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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-38-07

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

and

Applications by
British Columbia Transmission Corporation
for Loss Compensation Service
and
British Columbia Hydro and Power Authority
for Loss Compensation Service (Rate Schedule 3016)

BEFORE: L.F. Kelsey, Commissioner March 30, 2007
L.A. Zaozirny, Commissioner

O R D E R

WHEREAS:

- A. On February 20, 2007, British Columbia Transmission Corporation ("BCTC") applied for an extension to its Loss Compensation Service ("2007 Application") with two amendments:
- 1) to amend section 15.7 of the Open Access Transmission Tariff ("OATT") to provide for an annual election period, and if an election is not made to deem that the customer has elected to purchase Loss Compensation Service; and
 - 2) to amend Rate Schedule ("RS") RS 109 and RS 09 such that the expiry date of the Loss Compensation Service coincides with the termination date for British Columbia Hydro and Power Authority ("BC Hydro") Interconnected Operations Services ("IOS") services on March 1, 2009 ; and
- B. In its 2007 Application BCTC attached written comments from customers, none of which opposed the continuation of Loss Compensation Service; and
- C. BCTC requested that while the Commission considered the 2007 Application it grant an interim order extending the Loss Compensation Service under the current pricing, terms and conditions; and
- D. On February 21, 2007, BC Hydro applied for an extension to its RS 3016 until March 1, 2009 and an amendment to the pricing of RS 3016 Energy ("BC Hydro Application"); and

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- E. The BC Hydro Application supports the extension of BCTC's Loss Compensation Service until March 1, 2009, and submits that, because of the direct relationship between the BC Hydro and BCTC tariffs regarding Loss Compensation Service, the Commission should either approve both the BCTC 2007 Application and the BC Hydro Application or neither of them; and
- F. By Order No. G-19-07, the Commission approved the BCTC 2007 Application and the BC Hydro Application on an interim basis until the Commission issued a final Order, and established a procedure for the submission of written comments by Interested Parties by March 12, 2007, and replies by BCTC and BC Hydro by March 19, 2007; and
- G. The Commission received comments from Northpoint Energy Solutions, ENMAX Corporation, EPCOR Utilities Inc., TransCanada Energy Ltd., and TransAlta Corporation and replies from BCTC and BC Hydro; and
- H. The Commission has reviewed the comments received from the Interested Parties and the replies from BCTC and BC Hydro and has determined that approval is in the public interest.

NOW THEREFORE the Commission orders as follows:

- 1. The Commission approves the extension of BCTC rates, terms and conditions for Loss Compensation Service as applied for in the 2007 Application effective from May 1, 2007 until March 1, 2009.
- 2. The Commission approves the extension of BC Hydro's RS 3016 as applied for in the BC Hydro Application, effective from May 1, 2007 until March 1, 2009.

DATED at the City of Vancouver, in the Province of British Columbia, this 2nd day of April 2007.

BY ORDER

Original signed by

L.A. Zaozirny
Commissioner