing responses to the Commission and Intervenor Information Request No. 1
B-3-1	Letter dated May 8, 2007, filing outstanding responses to JIESC Information Requests No. 4.2 and 4.3
B-3-2	Letter dated May 16, 2007 filing Supplemental Response to JIESC Information Request 1.4.3 (Exhibit B-3-1)
B-3-3	Letter dated July 4, 2007 filing supplemental to ESVI Information Request No. 1.2.5 entitled "BC Hydro Electric Plus – Question and Answer Guide" dated September 1989
B-4	SUBMITTED AT PROCEDURAL CONFERENCE – BC Hydro Proposed Regulatory Timetable dated May 4, 2007
B-5	Letter dated May 9, 2007, filing response to request from E-Plus Homeowners Group to provide notification to all E-Plus customers during its next billing cycle on the group
B-6	Letter dated May 10, 2007 filing Notice of additional counsel, Mariana Storoni of Lawson Lundell
B-7	Letter dated June 1, 2007 filing responses to the Commission and Intervenor Information Request No. 2 and notice to file outstanding IRs by June 8
B-7-1	Letter dated June 8, 2007, filing response to the Commission's Information Requests No. 2.111.1 and 2.111.2 and response to CECBC Information Request 2.8.2
B-8	Filing responses to the E-Plus Customers Information Request No. 1
B-9-1	Filing response to JIESC Information Request No. 3
B-9-2	Filing response to JIESC Information Request No. 4
B-9-3	Letter dated June 15, 2007 filing response to JIESC's Information Request No. 5

Exhibit No.	Description
B-10	Letter dated June 15, 2007 filing response to Commission Panel's Information Request Round 1 (Exhibit A-8)
B-11	Letter dated June 15, 2007 filing response to Commission Panel's Information Request Round 1 (Exhibit A-9)
B-12	Letter dated June 15, 2007 filing Information Request No. 1 to the E-Plus Homeowners Group regarding its Evidence filed as Exhibit C8-6
B-13	Letter dated June 15, 2007 filing Information Request No. 1 to the Heiltsuk Tribal Council and Shearwater Marine Limited regarding its Evidence filed as Exhibit C23-4
B-14	Letter dated June 15, 2007 filing Information Request No. 1 to JIESC regarding its Evidence filed as Exhibit C18-9
B-15	Letter dated June 15, 2007 filing Information Request No. 1 to Terasen Gas Inc. regarding its Evidence filed as Exhibit C7-4
B-16	Letter dated June 20, 2007 from Jeff Christian, Lawson Lundell, legal counsel, filing response to Jim Quail, BCOAPO's witness panel request (Exhibit C6-8)
B-17	Letter dated June 29, 2007 filing the Direct Testimony of Joanna Sofield, Bridgette Zacharias, Harold Nelson, and Arnie Reimer
B-18	Letter dated June 29, 2007 filing revised responses to Terasen Gas' Information Request 1.18.4 and Peace River Regional District Information Request 2.1.1
B-19	Letter dated July 3, 2007 filing response to counsel for Heiltsuk Tribal Council regarding the production of contractual arrangements between BC Hydro and Central Coast Power Corporation (CCPC) (Exhibit C23-7)
B-20	Letter dated July 4, 2007 filing response to Heiltsuk/Shearwater Information Request No. 3 (Exhibit C23-8)
B-21	Letter dated July 5, 2007 filing comments regarding the Commission Staff Issue List issued on July 3, 2007 (Exhibit A-19)
B-22	Letter dated July 6, 2007 responding to submission made by Heiltsuk/Shearwater (Exhibit C23-10)
B-23	Letter dated July 6, 2007 filing a Supplemental Response to Heiltsuk Information Request Question 2.30.1

Exhibit No.	Description
B-24	Letter dated July 6, 2007 filing an Outline of Counsel's Opening Submissions and the Opening Joint Statement of Joanna Sofield and Bridgette Zacharias
B-25	SUBMITTED AT HEARING – Copy of letter dated May 8, 2007 to Tony Knotts, Central Coast Power Corp., advising of BC Hydro's Rate Design application before the Commission
B-26	SUBMITTED AT HEARING – BC Hydro's comments on Final Commission Panel Issues List
B-27	SUBMITTED AT HEARING – Undertaking at Volume 4, Page 603, Lines 3-7, responding to CECBC's question on revenue/cost ratios for the small commercial class in 1991 and 1998 FACOS
B-28	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 827, Lines 9-17, responding to JIESC's question on DSM costs
B-29	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 844, 845, 846, 847 and 848, responding to JIESC's question on statistical analysis on customer class
B-30	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 745, Lines 8-26, responding to Terasen Utilities' question on revenue-to-cost ratios on a CP transmission rather than a CP allocator
B-31	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 719, Lines 16 to page 720, line 3, responding to Terasen Gas' question on marketing natural gas instead of electricity to customers
B-32	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 818, Lines 4-12, responding to JIESC's question to support statement on FERC or OEB tests
B-33	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 658, Line 21 to Page 65, Line 10, responding to the Chairperson's inquiry to summarize municipalities of E-Plus customers
B-34	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 792, Lines 17 to Page 974, Line 4, responding to JIESC's question on rate design criteria
B-35	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 690, Lines 2-10, Lines 13-17, Lines 20-22, responding to BCOAPO's questions on compressor stations and compressor loads
B-36	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 689, Lines 10-13, and Lines 18-23, responding to BCOAPO's questions on residential billing

Exhibit No.	Description
B-37	SUBMITTED AT HEARING – Copy of letter dated July 11, 2007 filing request for Interim Rates effective June 1, 2007
B-38	SUBMITTED AT HEARING – Undertaking at Volume 6, Page 944, Lines 2-3 and Lines 11-13, responding to Heiltsuk Tribal Council and Shearwater Marine Limited on questions regarding dams in Zone II
B-39	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 795, Lines 8-11, responding to JIESC question on residential class growth
B-40	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 693, Lines 22 to Page 695, Line 10, responding to BCOAPO's request for information on the Non-Heritage Deferral Account
B-41	SUBMITTED AT HEARING – Undertaking at Volume 6, Page 952, Lines 16 to Page 953, Line 15, responding to Heiltsuk's request for clarification on Zone II of rate classes and sub classes
B-42	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 692, Line 7 to Page 693, Line 10, filing response to BCOAPO's request for analysis on the impact on the average customer
B-43	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 725, Line 23 to Page 726, Line 22, confirming TGI's inquiry on the information from the Federal Energy Management Program of the US Department of Energy's website
B-44	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 729, Lines 9-12, filing response to Terasen's inquiry on the efficiency of a combined cycle generation turbine
B-45	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 755, Lines 12-16, filing confirmation on the capacity view of its load/resource balance on the integrated system peak load for resource planning
B-46	SUBMITTED AT HEARING – Undertaking at Volume 5, Page 1004, Lines 17-20, Page 1006, Lines 22-23 and Page 1007, Line 14 and Page 1008, Line 3, confirming the heating season in Q3 and Q4
B-47	SUBMITTED AT HEARING – Filing copy of letter from Ministry of Energy & Mines, Richard Neufeld, Minister, to Patricia A. Wallace, President of Union of British Columbia Municipalities on the Government's new Energy Plan
B-48	SUBMITTED AT HEARING – Off-the-record request from Commission Counsel to provide first year revenue requirement impact in tabular form graph

Exhibit No.	Description
B-49	SUBMITTED AT HEARING – Undertaking at Transcript Volume 5, Page 669, Lines 25 to Page 671, Line 24, on the cumulative rate impact of the various changes and the change in overall consumption
B-50	SUBMITTED AT HEARING – Undertaking at Transcript Volume 6, Page 870, Line 26, filing response to JIESC on the allocated COS analysis
B-51	SUBMITTED AT HEARING – Undertaking at Transcript Volume 7, Page 1144, Line 26 to Page 1145, Line 7 – response regarding the targeted and actual accuracy (of demand load profiles) for each class
B-52	SUBMITTED AT HEARING – Undertaking at Transcript Volume 7, Page 1153, Lines 7-13 – response regarding the Columbia River Treaty CICA payments
B-53	SUBMITTED AT HEARING – Undertaking at Transcript Volume 7, Page 1111, Lines 11 – 25 – response regarding gas supply to Vancouver Island and Sunshine Coast
B-54	SUBMITTED AT HEARING – Undertaking at Transcript Volume 6, Page 938, Lines 9 -16 – response to the Heiltsuk Tribal Council and Shearwater Marine Limited regarding other NIAs that are physically integrated or are perhaps part of the same service territory as another public utility
B-55	SUBMITTED AT HEARING – Undertaking at Transcript Volume 7, Page 1134, Lines 13 -17 – response filing a table showing the comparison using a long-term debt rate of 4.6%
B-56	SUBMITTED AT HEARING – Undertaking at Transcript Volume 5, Page 755, Line 21 to Page 756, Line 13 – response to Terasen Gas Inc. regarding the average residential customer load
B-57	SUBMITTED AT HEARING – Undertaking at Transcript Volume 5, Page 669, Line 25 to Page 671, Line 24 – response to BCOAPO regarding the cumulative rate impact of changes and the change in overall consumption due to BC Hydro's proposed rate changes
B-58	SUBMITTED AT HEARING – Undertaking at Transcript Volume 7, Page 1194, Lines 1 - 24; Page 1208, Line 18 to Page 1209 Line 5 – response to Commissioner Milbourne regarding an “export rate”
B-59	SUBMITTED AT HEARING – Document entitled “Electric Utility Cost Allocation Manual” dated January 1992 issued by the National Association of Regulatory Utility Commissioners
B-60	SUBMITTED AT HEARING – Letter dated July 16, 2007 filing copy of the Fiscal 2007 Fourth Quarter Deferral Account Report as of March 31, 2007

Exhibit No.	Description
B-61	SUBMITTED AT HEARING – Undertaking at Transcript Volume 8, Page 1276, Line 4 to Page 1277, Line 15, filing response to Commissioner’s inquiry on revenue to cost ratio resulting from running the 2008 FACOS model
B-62	SUBMITTED AT HEARING – Undertaking at Transcript Volume 7, Page 1120, Lines 15 to 18, response to Commission’s inquiry on qualifications of Ms. Trudy Kwong and Mr. Tony Chu
B-63	SUBMITTED AT HEARING – Undertaking at Transcript Volume 7, Page 1113, Lines 17 to 21, response to Commission’s inquiry on FACOS studies for 1995, 1996 and 1997
B-64	SUBMITTED AT HEARING – Undertaking at Transcript Volume 7, Page 1156, Line 11 to Page 1157, Line 2, filing response to Commission’s inquiry on ranking IPP projects
B-65	SUBMITTED AT HEARING – Undertaking at Transcript Volume 8, Page 1279, Lines 6 to 26, filing response to Commission’s inquiry on new residential allowance extensions
B-66	SUBMITTED AT HEARING – Undertaking at Transcript Volume 5, Page 756, Lines 15 to Page 757, Line 10, filing response to Terasen Utilities’ inquiry on forecasting number of new customers using electric space heating compared to electric water heating
B-67	SUBMITTED AT HEARING – Undertaking at Transcript Volume 5, Page 755, Line 21 to Page 756, Line 13, filing response to Terasen Gas’ inquiry on the average residential customer load for the year
B-68	SUBMITTED AT HEARING – Table of meetings and workshops between JIESC and BC Hydro
B-69	SUBMITTED AT HEARING –Undertaking at Transcript Volume 6, Page 998, Line 25 to Page 999, Line 1, filing BC Hydro’s response to E-Plus Group confirming the number of gigawatts of interruptible energy
B-70	SUBMITTED AT HEARING –Undertaking at Transcript Volume 7, Page 1083, Lines 4 to 9, filing BC Hydro’s response to E-Plus Group request for efficiency rating for air source heat pump technologies
B-71	SUBMITTED AT HEARING –Undertaking at Transcript Volume 8, Page 1280, Lines 2 to 16, filing BC Hydro’s response to Commission Panel confirming the amortization period for deferral accounts
B-72	SUBMITTED AT HEARING –Filing Testimony from Exhibit C7-4, Page 26

Exhibit No.	Description
B-73	SUBMITTED AT HEARING –Undertaking at Transcript Volume 7, Page 1172, Line 22 to Page 1173, Line 23, filing response to Commission’s request to provide a strawman regulatory rate filing agenda for a five year period
B-74	SUBMITTED AT HEARING –Undertaking at Transcript Volume 8, Page 1255, Line 25 to Page 1258, Line 11, filing response to Commission’s Information Request 2.118.2
B-75	SUBMITTED AT HEARING –Undertaking at Transcript Volume 8, Page 1258, Line 18 to Page 1259, Line 2, filing response to Commission’s request for BC Hydro’s capacity profile and aggregate demand profile
B-76	SUBMITTED AT HEARING –Filing copy of the 2006 Appliance Saturation and Use Rate
B-77	SUBMITTED AT HEARING –Filing copy of the Electric Plus program from BC Hydro’s website as of February 12, 2007
B-78	SUBMITTED AT HEARING – Undertaking at Transcript Volume 8, Page 1267, Line 5 to 6, filing response to Commission’s request for clarification on the information regarding the electric service that irrigation customers receive
PHASE II – BC HYDRO DOCUMENTS	
B-79	Letter dated July 31, 2007 filing response to the questions posed by Heiltsuk/Shearwater on June 28, 2007 (Exhibit C23-7)
B-80	Undertaking at Transcript Volume 10, page 1691, page 1693 and page 1702, responding to the Commission Panel’s request for more information regarding the 2006 Appliance Saturation and Use Rate (Exhibit B-76)
B-81	Letter dated August 3, 2007, from Jeff Christian, Lawson Lundell, legal counsel, regarding the Heiltsuk/Shearwater request for additional information on the BC Hydro-CCPC Contract (Exhibit C23-7/Exhibit B-79)
B-82	Letter dated August 13, 2007, from Jeff Christian, Lawson Lundell, legal counsel, filing comments regarding the scope of Phase II
B-83	Letter dated August 13, 2007 from Jeff Christian, Lawson Lundell, legal counsel, filing request for reconsideration of Order G-84-07 on Special Contract Rates (Exhibit A-25)
B-84	Letter dated August 17, 2007 from Jeff Christian, Lawson Lundell, legal counsel, filing reply comments on CCPC and Heiltsuk/Shearwater submissions regarding Zone II customer rates

Exhibit No.	Description
B-85	Letter dated August 17, 2007 filing responses to the Heiltsuk/Shearwater Information Request No. 3
B-86	CONFIDENTIAL – Letter dated August 17, 2007 filing electricity supply agreement with CCPC and requested correspondence between BC Hydro & CCPC
B-87	SUBMITTED AT HEARING – Letter dated August 31, 2007 filing request for Leave to file additional documents as evidence
B-87A	SUBMITTED AT HEARING – Filing copy of the Bella Bella – Bill Analysis for the Calendar Year 2006
B-88	SUBMITTED AT HEARING – Filing copy of the revised response from BC Hydro to Information Request Question 1.4.1
B-89	SUBMITTED AT HEARING – Undertaking at Transcript Volume 11, page 1791, to page 1792, responding to the Heiltsuk/Shearwater's request to provide a distinction between Zone 1 and Zone II
B-90	SUBMITTED AT HEARING – Undertaking at Transcript Volume 11, page 1749 to page 1750, responding to the Heiltsuk/Shearwater's request to confirm the number of times CCPC has purchased power from BC Hydro
B-91	SUBMITTED AT HEARING – Undertaking at Transcript Volume 11, page 1799 to page 1800, responding to the Heiltsuk/Shearwater's request to provide any cancelled tariff pages regarding Rate Zone IB and postage stamp
B-92	SUBMITTED AT HEARING – Filing copy of a hand drawn map regarding territories of BC Hydro's diesel generating station and CCPC
B-93	SUBMITTED AT HEARING – Undertaking at Transcript Volume 11, page 1865 to page 1866, responding to the Heiltsuk/Shearwater's inquiry into the availability of Minutes for BC Hydro's Standing Program Information Sessions
B-94	SUBMITTED AT HEARING – Undertaking at Transcript Volume 11, page 1825, lines 12 to 25, responding to the Heiltsuk/Shearwater's request for the Central Coast Regional District presentation of May 11, 2006
B-95	SUBMITTED AT HEARING – Undertaking at Transcript Volume 11, page 1767 to 1768, responding to the Heiltsuk/Shearwater's request for information on the refuelling bulkhead
B-96	SUBMITTED AT HEARING – Undertaking at Transcript Volume 12, page 2064 to 2065, responding to the Heiltsuk/Shearwater's inquiry on the commencement date used in the Contract Summary document

Exhibit No.	Description
B-97	SUBMITTED AT HEARING – Undertaking at Transcript Volume 12, page 1987, responding to the Heiltsuk/Shearwater's inquiry on BC Hydro's Zone I customers access to natural gas distribution
B-98	SUBMITTED AT HEARING – Undertaking at Transcript Volume 12, page 1975, responding to the Heiltsuk/Shearwater's inquiry on the duration of outage in Prince Rupert and its use of gas turbine station
B-99	SUBMITTED AT HEARING – Undertaking at Transcript Volume 12, page 1968 to 1969, responding to the Heiltsuk/Shearwater's inquiry on BC Hydro's standby generating station ability to provide power to Hyder, Alaska
B-100	SUBMITTED AT HEARING – Undertaking at Transcript Volume 12, page 2044, responding to the Heiltsuk/Shearwater's inquiry on when Tony Knott ceased to be a BC Hydro employee
B-101	SUBMITTED AT HEARING – Undertaking at Transcript Volume 12, page 2089 to page 2092, responding to the Heiltsuk/Shearwater's inquiry on the average annual load growth from 1986 to 2006 and 1998 to 2006
B-102	SUBMITTED AT HEARING – Undertaking at Transcript Volume 12, page 2075, responding to the Heiltsuk/Shearwater's inquiry on the source of the CPI index used by BC Hydro to calculate the 2007 price with CCPC
B-103	Letter dated September 14, 2007, filing outstanding Undertakings at Transcript Volume 13, page 2129 thru to 2265, responding to the Heiltsuk/Shearwater's and Commission's inquiries with respect to Phase II
B-104	Letter dated September 17, 2007, filing outstanding Undertaking at Transcript Volume 13, Page 2115, Lines 1 to 13, responding to the Heiltsuk/Shearwater's request to provide a table of operating statistics for energy supplied to Bella Bella IPP F2007

Exhibit No.	Description
PHASE III – BC HYDRO DOCUMENTS	
B-105-1	Letter dated October 1, 2007 – Application addressing issues related to Zone II Special Contract Rates
B-105-2	CONFIDENTIAL – Letter dated October 1, 2007 with Attachment E regarding the Zone II Special Contract Rates Application
B-106	Letter dated October 15, 2007 filing comments regarding the confidentiality of Attachment E of the Zone II Special Contract Rate Application and request to amend regulatory timetable (Exhibit B-105-2)
B-107	Letter dated October 16, 2007 filing comments regarding Zone II Special Contract Rate Application - Confidentiality of Attachment E (Exhibit B-105-2)
B-108	Letter dated October 19, 2007 filing confirmation of the execution of Order G-122-07 regarding the Zone II Special Contract Customers and Zone II Independent Power Producer Special Contract Customers (Exhibit A-35)
B-109	Letter dated October 23, 2007 filing the cover letter for Confidential Attachment E (Exhibit B-105-2) filed on October 1, 2007
B-110	Letter dated November 13, 2007 filing confirmation of notice to Zone II Special Contract customers on the confidential attachment B of Exhibit B-105-1 and comments on the Freedom of Information and Protection of Privacy Act (FOIPPA) and Section 61 of the Administrative Tribunals Act (ATA)
B-111	Letter dated November 19, 2007 filing responses to the Commission and Heiltsuk Information Requests No.1
B-112	CONFIDENTIAL - Letter dated November 19, 2007 filing confidential responses to the Commission and Heiltsuk Information Requests No.1, Questions 1.3 and 1.8.1 and attachments
B-113	Letter dated November 23, 2007 filing response to CCPC's Information Request No. 1
B-114	Letter dated November 23, 2007 filing comments on procedural matters

Exhibit No.	Description
-------------	-------------

INTERVENOR DOCUMENTS

- | | |
|------|---|
| C1-1 | SMITH, RALPH – Web registration received March 19, 2007, filing request for Intervenor Status |
| C1-2 | Email dated March 29, 2007 filing withdrawal of Registered Intervenor status |
| C1-3 | Email dated March 30, 2007, filing correspondence between Ralph Smith and BC Hydro regarding E-Plus Program |

**CHANGE OF REGISTERED INTERVENOR STATUS TO INTERESTED PARTY STATUS
PLEASE REFER TO D-15**

- | | |
|------|---|
| C2-1 | KNOX, FAWN – Web registration received March 19, 2007, filing request for Intervenor Status |
| C3-1 | HARVIE, JOHN & MCWADE, KATHLINE – Web registration received March 21, 2007, filing request for Intervenor Status |
| C4-1 | ROCHON, CHRISTOPHER – Web registration received March 26, 2007, filing request for Intervenor Status |
| C4-2 | E-mail dated April 4, 2007 filing Information Request No. 1 regarding the E-Plus Program |
| C4-3 | Letter dated April 18, 2007 filing letter of comment to Bob Elton, CEO, BC Hydro |
| C4-4 | Email dated April 24, 2007 filing inquiry on proceeding protocol at the Procedural Conference |
| C4-5 | Email dated May 3, 2007 filing notice of legal counsel from Kelly Cairns to represent members of the E-Plus Group |

**** NOW REPRESENTED UNDER INTERVENOR C8
PLEASE REFER TO EXHIBIT C8-3
(E-PLUS HOMEOWNERS GROUP) ****

- | | |
|------|---|
| C5-1 | FORTISBC INC. – Web registration received March 28, 2007 from Brian Parent, filing request for Intervenor Status |
| C5-2 | Letter dated April 11, 2007 filing Information Request No. 1 to BC Hydro |

Exhibit No.	Description
C6-1	BRITISH COLUMBIA OLD AGE PENSIONERS' ORGANIZATION ET AL (BCOAPO) - Received letter dated March 29, 2007 from Jim Quail requesting Intervenor Status for Leigha Worth, Counsel, and Jim Harper, Econalysis Consulting
C6-2	Letter dated April 11, 2007 filing Information Request No. 1 to BC Hydro
C6-3	Letter dated April 11, 2007 filing notice to add Colin Fussell to distribution list
C6-4	Letter dated May 16, 2007 filing Information Request No. 2 to BC Hydro
C6-5	Letter dated June 11, 2007 filing Evidence with the CVs of Dr. Marvin Shaffer and Mr. Colin Fussell
C6-6	Letter dated June 15, 2007 filing Information Request No. 1 to JIESC
C6-7	Letter dated June 15, 2007 filing Information Request No. 1 to Terasen Gas Utilities
C6-8	Letter dated June 18, 2007 filing notice of availability of witness panel for cross-examination in the Oral Public Hearing
C6-9	Letter dated June 25, 2007 filing response to Commission's Information Request No. 1
C6-10	Letter dated June 28, 2007, filing responses to Information Request from JIESC (Exhibit 18-14)
C6-11	Letter dated July 6, 2007 filing response to comments regarding the Commission Panel's Hearing Issues List in BC Hydro's letter of July 5, 2007 (Exhibit B-21)
C6-12	SUBMITTED AT HEARING – Copy of Long-Run Incremental Cost Update 2005-2006 Report to BC Hydro from Energy and Environmental Economics Inc.
C6-13	SUBMITTED AT HEARING – Extract from the BC Hydro, Wholesale Transmission Services Hearing Decision dated April 23, 1998
C6-14	SUBMITTED AT HEARING - Letter dated November 15, 2005 from Commission Counsel filing response to submission from to Hul'q'lm'i'n'Ilm Treaty Group
C6-15	SUBMITTED AT HEARING - Response to Undertaking at Transcript Volume 4, page 538, line 25 to page 539, line 9 regarding the load factor of BC Hydro's domestic load and its transmission system for fiscal year 2005
C6-16	SUBMITTED AT HEARING - Extract from Customer Baseline Load (CBL Determination Draft Guidelines of May 18, 2005

Exhibit No.	Description
C6-17	SUBMITTED AT HEARING - Extract from the Ministry of Energy and Mines Backgrounder on Heritage Contract, Stepped Rates and Transmission Access – BCUC Recommendations & Government Response PHASE II - CLOSED
C6-18	PHASE III - BRITISH COLUMBIA OLD AGE PENSIONERS' ORGANIZATION ET AL (BCOAPO) - Letter dated October 11, 2007 request to Intervene
C6-19	Letter dated October 11, 2007 filing comments and Undertaking with respect to the confidential documents filed in BC Hydro Zone II Special Contract Rate (Exhibit B-105-2)
C6-20	Letter dated October 19, 2007 filing withdrawal of request for BC Hydro to disclose contents of Exhibit B-105-2 (Exhibit C6-19)
C7-1	TERASEN GAS INC. (TGI), TERASEN GAS (VANCOUVER ISLAND) (TGVI), AND TERASEN GAS (WHISTLER) (TGI) COLLECTIVELY CALLED TERASEN UTILITIES - Received letter dated April 2, 2007 from Tom Loski requesting Intervenor Status and filing Notice to attend Procedural Conference
C7-2	Letter dated April 11, 2007 filing Information Request No. 1 to BC Hydro
C7-3	Letter dated May 16, 2007 filing Information Request No. 2 to BC Hydro
C7-4	Letter dated June 11, 2007 filing expert evidence of EES Consulting, Inc.
C7-4a	SUBMITTED AT HEARING – Filing revised evidence of Terasen Gas Inc., Terasen Gas (Vancouver Island) Inc. and Terasen Gas (Whistler) Inc. (the "Terasen Utilities" or the "Companies")
C7-5	Letter dated June 26, 2007 filing responses to Commission Information Request No. 1
C7-6	Letter dated June 26, 2007 filing responses to British Columbia Hydro and Power Authority Information Request No. 1
C7-7	Letter dated June 26, 2007 filing responses to the BC Old Age Pensioners Organization <i>et al.</i> Information Request No. 1
C7-8	Letter dated June 29, 2007 filing the Direct Testimony of the Terasen Utilities
C7-9	Letter dated July 5, 2007 filing comments on the Commission Staff Issues List

Exhibit No.	Description
C7-10	SUBMITTED AT HEARING – Documents referred to during cross examination of BC Hydro by Terasen Utilities
C7-11	SUBMITTED AT HEARING – Documents referred to during cross examination of BC Hydro by Terasen Utilities – Book 2
C7-12	SUBMITTED AT HEARING – Documents referred to during cross examination of BC Hydro by Terasen Utilities – Presentation by Bob Elton at the Pacific Economic Summit, "Taking Action: Responding to Climate Change" on May 31, 2007
C7-13	SUBMITTED AT HEARING – copy of the Direct Testimony of Kenneth H. Tiedemann from the BC Hydro 2006 IEP/LTAP Application
C7-14	SUBMITTED AT HEARING – Extract from BC Hydro and BCTC Application for Deferral Accounts Decision, dated October 29, 2004
C7-15	SUBMITTED AT HEARING – BC Hydro Witness Aid, series of graphs on BC Hydro's Domestic System Monthly Peak Demand 2001 to 2007
C7-16	SUBMITTED AT HEARING – Opening Statement of Douglas L. Stout, Terasen Utilities Panel
C7-17	SUBMITTED AT HEARING – Filing revised Attachment 1 to Terasen's Evidence providing the avoided space Heating Load Calculations based on Exhibit B-66
C7-18	SUBMITTED AT HEARING – Undertaking at Transcript Volume 9, Page 1598, Lines 3 to 24, filing response to Commission on if costs referenced represents the embedded cost of generation
C7-19	SUBMITTED AT HEARING – Undertaking at Transcript Volume 9, Page 1522, Line 22, to Page 1523, Line 4, filing response to BCOAPO on Hydro One transmission system
C7-20	SUBMITTED AT HEARING – Undertaking at Transcript Volume 9, Page 1599, Line 12 to 20, filing response to Chairperson on the net value calculations on electric space heating and electric water heating
C7-21	SUBMITTED AT HEARING – REVISED - Undertaking at Transcript Volume 9, Page 1620, Line 14 to Page 1621, Line 26, filing response to the Commission on the two studies used to determine the 53%/47% split (revised to include full copies of studies referenced)
C7-22	Undertaking at Transcript Volume 9, Page 1520, Line 17 to Page 1521, Line 3, responding to BCOAPO's request for the source data for transmission facilities

Exhibit No.	Description
C7-23	Undertaking at Transcript Volume 9, Page 1595, Lines 10-24, responding to the Commission Panel's request for information on annual space heating load by dwelling type
C7-24	Undertaking at Transcript Volume 9, Page 1633, Lines 4 to 21, responding to the Commission Chairperson's request for the average price of propane since 1987 for Revelstoke and furnace oil for Vancouver Island since 1991
C8-1	E-PLUS HOMEOWNERS GROUP - Email dated April 2, 2007 from R. Gary McCaig, spokesperson, requesting Intervenor Status
C8-2	Letter dated April 2, 2007 filing comments on the E-Plus agreements
C8-3	Email dated May 3, 2007 filing notice of legal counsel from Kelly Cairns to represent members of the E-Plus Group
** PLEASE REFER TO EXHIBIT C4-5**	
C8-4	Letter dated May 24, 2007 filing Information Request No. 1 to BC Hydro
C8-5	Letter dated May 25, 2007 filing Errata to Information Request No. 1
C8-6	Letter dated June 11, 2007 from Kelly Cairns, legal counsel, filing Evidence of the E-Plus group
C8-7	Letter dated June 27, 2007 filing responses to Commission Information Request No. 1
C8-8	Letter dated June 27, 2007 filing responses to British Columbia Hydro and Power Authority Information Request No. 1
C8-9	Letter dated July 6, 2007 from Kelly Cairns, legal counsel, filing the Direct Testimony of Gary McCaig and Geoff Giles
C8-10	Letter dated July 6, 2007 from Kelly Cairns, legal counsel, filing the Direct Testimony of Dr. Chris Rochon
C8-11	SUBMITTED AT HEARING –Filed spreadsheet of E-Plus calculation of compensation
C9-1	CORIX MULTI-UTILITY SERVICES INC. – Letter dated April 2, 2007 from Ronald Cliff, President, Highcliff Energy Services Ltd. requesting Intervenor Status
C9-2	Letter dated April 11, 2007 from Ronald Cliff, President, Highcliff Energy Services Ltd. filing Information Request No. 1 to BC Hydro

Exhibit No.	Description
C9-3	Letter dated May 16, 2007 filing Information Request No. 2 to BC Hydro
C10-1	GILROY, GARTH - Web registration received April 2, 2007 requesting Intervenor Status
C11-1	WEST FRASER MILLS LTD. – Online web registrations received April 3, 2007 from Bill Legrow and David Humber, requesting Intervenor Status
C12-1	COMMERCIAL ENERGY CONSUMERS ASSOCIATION OF BRITISH COLUMBIA (CEC) – Letter dated April 4, 2007 from Christopher Weafer, legal counsel, of Owen Bird, and on behalf of David Craig of Consolidated Management Consultants Ltd., requesting Intervenor Status
C12-2	Letter dated April 11, 2007 from Christopher Weafer, legal counsel, of Owen Bird, filing Information Request No. 1 to BC Hydro
C12-3	Letter dated May 16, 2007 filing Information Request No. 2 to BC Hydro
C12-4	Letter dated July 5, 2007 filing comments on the Commission Staff Issues List
C12-5	Letter dated July 6, 2007 filing comments in support of JIESC comments (Exhibit C18-15)
C12-6	SUBMITTED AT HEARING – Filing the Opening Statement of Commercial Energy Consumers Association of BC (CECBC)
C12-7	SUBMITTED AT HEARING – filing copy of BC Hydro's Service Plan 2006 – 2008
C12-8	SUBMITTED AT HEARING – Filing copy of the 4 th Session, 37 th Parliament Report of Proceedings (Hansard) Select Standing Committee on Crown Corporations
C12-9	SUBMITTED AT HEARING – Filing copy of the BC Hydro Presentation to the Select Standing Committee on Crown Corporations
C13-1	PEACE RIVER REGIONAL DISTRICT (PRRD) – Letter dated April 4, 2007 from Fred Banham, and on behalf of Dave Read, Aspen Communications Ltd., requesting Intervenor Status
C13-2	Letter dated April 9, 2007 filing Information Request No. 1 to BC Hydro
C13-3	Letter dated May 16, 2007 filing Information Request No. 2 to BC Hydro

Exhibit No.	Description
C14-1	CITY OF NEW WESTMINSTER – Letter dated April 5, 2007 from R.E. Carle, General Manager, requesting Intervenor Status
C15-1	GREIG, JAMES – Email dated April 5, 2007 requesting Intervenor Status
C16-1	NICHOLLS, DAVID – E-mail dated April 5, 2007 requesting Intervenor Status
C17-1	WEATHERALL, BILL – E-mail dated April 5, 2007 requesting Intervenor Status
C18-1	JOINT INDUSTRY ELECTRICITY STEERING COMMITTEE (JIESC) – Letter dated April 5, 2007 from R. Brian Wallace, Counsel, Bull, Housser & Tupper, requesting Intervenor Status
C18-2	Letter dated April 11, 2007 filing Information Request No. 1 to BC Hydro
C18-3	Letter dated May 16, 2007 filing Information Request No. 2 to BC Hydro
C18-4	Letter dated May 30, 2007 filing request to add Ian May of Ian May Consulting Ltd. to distribution lists for all correspondence and materials
C18-5	Letter dated May 31, 2007 filing Information Request No. 3 to British Columbia Hydro and Power Authority regarding Exhibit B-3-2
C18-6	Letter dated June 4, 2007 filing Information Request No. 4 to BC Hydro seeking further clarification and information to BC Hydro response (Exhibit B-7)
C18-7	Letter dated June 11, 2007 filing Evidence of Lloyd Guenther
C18-8	Letter dated June 11, 2007 filing Evidence of Joe N. Linxwiler Jr.
C18-9	Letter dated June 11, 2007 filing Policy and Impacts Evidence of the JIESC Steering Committee
C18-10	Letter dated June 11, 2007 filing Information Request No. 5 to BC Hydro
C18-11	Letter dated June 26, 2007 filing response to the Commission's Information Request No. 1, 2 and 3
C18-12	Letter dated June 26, 2007 filing response to BC Hydro's Information Request No. 1
C18-13	Letter dated June 26, 2007 filing Information Request No. 1 to BCOAPO
C18-14	Letter dated June 26, 2007 filing response to BCOAPO's Information Request No. 1

Exhibit No.	Description
C18-15	Letter dated July 6, 2007 filing response to comments regarding the Commission Panel's Hearing Issues List in BC Hydro's letter of July 5, 2007 (Exhibit B-21)
C18-16	SUBMITTED AT HEARING – Document submitted regarding BC Hydro Cost of Energy Market Purchases (\$/MWh)
C18-16A	SUBMITTED AT HEARING – Additional document submitted regarding BC Hydro Cost of Energy Market Purchases (\$/MWh)
C18-17	SUBMITTED AT HEARING – Submitted Order G-79-05 and Reasons for Decision, Appendix A and an attachment from the BC Public Interest Advocacy Centre
C18-18	SUBMITTED AT HEARING – Document submitted regarding Revenue to Cost Ratios Using BCOAPO EPMC Revenues and BC Hydro Costs
C18-18A	SUBMITTED AT HEARING – Document submitted regarding Linxwiler Analysis of BC Hydro's Monthly Peak Demands for Fiscal Years 2001 – 2007
C18-19	SUBMITTED AT HEARING - Appendix A-1 of Appendix D of the Deferral Account Report dated March 31, 2005
C18-20	SUBMITTED AT HEARING – Document submitted from BC Hydro Electric Tariff, third revision of page C55-1, effective February 1, 2007
C18-21	SUBMITTED AT HEARING – Excerpt from a PowerPoint presentation dated March 21, 2007, entitled "Conservation Research Institute, Residential Time of Use Program Working Group Meeting No. 2"
C18-22	Undertaking at Volume 9, Page 1461, filing response to the Information Request from the Commission to provide a breakdown of RS1211 and RS1823 energy use for West Fraser and Tolko
C18-23	Undertaking at Volume 9, Page 1466, filing response to the Information Request from the Commission on service to Canfor, West Fraser and Tolko operations
C18-24	Undertaking at Volume 9, Page 1476-1477, filing response to the Information Request from the Commission on BC Hydro's Option 1
C19-1	BC SUSTAINABLE ASSOCIATION, SIERRA CLUB OF CANADA (BRITISH COLUMBIA CHAPTER), AND PEACE VALLEY ENVIRONMENTAL ASSOCIATION (COLLECTIVELY "BCSEA") – Letter dated April 5, 2007 from William J. Andrews, Counsel, requesting Intervenor Status

Exhibit No.	Description
C20-1	CANADIAN OFFICE AND PROFESSIONAL EMPLOYEES UNION, LOCAL 378 (COPE) – Letter dated April 5, 2007 requesting Intervenor status
C20-2	Letter dated April 11, 2007, filing Information Request No. 1 to BC Hydro
C21-1	ELK VALLEY COAL CORPORATION (EVCC) – E-mail dated April 5, 2007 from J. David Newlands requesting Intervenor status
C22-1	HAZELWOOD, DAVID – E-mail dated April 5, 2007 requesting Intervenor status
C23-1	HEILTSUK TRIBAL COUNCIL & SHEARWATER MARLINE LIMITED (HEILTSUK ET AL.) – Letter dated April 5, 2007 from Fred J. Weisberg, Counsel requesting Intervenor status
C23-2	Letter dated April 11, 2007 filing Information Request No. 1 to BC Hydro
C23-3	Letter dated May 16, 2007 filing Information Request No. 2 to BC Hydro
C23-4	Letter dated June 12, 2007 filing Evidence of the Heiltsuk Tribal Council and Shearwater Marine Limited
C23-5	Letter dated June 26, 2007 filing responses to Commission Information Request No. 1
C23-6	Letter dated June 26, 2007 filing responses to British Columbia Hydro and Power Authority Information Request No. 1
C23-7	Letter dated June 28, 2007 filing a request for the production of documents (information request to the Commission)
C23-8	Letter dated July 3, 2007 filing Information Request No. 3 to BC Hydro
C23-9	Letter dated July 3, 2007 filing reply comments to BC Hydro's letter of July 3, 2007 (Exhibit B-19)
C23-10	Letter dated July 4, 2007 filing request for a Commission Order to direct BC Hydro to respond to outstanding questions in Information Request No. 3 filed July 3, 2007 (Exhibit C23-8/Exhibit B-20)
C23-11	Letter dated July 5, 2007 filing comments on the Commission Staff Issues List
C23-12	Letter dated July 6, 2007 filing response to comments regarding the Commission Panel's Hearing Issues List in BC Hydro's letter of July 5, 2007 (Exhibit B-21)

Exhibit No.	Description
C23-13	SUBMITTED AT HEARING – Letter dated July 8, 2007 filing Motion for Production of the BC Hydro / CCPC contracts
C23-14	SUBMITTED AT HEARING – Letter dated July 16, 2007 filing notice to register a formal complaint regarding Central Coast Power Corporation (CCPC) pursuant to Order No. G-30-02
C23-15	SUBMITTED AT HEARING – Letter dated July 16, 2007 filing complaint regarding Central Coast Power Corporation (CCPC) pursuant to Section 25 of the Utilities Commission Act
PHASE I - CLOSED	
PHASE II - HEILTSUK TRIBAL COUNCIL ET AL	
C23-16	Letter dated July 31, 2007 filing Information Request No. 1 to CCPC
C23-17	Email from Fred J. Weisberg, Weisberg Law, legal counsel, filing comments on response to information request submission from CCPC and BC Hydro
C23-18	Letter dated August 2, 2007 from Fred J. Weisberg, Weisberg Law, legal counsel, filing comments in the proceeding and request to Commission to direct BC Hydro and CCPC to respond to questions
C23-19	Letter dated August 13, 2007 filing comments regarding the issues on Section 6 and 7 regarding Non-Integrated Area-Zone II Customers, and the “Bella Bella” NIA Customers (Exhibit A-23)
C23-20	Letter dated August 16, 2007 filing response with respect to reconsideration of Order G-84-07 to vary Paragraph 3 and rescind Paragraph 4 (Exhibit A-28)
C23-21	SUBMITTED AT HEARING – Minutes of the Central Coast Regional District Regular Board Meeting of May 11, 2006
C23-22	SUBMITTED AT HEARING – Filing copy of the BC Hydro’s Non-Integrated Areas Department of energy supply in 17 BC communities
C23-23	SUBMITTED AT HEARING – Filing copy of the Central Coast Regional District website
C23-24	SUBMITTED AT HEARING – Filing copy of the Remote Community Electrification Program
C23-25	SUBMITTED AT HEARING – Filing copy of BC Hydro’s Standing Offer Program Information Session

Exhibit No.	Description
C23-26	SUBMITTED AT HEARING – Filing copy of letter dated March 1, 1991, from the Honourable Jack Davis, Ministry of Energy, Mines and Petroleum Resources
C23-27	SUBMITTED AT HEARING – Filing copy of letter dated August 4, 2006, from Marcel Reghelini, Director, Regulatory Affairs, BCTC, regarding the Substation Distribution Asset F2007 Work Plans
C23-28	SUBMITTED AT HEARING – Filing copy of the BC Hydro's website on the generation system for the Coastal area
C23-29	SUBMITTED AT HEARING – Filing copy of letter dated January 26, 2007 from BC Hydro regarding the proposed changes to BC Hydro rate structures and terms and conditions
C23-30	SUBMITTED AT HEARING – Filing copy of article "B.C. Hydro Chairman Releases Final Hydrogate Report" from online website www.electricity-today.com
C23-31	SUBMITTED AT HEARING – Filing copy of the Consumer Price Index, historical summary (1987 to 2006) from online website www.statscan.ca
C23-32	SUBMITTED AT HEARING – Filing copy of the Direct Testimony of William Gladstone and Ross Wilson
C23-33	SUBMITTED AT HEARING – Filing copy of the "Impact of BC Hydro Non-Integrated Area Rates on Shearwater" Opening Statement
C23-34	SUBMITTED AT HEARING – Filing copy of the "Impact of BC Hydro Non-Integrated Area Rates on Bella Bella Residents" Opening Statement
C23-35	SUBMITTED AT HEARING – Filing copy of the Bella Bella Annual Load Chart
C23-36	SUBMITTED AT HEARING – Filing copy of BC Hydro Request for Expression of Interest (REI) for new power generation in Atlin, BC
C23-37	SUBMITTED AT HEARING – Filing copy of letter from Ministry of Energy, Mines and Petroleum Resources to Mr. Craig Widsten of Shearwater Marine Group dated January 23, 2006
C23-38	SUBMITTED AT HEARING – Filing copy of BCTC & BC Hydro's presentation to First Nations & Electric System Planning for the Regional Meeting #2 – October 2005
C23-39	SUBMITTED AT HEARING – Filing copy of the Community Energy Association's guide to funding and resources, "Funding Your Community Energy Initiatives", dated October 2006

Exhibit No.	Description
C23-40	SUBMITTED AT HEARING – Filing copy of web blog news articles on diesel fuel for the northern coastal area
C23-41	SUBMITTED AT HEARING – Filing copy of web article “Manitoba Hydro buys Centra Gas” from Insights, dated May 1999, Volume 9 Issue 1
C23-42	Letter dated September 21, 2007 filing Undertaking at Volume 11, Page 842, line 12 to page 1843, line 6 regarding response to the inquiry from the Commission to provide documentation or legislation which establishes Central Coast Regional District Electoral Area A

PHASE III - HEILTSUK TRIBAL COUNCIL ET AL

C23-43	Fax received October 2, 2007, filing Undertaking request to access confidential information filed in BC Hydro Zone II Special Contract Rate (Exhibit B-105-2)
C23-44	Letter dated October 26, 2007 from Mr. Fred Weisberg requesting joint Intervenor status for The Heiltsuk Tribal Council and Shearwater Marine Limited
C23-45	Letter dated November 2, 2007 from Mr. Fred Weisberg filing Information Request No. 1 on Phase III
C23-46	Letter dated November 23, 2007 from Mr. Fred Weisberg filing comments on procedural matters for the review of the Application
C24-1	MINISTRY OF ENERGY, MINES & PETROLEUM RESOURCES (MEMPR) – Letter dated April 5, 2007 requesting Intervenor status
C25-1	ENERGY SOLUTIONS FOR VANCOUVER ISLAND SOCIETY (ESVI) – Online web registration dated April 5, 2007 from Ludo Bertsch, of Horizon Technologies Inc. requesting Intervenor status
C25-2	Email dated April 11, 2007 from Ludo Bertsch, of Horizon Technologies Inc. requesting Intervenor status on behalf of Energy Solutions for Vancouver Island Society (ESVI)
C25-3	Letter dated April 11, 2007 from Ludo Bertsch, of Horizon Technologies Inc. filing Information Request No. 1 to BC Hydro
C25-4	Email dated May 1, 2007 filing notice of attendance at the Pre-Hearing Conference

Exhibit No.	Description
C26-1	COUNCIL OF FOREST INDUSTRIES (COFI) – Letter dated April 16, 2007 from John Allan, requesting Intervenor status
C27-1	HIGHBURY ASSET MANAGEMENT - Online web registration dated April 5, 2007 from Leigh Large requesting late Intervenor status
C28-1	GILES, GEOFF & LINDA – Email dated February 26, 2007 filing comments and inquiries on procedural hearing
C28-2	Email dated April 30 2007 filing comments on E-Plus
C29-1	HAZELL, JOHN – Online web registration dated May 3, 2007 requesting late Intervenor status
C29-2	E-mail dated May 3, 2007 filing comments on the Rate Design Application
C30-1	CENTRAL COAST POWER CORPORATION (CCPC) – Opening Statement
C30-2	SUBMITTED AT HEARING – Email dated May 17, 2007 from S. Pun Chu at BC Hydro, filing comments regarding the filing of the EPA and confidentiality clause
C30-3	SUBMITTED AT HEARING – Letter dated July 17, 2007 from Tony Knott, filing comments on the oral determination in respect to the timing of phase II
PHASE II - CENTRAL COAST POWER CORPORATION (CCPC)	
C30-4	Letter dated July 23, 2007 from Anthony A. Knott, President, filing Evidence in respect to Sections 6.0 and 7.0 of Exhibit A-23
C30-5	CONFIDENTIAL – Letter dated July 23, 2007 from Anthony A. Knott, President, filing Confidential material, with the exception of page 7, “Conditions Precedent” and Schedule F of the Agreement
C30-6	Letter dated July 31, 2007 filing response to Heiltsuk Tribal Council and Shearwater Marine Limited Information Request No. 1
C30-7	Email dated August 1, 2007 filing response and comments to Intervenor Fred Weisberg’s email in response to information request submission from CCPC and BC Hydro (Exhibit C23-17)
C30-8	Email received August 7, 2007 filing response to the Commission’s Information Request No. 1

Exhibit No.	Description
C30-9	Email received August 7, 2007 filing response to Heiltsuk Tribal Council and Shearwater Marine Limited Information Request No. 1
C30-10	Email dated August 8, 2007, filing confirmation statement regarding the referenced letter of July 28, 2007 (Exhibit C30-6)
C30-11	Letter dated August 13, 2007 filing response to submission request on the Non-Integrated Area-Zone II Customers, and the “Bella Bella” NIA Customers (Exhibit A-23)
C30-12	Letter dated August 16, 2007 filing comments on submissions and comments submitted by BC Hydro and counsel for Heiltsuk/Shearwater (Exhibit B-83/Exhibit 23-20)
C30-13	Letter dated August 22, 2007, filing request for clarification of pricing inquiry question on Revised Hearing Issues List number 7.2.
C30-14	Letter dated August 27, 2007 from CCPC Counsel regarding concerns with the Revised Issues List (Exhibit A-29)
C30-15	SUBMITTED AT HEARING – Filing copy of the Commission's response letter dated March 29, 1989 to CCPC regarding the complaint by Mr. and Mrs. Shaw

PHASE III - CENTRAL COAST POWER CORPORATION (CCPC)

C30-16	Letter dated October 15, 2007 filing notice of Intervention in Phase III of the proceeding
C30-17	Letter dated November 2, 2007 filing Information Request No. 1 to BC Hydro
C30-18	Letter dated November 23, 2007 filing comments on procedural matters for the Review of Phase III
C30-19	Email dated November 25, 2007 confirming receipt of BC Hydro's responses to Information Request No. 1

Exhibit No.	Description
<i>INTERESTED PARTY DOCUMENTS</i>	
D-1	Email received March 8, 2007 from Kerry Davis filing request for Interested Party
D-2	Email received March 20, 2007 from Stephen Baker, Senior Regulatory Analyst, Fellon-McCord & Associates filing request for Intervenor Status
D-3	Online web registration received March 20, 2007 from Warren Ward filing request for Interested Party
D-4	Online web registration received March 22, 2007 from Tim Kirkham filing request for Interested Party
D-4-1	Email dated March 22, 2007 filing comments on the Electric Plus Program
D-5	Online web registration received March 22, 2007 from Michael Sage filing request for Interested Party
D-6	Online web registration received March 22, 2007 from Dennis Raymond filing request for Interested Party
D-7	Online web registration received March 26, 2007 from Jeannie Boscariol filing request for Interested Party
D-8	Online web registration received March 26, 2007 from John E. Elliott, of Elliott Energy Services Ltd., filing request for Interested Party
D-9	Online web registration received March 26, 2007 from Monty Smith filing request for Interested Party
D-10	Online web registration received March 12, 2007 from Tara Thurber filing request for Interested Party
D-11	Online web registration received March 30, 2007 from Stuart Holland filing request for Interested Party
D-12	Online web registration received April 2, 2007 from Derek Parsons filing request for Interested Party
D-13	Email dated April 2, 2007 from John Shaw, Victoria, BC filing comments and request for Interested Party
D-14	Fax dated April 2, 2007 from R.B. Pitfield, Victoria, BC filing comments and request for Interested Party
D-15	Email dated April 2, 2007 from Ralph Smith changing status from Registered Intervenor to Interested Party (Previously C1-1)

Exhibit No.	Description
D-16	Email dated April 3, 2007 from Hector and Doreen Dubois, Campbell River, BC filing request for Interested Party
D-17	Online web registration received April 10, 2007 from Helen Eng filing request for Interested Party
D-17-1	Letter dated April 13, 2007 filing comments on E-Plus program
D-18	Online web registration received April 5, 2007 from Jim Powell filing request for Interested Party
D-19	Email received March 16, 2007 from Evonne & Aime Duquette, Victoria, BC filing request for Interested Party
D-20	Email received April 15, 2007 filing request for Interested Party regarding earlier submission on March 13, 2007 from Rob & Dale Smith of Sechelt, BC
D-21	Online web registration dated April 23, 2007 from Delija Geca, Hydro Quebec, requesting Interested Party Status
D-22	Online web registration dated April 25, 2007 from Artur Kruszewski, requesting Interested Party Status
D-23	Online web registration dated May 2, 2007 from Hans Larsen requesting Interested Party status
D-24	Online web registration dated May 8, 2007 from Paul Schachter requesting Interested Party status
D-24-1	Letter dated March 5, 2007 to BC Hydro from Paul Schachter & Denise Reinhardt filing comments on E-Plus

LETTERS OF COMMENT

E-1	Letter of Comment emailed March 19, 2007 from Maurice Boulanger, Salmon Arm, BC
E-2	Letter of Comment dated April 13, 2007 from Jack & Vi Fell, Lantzville, BC
E-3	Letter of Comment dated April 16, 2007 from John Wild, Nanaimo, BC
E-4	Letter of Comment dated May 6, 2007 from Kathy and Cyril Goosney, Cranbrook, BC
E-4-1	Letter of Comment dated May 6, 2007 from Kathy and Cyril Goosney, Cranbrook, BC with additional documentation

Exhibit No.	Description
E-5	Letters of Comment dated February 12, 2007 from various individuals
E-6	Letters of Comment dated February 13, 2007 from various individuals
E-7	Letters of Comment dated February 14, 2007 from various individuals
E-8	Letters of Comment dated February 15, 2007 from various individuals
E-9	Letters of Comment dated February 16, 2007 from various individuals
E-10	Letters of Comment dated February 17, 2007 from various individuals
E-11	Letters of Comment dated February 18, 2007 from various individuals
E-12	Letters of Comment dated February 19, 2007 from various individuals
E-13	Letters of Comment dated February 20, 2007 from various individuals
E-14	Letters of Comment dated February 21, 2007 from various individuals
E-15	Letters of Comment dated February 22, 2007 from various individuals
E-16	Letters of Comment dated February 23, 2007 from various individuals
E-17	Letters of Comment dated February 24, 2007 from various individuals
E-18	Letters of Comment dated February 25, 2007 from various individuals
E-19	Letters of Comment dated February 26, 2007 from various individuals
E-20	Letters of Comment dated February 27, 2007 from various individuals
E-21	Letters of Comment dated February 28, 2007 from various individuals
E-22	Letters of Comment dated March 1, 2007 from various individuals
E-23	Letters of Comment dated March 2, 2007 from various individuals
E-24	Letters of Comment dated March 3, 2007 from various individuals
E-25	Letters of Comment dated March 4, 2007 from various individuals
E-26	Letters of Comment dated March 5, 2007 from various individuals
E-27	Letters of Comment dated March 6, 2007 from various individuals
E-28	Letters of Comment dated March 7, 2007 from various individuals
E-29	Letters of Comment dated March 8, 2007 from various individuals

Exhibit No.	Description
E-30	Letters of Comment dated March 9, 2007 from various individuals
E-31	Letters of Comment dated March 10, 2007 from Lorine and Paul Bowers
E-32	Letters of Comment dated March 11, 2007 from Robb Smith, Salt Spring Island, BC
E-33	Letters of Comment dated March 12, 2007 from various individuals
E-34	Letters of Comment dated March 13, 2007 from various individuals
E-35	Letters of Comment dated March 14, 2007 from various individuals
E-36	Letter of Comment dated May 15, 2007 from Sherwin Harris
E-37	Letters of Comment dated March 15, 2007 from various individuals
E-38	Letters of Comment dated March 16, 2007 from various individuals
E-39	Letters of Comment dated March 17, 2007 from various individuals
E-40	Letters of Comment dated March 18, 2007 from various individuals
E-41	Letters of Comment dated March 19, 2007 from various individuals
E-42	Letters of Comment dated March 20, 2007 from various individuals
E-43	Letters of Comment dated March 21, 2007 from various individuals
E-44	Letters of Comment dated March 24, 2007 from various individuals
E-45	Letters of Comment dated March 25, 2007 from Barron Carswell, Victoria BC
E-46	Letters of Comment dated March 26, 2007 from various individuals
E-47	Letters of Comment dated March 27, 2007 from Dwight Brown
E-48	Letters of Comment dated March 28, 2007 from various individuals
E-49	Letters of Comment dated March 29, 2007 from Norman Wale
E-49-1	Letter of Comment dated July 16, 2007 from Norman Wale
E-50	Letters of Comment dated March 30, 2007 from various individuals
E-51	Letter of Comment dated May 23, 2007 from M. Zacharias, Pender Island, BC

Exhibit No.	Description
E-52	Letters of Comment dated April 2, 2007 from Ken Thomas, 100 Mile House, BC
E-53	Letters of Comment dated April 3, 2007 from various individuals
E-54	Letters of Comment dated April 4, 2007 from George Fisher, Lantzville, BC
E-55	Letters of Comment dated April 6, 2007 from Peter Dumlich, Chetwynd, BC
E-56	Letters of Comment dated April 10, 2007 from Jim & Linda Welch
E-57	Letters of Comment dated April 17, 2007 from various individuals
E-58	Letters of Comment dated April 24, 2007 from Nellie Numan, Burnaby, BC
E-59	Letters of Comment dated April 2, 2007 from various individuals
E-60	Letter of Comment dated May 28, 2007 from Janet Sankey and Hubert Bruns of Duncan, BC
E-61	Letter of Comment dated June , 2007 from Jamie Bowman, of Comox, BC
E-62	Letter of Comment dated April 3, 2007 from Chris Cowland
E-63	SUBMITTED AT HEARING – Letter of Comment dated July 17, 2007 from Vincent Erenst, Managing Director, Marine Harvest Canada Inc.

