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| <b>BRITISH COLUMBIA<br/>UTILITIES COMMISSION</b> |         |
| ORDER<br>NUMBER                                  | G-29-90 |

PROVINCE OF BRITISH COLUMBIA  
BRITISH COLUMBIA UTILITIES COMMISSION

IN THE MATTER OF the Utilities Commission  
Act, S.B.C. 1980, c. 60, as amended

and

IN THE MATTER OF an Application by  
British Columbia Hydro and Power Authority

BEFORE: J.D.V. Newlands, )  
Deputy Chairman; )  
N. Martin, ) April 19, 1990  
Commissioner; and )  
W.M. Swanson Q.C., )  
Commissioner )

O R D E R

WHEREAS for several years the Terms and Conditions of a proposed Standard Form Contract ("the Industrial Contract") has been the subject of negotiations between British Columbia Hydro and Power Authority ("B.C. Hydro") and the Mining Association of British Columbia, the Council of Forest Industries and the Electro-Chemical Users of B.C., collectively known as ("the Industrial Users"); and

WHEREAS on December 5, 1989, pursuant to Section 67(1) of the Utilities Commission Act ("the Act") B.C. Hydro filed an Application for Commission approval of the Industrial Contract for bulk transmission rate customers together with Tariff Sheets for amendments to Rate Schedule 1821 General Service - Transmission and the filing of Rate Schedule 1880 - General Service Transmission - Emergency, Maintenance and Special Supply; and

WHEREAS at the time of filing B.C. Hydro advised that further negotiations were to be pursued in an attempt to crystallize the issues; and

WHEREAS by letter dated March 12, 1990 the Industrial Users identified three major areas of principle, namely: Basic Obligations (reserve and supply), Force Majeure, and Liability and Indemnity, upon which the parties have been unable to agree, and stated that those areas must be determined by the Commission after a hearing. The letter also identified several secondary matters which remain unresolved; and

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WHEREAS by letter dated March 30, 1990 B.C. Hydro responded to the Industrial Users on each of the major areas and secondary matters in detail, and submitted that it would be preferable to have the Commission appoint one of its staff to provide an informal mediation service to facilitate the resolution of all issues, and thereafter any unresolved issues could be addressed at a hearing. B.C. Hydro also submitted that the Commission should designate the informal mediator and simultaneously set a hearing date in the near future; and

WHEREAS B.C. Hydro in the response accompanying its letter dated March 30, 1990 has raised the possibility of potential rate determination related to the proposed Force Majeure provisions; and

WHEREAS by letter dated March 28, 1990 the Industrial Users provided comments on Rate Schedules 1821 and 1880; and

WHEREAS the Commission has considered the Application, the representations made by B.C. Hydro and the Industrial Users, and believes that a public hearing of the terms of the Industrial Contract, including the potential financial and rate impacts, if any, will properly conserve the public interest.

NOW THEREFORE the Commission orders as follows:

1. A public hearing into the Application to approve the Standard Form Contract for transmission rate customers and the filing of amendments to Rate Schedule 1821 and the filing of Rate Schedule 1880 is set for Monday, June 25, 1990 at 9:00 a.m. at the Holiday Inn Downtown, 1110 Howe Street, Vancouver, B.C.
2. B.C. Hydro is to notify, in writing, all transmission service customers including those presently served under Rate Schedule 1821, of the public hearing. B.C. Hydro is to provide, by April 30, 1990, all such customers with a copy of the Application documents, including a copy of the March 12 and 28, 1990 Industrial Users' comments and the March 30, 1990 letter and response of B.C. Hydro.
3. B.C. Hydro will arrange for publication, not later than Monday, April 30, 1990, of a Notice of Public Hearing, as per attached copy, in one issue of The Vancouver Sun and The Province newspapers in order to provide adequate notice to customers in the service area of the utility.
4. B.C. Hydro, the Industrial Users and all other interested parties are advised that a pre-hearing conference pertaining to the Application will take place at 9:00 a.m., June 4, 1990 in the Hearing Room of the B.C. Utilities Commission, 6th Floor, 900 Howe Street, Vancouver, B.C.
5. The Application and supporting material inclusive of direct evidence, if any, is to be made available for inspection at the Head Office of B.C. Hydro, 970 Burrard Street, Vancouver, B.C.

**BRITISH COLUMBIA  
UTILITIES COMMISSION**

ORDER

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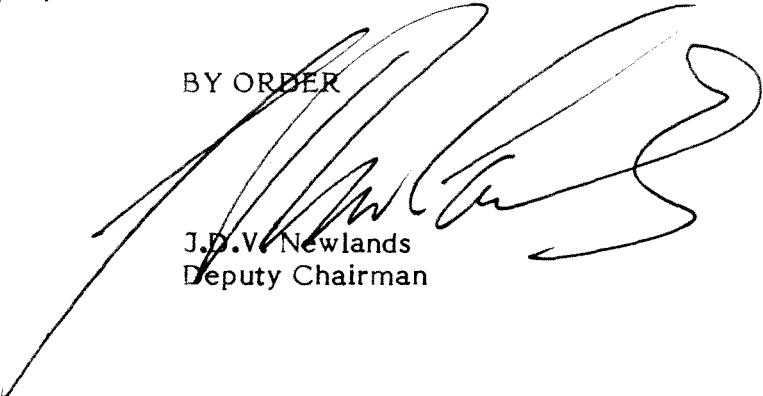
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The Application and supporting material is also available for inspection at the office of the British Columbia Utilities Commission, 6th Floor, 900 Howe Street, Vancouver, B.C.

6. Intervenors and Interested Persons intending to be present and participate in the public hearing should give written Notice of Intention to do so to the Commission Secretary and to the Applicant, to be received not later than Friday, May 18, 1990. Such Notice should state the nature of the interest in the proceeding.
7. Intervenors and Interested Persons intending to file a written submission should provide one copy to the Commission Secretary, and one copy to the Applicant, to be received not later than Friday, June 1, 1990.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of April, 1990.

BY ORDER

  
J.D.V. Newlands  
Deputy Chairman

Attachment  
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## NOTICE OF PUBLIC HEARING

### THE APPLICATION

British Columbia Hydro and Power Authority ("B.C. Hydro") filed with the Commission on December 5, 1989 an Application for approval of a Standard Form Contract ("the Industrial Contract") for bulk transmission rate customers that included amendments to General Terms and Conditions to Rate Schedule 1821 General Service - Transmission and the filing of Rate Schedule 1880 General Service - Transmission - Emergency Maintenance and Special Supply.

Background History: B.C. Hydro and the Council of Forest Industries, the Mining Association of B.C., and the Electro-Chemical Users, collectively known as ("the Industrial Users") have been in negotiations concerning the terms of the Industrial Contract for several years. The parties have indicated there are three major areas of principle on which no agreement has been reached, namely: limitation of liability for negligence, the nature and extent of the supply obligations, and the nature and extent of the purchase obligations. There are also several secondary matters unresolved. As stated by B.C. Hydro, the possibility exists for potential rate and financial considerations relating to certain of the Terms and Conditions.

### THE PUBLIC HEARING

The Commission has set down the Application for public hearing to commence at 9:00 a.m. local time, Monday, June 25, 1990 at the Holiday Inn Downtown, 1110 Howe Street, Vancouver, B.C.

### PRE-HEARING CONFERENCE

A pre-hearing conference pertaining to the Application will take place at 9:00 a.m. on June 4, 1990 in the Hearing Room of the B.C. Utilities Commission, 6th Floor, 900 Howe Street, Vancouver, B.C.

### PUBLIC INSPECTION OF THE APPLICATION

The Application, and Industrial Contract and supporting material is available for inspection at the Head Office of B.C. Hydro, 970 Burrard Street, Vancouver, B.C.

A copy of the Application and supporting material is also available for inspection at the office of the British Columbia Utilities Commission, 6th Floor, 900 Howe Street, Vancouver, B.C.

### INTERVENTIONS

Any person wishing to be present at the public hearing and to give evidence or cross-examine witnesses should provide written notice, to be received not later than Friday, May 18, 1990 to the Commission Secretary and to the Applicant. The notice should include a brief statement as to the nature of the interest in the proceedings.

### SUBMISSIONS BY INTERESTED PERSONS

Any person intending to file a written submission or to make a request for additional information of the Applicant should ensure that it is received not later than Friday, June 1, 1990, one copy to the Commission Secretary, and one copy to the Applicant.

### CLARIFICATION

Persons intending to participate in the public hearing, who are uncertain as to the manner in which to proceed, may contact Mr. R.J. Pellatt, Commission Secretary, or Mr. N.C.J. Smith, Manager, Electrical Engineering, by telephone (660-4700) or (1-800-663-1385), or in writing.

BY ORDER

A handwritten signature in black ink, appearing to read "R. J. Pellatt", is written over a horizontal line.

Robert J. Pellatt  
Commission Secretary

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