



LETTER NO. L-52-05

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VIA E-MAIL

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July 13, 2005

Mr. Tony Morris
Acting Chief Regulatory Officer
British Columbia Hydro and Power Authority
17th Floor, 333 Dunsmuir Street
Vancouver, B.C. V6B 5R3

Dear Mr. Morris:

Re: British Columbia Hydro and Power Authority
DSM Milestone Evaluation Summaries F2004;
Semi-Annual Report on DSM, June 2005;
Summary of DSM Evaluation Reports for Fiscal 2004/05

This letter acknowledges receipt of the above mentioned reports filed with the Commission in compliance with Directives 66, 69 and 70 from the Commission's Decision on BC Hydro's 2004/05 to 2005/06 Revenue Requirements Application.

The Semi-annual Report of June 2005 concluded that all the energy efficiency programs and load displacements programs pass the TRC, UC and RIM test threshold as set out in Directive 70 and that no program change is necessary. The Semi-annual Report also concluded that electricity savings in F2005 exceeded the 75 percent of plan threshold and that reapplication for F2006 DSM expenditure is not required.

While it is not envisaged that there will be a separate and independent process to review these reports, we note that participants may wish to refer to these reports in proceedings such as the REAP, IEP or a revenue requirements application where the demand side management program is one of the principal issues.

The Commission has the following comments on the presentation and format of the Semi-annual Report:

- Table 1 on page 3, it is recommended that a column showing percentage of variance between plan and actual be added to both electricity savings and capital expenditures.

- Table 3 on page 13, it is recommended that the 'Activity' column be broken down further into sub-activities and that year on year comparisons (e.g., F05/F04, F04/F03) be added.

Please provide the Commission with the amended version.

Yours truly,

Original signed by:

Robert J. Pellatt

EC/cms

cc Registered Interveners – BC Hydro 2005 REAP