



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

and

An Application by British Columbia Hydro and Power Authority
for Approval of Bypass Rate Guidelines

BEFORE: P. Ostergaard, Chair)
L.R. Barr, Deputy Chair) September 2, 1999
P.G. Bradley, Commissioner)
B.L. Clemenhagen, Commissioner)

O R D E R

WHEREAS:

- A. On October 2, 1998, the Commission issued Order No. G-89-98, directing British Columbia Hydro and Power Authority ("B.C. Hydro") to remove the 5,000 kV.A minimum billing demand from Rate Schedules 1821 and 1848; and
- B. The same Order directed that Rate Schedule 1211 customers, currently taking service at distribution voltage, hold in abeyance any requests to move to Rate Schedule 1821 until after the filing and review of B.C. Hydro's Transmission Extension Policy; and
- C. The same Order directed that the Transmission Extension Policy was to be filed by November 30, 1998, which was later extended to December 7, 1998; and
- D. The Commission expected that the Transmission Extension Policy would address the potential impacts on B.C. Hydro's system created by customer rate-switching; and
- E. By letter dated November 25, 1998, B.C. Hydro indicated that the Transmission Extension Policy would not address the issue of potential rate impacts created by customer rate-switching and stated that this issue would be addressed by a bypass rate application to be filed with the Commission in early 1999; and
- F. On December 11, 1998, the Commission issued Order No. G-111-98, in which it directed B.C. Hydro to file a bypass rate application by February 1, 1999 that addressed the issue of potential impacts created by customer rate-switching; and
- G. The same Order rescinded the portion of Order No. G-89-98 which directed that Rate Schedule 1211 customers currently taking service at distribution voltage would have any requests to move to Rate Schedule 1821 held in abeyance until after the filing and review of B.C. Hydro's Transmission Extension Policy; and
- H. On February 2, 1999, B.C. Hydro applied, pursuant to the Utilities Commission Act and, in particular Section 61 thereof, for an Order of the Commission approving B.C. Hydro's Bypass Rate Guidelines (Tariff Supplement No. 44) (the "Application"), which would be available to all B.C. Hydro's general and transmission rate schedule customers; and
- I. On February 8, 1999, Commission staff sent B.C. Hydro a set of information requests related to the Application and on March 1, 1999, B.C. Hydro responded to these information requests; and

- J. The Commission received letters of comment on the Application from Lex Engineering Ltd., Willis Energy Services, Ltd., Aquila Canada Corporation, and the City of New Westminster; and
- K. Commission Order No. G-31-99, dated March 18, 1999, established a written public hearing into the Application. Evidence and argument was filed in that proceeding by B.C. Hydro, while argument was submitted by Aquila Canada Corporation, The Joint Industry Electricity Steering Committee, Willis Energy Services, Ltd., Columbia Power Corporation, The Consumers Association of Canada (B.C. Branch) et al., and Fording Coal Ltd. The hearing concluded with reply argument on June 30, 1999; and
- L. The Commission has considered the Application, the evidence, and the argument before it in this matter.

NOW THEREFORE the Commission orders as follows:

The Commission does not accept B.C. Hydro's Application for an Order approving the Bypass Rate Guidelines (Tariff Supplement No. 44). Instead, the Commission is issuing the Bypass Rate Guidelines (Attachment A to the Commission's Decision on this matter) to assist parties in the preparation of bypass rate applications to the Commission.

DATED at the City of Vancouver, in the Province of British Columbia, this 3rd day of September 1999.

BY ORDER

Original signed by:

Peter Ostergaard
Chair