

LETTER NO. L-54-05

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ROBERT J. PELLATT COMMISSION SECRETARY Commission.Secretary@bcuc.com web site: http://www.bcuc.com

VIA E-MAIL

regulatory.group@bchydro.com

July 19, 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 ("BC Hydro")
RS 1289 – Net Metering Proposed Tariff Changes and Evaluation Report

The Commission is in receipt of BC Hydro's RS 1289 – Net Metering Monitoring and Evaluation Report ("Report") filed on June 1, 2005. The Commission is also in receipt of BC Hydro's letter, dated July 4, 2005, filing revised RS 1289 tariff pages for approval by the Commission.

The Commission invites parties to comment on BC Hydro's proposed tariff revisions (attached) and to make submissions on any aspects of the Report or specific elements of the net metering program design. Comments should be submitted to the Commission by August 12, 2005, and BC Hydro should respond by September 2, 2005. The Commission requests that BC Hydro include in its response an update on its evaluation of a suitable program to purchase from projects over 50kW and less than 1MW that are not engaged in either RS 1289 or BC Hydro's acquisition processes.

Yours truly,

Original signed by:

Robert J. Pellatt

RG/yl

Attachments

: Intervenors: As per BCUC Intervenor List of January 6, 2004 (attached)

Mr. Graham Horn, Planit Management Inc. (with attachments)

BChydro @

Tony Morris

Acting Chief Regulatory Officer

Phone: (604) 623-4046 Fax: (604) 623-4407

July 4, 2005

Mr. Robert J. Pellatt Commission Secretary British Columbia Utilities Commission Sixth Floor – 900 Howe Street Vancouver, BC V6Z 2N3

Dear Mr. Pellatt:

RE: British Columbia Hydro and Power Authority (BC Hydro)

Net Metering Monitoring and Evaluation Report

Rate Schedule 1289 (the Report)

In the Report filed on June 1, 2005, BC Hydro recommends changing the criteria for when site acceptance verification is required. BC Hydro also, for clarification, refers to the site inspection by a BC Hydro Protection and Control Technician as "site acceptance verification".

Commission letter L-42-05 requests that BC Hydro file for approval with the Commission revised tariff pages reflecting the above changes. BC Hydro hereby seeks Commission approval for the change to Special Condition 1 of Rate Schedule 1289 to reflect the change in when a site acceptance verification is required and to the Schedule of Standard Charges to reflect the change in terminology from "Site Inspection Fee" to "Site Acceptance Verification Fee".

Please find enclosed two copies of tariff page B-38, revision seven and two copies of tariff page C-37-16, revision one for approval by the Commission. Please return one copy to BC Hydro for our files.

Yours sincerely,

Tony Morris Acting Chief Regulatory Officer

(2) Enclosures

SCHEDULE OF STANDARD CHARGES (Cont'd)

MISCELLANEOUS CHARGES

LATE PAYMENT CHARGE

1.5% per month (equivalent 19.6% per annum compounded monthly).

RETURNED CHEQUE OR PRE-AUTHORIZED PAYMENT CHARGE Note 1

Equivalent to BC Hydro's lead bank's NSF cheque charge in effect on 1 April of each year.

ACCOUNT CHARGE Note 2

\$ 10.00

TRANSFORMER RENTAL CHARGE

17% per annum of replacement value to be billed monthly.

COLLECTION CHARGE

\$ 32.00

DATAPLUS SERVICE

\$360.00 per year per Consolidated Master Account.

CALL-BACK CHARGE

\$140.00

REFUND ADMINISTRATION FEE

\$ 75.00

NET METERING
SITE ACCEPTANCE
VERIFICATION FEE
(for Generators above 5 kW
requiring Site Acceptance
Verification)

BC Hydro's actual costs, to a maximum of \$600.00

Note 1 As at 1.

As at 1 April 2000, the charge is \$20.00.

Note 2

Exceptions to this charge are set out in this Tariff under the heading "Account Charge".

SCHEDULE 1289

NET METERING SERVICE (Cont'd)

Billing: (Cont'd)

9. In no case will any credit balance in the Generation Account have any cash value or be convertible to cash. except as provided above. If the amount determined to be owing to the Customer at any Anniversary Date as set forth in item 7 above is equal to or less than the charges BC Hydro anticipates are likely to be billed to the customer during the six month period following the Anniversary Date, BC Hydro may withhold the amount owing and credit it against charges owing by the Customer for future billing periods. If the amount determined to be owing is greater than the charges BC Hydro anticipates are likely to be billed to the Customer during the six month period following the Anniversary Date, BC Hydro shall pay the amount owing to the Customer within 45 days of the Anniversary Date.

Special Conditions:

1. To receive service under this Rate Schedule, the Customer must submit the required Application and enter into a "Net Metering Interconnection Agreement" (Tariff Supplement No. 63) with BC Hydro. For Generating Facilities having a rated generating capacity of greater than five (5) kilowatts, and for which BC Hydro determines that a site acceptance verification is required, the Customer must also pay the Net Metering Site Acceptance Verification Fee as set out in the Schedule of Standard Charges. The Customer must not commence parallel operation of its Generating Facility until approval has been given by BC Hydro in accordance with the Net Metering Interconnection Agreement.

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2. The Generating Facility and all wiring, equipment and devices forming part of it, shall conform to BC Hydro's "Net Metering Interconnection Requirements, 50 kW and Below", and shall be installed, maintained and operated in accordance with those Requirements.