



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER E-8-09**

BC TOLL FREE: 1-800-663-1385
TELEPHONE: (604) 660-4700
FACSIMILE: (604) 660-1102

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcuc.com>

**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 Acceptance of Electricity Purchase Agreements
Bioenergy Call Phase I Request for Proposals**

BEFORE: A.J. Pullman, Commissioner and Panel Chair
M.R. Harle, Commissioner July 31, 2009
R.J. Milbourne, Commissioner

O R D E R

WHEREAS:

- A. Pursuant to section 71 of the *Utilities Commission Act* (the "Act") on February 17, 2009 British Columbia Hydro and Power Authority ("BC Hydro") filed an application, both on a confidential basis and in a redacted public version, with the British Columbia Utilities Commission (the "Commission") concerning four Electricity Purchase Agreements ("EPAs") from the Bioenergy Call Phase I Request for Proposals (the "Phase 1 RFP"); and
- B. The Application includes a Report (the "Report") on the Bioenergy Call Phase I RFP that sets out the role that the power to be supplied under the four EPAs is expected to play in helping BC Hydro meet the needs of its customers; and
- C. The 2007 Energy Plan released by the Province of British Columbia on February 27, 2007 includes several Policy Actions that relate to the Phase 1 RFP; and
- D. On January 31, 2008 the Province introduced the BC Bioenergy Strategy; and
- E. Special Direction No. 10 ("SD10") dated June 25, 2007 to the Commission provides direction to the Commission with respect to the sources of wood biomass for the production of electricity for purchase by BC Hydro under biomass EPAs and with respect to its review of biomass EPAs; and
- F. The potential for significant impacts from the four EPA's facilities appear to be minimal, as the biomass fuel supply for the projects will largely come from either from existing forest tenures or private sources, and the project facilities are located on private lands owned in fee simple which are existing industrial sites; and

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER E-8-09**

2

- G. Prior to issuing any tenures or permits related to the biomass fuel supply for the projects or project facilities, provincial Crown agencies will have consulted First Nations with respect to potential impacts on aboriginal rights and title; and
- H. BC Hydro provided its First Nation specific engagement record as well as that of the EPA proponents' consultation with First Nations; and
- I. BC Hydro provided written notice to potentially affected First Nations to advise them that the Application for the EPAs had been filed with the Commission and provided them with the opportunity to submit comments; and
- J. BC Hydro received no comments from First Nations; and
- K. The Commission concludes that the Crown's duty to consult First Nation has been met, and there is low potential for the EPAs to adversely impact aboriginal rights; and
- L. The Commission finds that, in the context of SD, 10 the four EPAs are in the public interest with respect to need and prices and determines that they should be accepted for filing.

NOW THEREFORE the Commission orders as follows:

- 1. The four Phase I RFP EPAs that are set out in Appendix A to this order are accepted for filing as energy supply contracts, pursuant to section 71 of the Act.
- 2. The EPAs and other information that BC Hydro filed on a confidential basis will be held confidential.

DATED at the City of Vancouver, in the Province of British Columbia, this 31st day of July 2009.

BY ORDER

Original signed by:

A.J. Pullman
Commissioner and Panel Chair

Attachment

**British Columbia Hydro and Power Authority
Electricity Purchase Agreements**

Proponent	Project	Location	Firm Energy (GWh/yr)	Dependable Capacity (MW)	Effective Date
Zellstoff Celgar Limited Partnership	Celgar Green Energy Project	Castlegar	238	26	January 27, 2009
Domtar Pulp & Paper Products Inc.	Kamloops Green Energy Project	Kamloops	201	18	January 24, 2009
PG Interior Waste to Energy Ltd.	PGWE 2008	Prince George	70	8	January 27, 2009
Canfor Pulp Limited Partnership	PGP Bio Energy Project	Prince George	70	8	February 4, 2009