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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-18-05

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

and

**An Application by Canadian Forest Products Limited
for a Retroactive Billing Adjustment
from British Columbia Hydro and Power Authority**

BEFORE: L.F. Kelsey, Commissioner)
L.A. O'Hara, Commissioner) February 10, 2005

O R D E R

WHEREAS:

- A. On December 19, 2001, the Commission, by Order No. G-141-01, approved for British Columbia Hydro and Power Authority ("BC Hydro") its November 23, 2001 Special Electric Service Agreement, Tariff Supplement No. 60 with Canadian Forest Products Ltd. ("Canfor") Upper Fraser Sawmill for a Bypass Rate at the equivalent of Rate Schedule 1821 plus a monthly rider of \$5,777.25 for a period of 20 years effective June 1, 2002; and
- B. On April 23, 2004, BC Hydro applied to the Commission, with approval from Canfor as a co-signing party to its letter, formally requesting that Tariff Supplement No. 60 be cancelled because Canfor's Upper Fraser sawmill had been permanently closed; and
- C. By Order No. G-45-04 dated May 7, 2004, the Commission approved the cancellation of the Bypass Rate Special Electric Service Agreement (Tariff Supplement No. 60) effective the date of the Commission Order; and
- D. By letter dated September 14, 2004, Canfor requested Commission approval of a retroactive billing adjustment by BC Hydro, effective August 1, 2003, to remove the impact of the billing demand charges determined using the demand ratchet clause in Rate Schedule 1821; and
- E. By letter dated September 29, 2004, the Commission requested comment on the Canfor request from BC Hydro; and
- F. In a letter dated January 28, 2005, BC Hydro responded that it supports Canfor's application and suggested that if the Commission approves Canfor's request that the approval be made applicable to the August 2003 through May 2004 billing periods; and
- G. The Commission has reviewed the application and finds that it should be approved.

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NOW THEREFORE the Commission orders as follows:

1. The Commission approves the Canadian Forest Products Limited request that BC Hydro retroactively adjust the bill of Canfor's Upper Fraser Sawmill Division to remove the impact of Billing Demand Charges determined using the demand ratchet mechanism in Rate Schedule 1821.
2. The adjustment should apply to the August 2003 to May 2004 billing periods.

DATED at the City of Vancouver, in the Province of British Columbia, this 18th day of February 2005.

BY ORDER

Original signed by:

L. F. Kelsey
Commissioner