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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER C-13-11**

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

and

**Application by British Columbia Hydro and Power Authority
for Amendment to the Approval of Certificates of Public Convenience and Necessity for the
Remote Community Electrification Projects in Tsay Keh, Fort Ware and Elhlateese**

BEFORE: L.F. Kelsey, Commissioner
N.E. MacMurchy, Commissioner December 8, 2011
D. Morton, Commissioner
R.D. Revel, Commissioner

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

WHEREAS:

- A. On June 25, 2007, the B.C. Government enacted the Remote Communities Regulation and issued Special Direction No. 10 that directs the British Columbia Utilities Commission (Commission) to ensure British Columbia Hydro and Power Authority (BC Hydro) makes available to customers in remote communities the same rates and services it makes available in the Non-Integrated Areas (NIA);
- B. On December 23, 2010, BC Hydro filed its Remote Community Electrification (RCE) Application for the communities of Tsay Keh, Fort Ware and Elhlateese which are named in the Remote Communities Regulation, pursuant to sections 45 and 46 of the *Utilities Commission Act* (Act);
- C. BC Hydro applied for a Certificate of Public Convenience and Necessity (CPCN) because Tsay Keh, Fort Ware and Elhlateese are new service areas that will not be interconnected to the existing BC Hydro electrical system;
- D. BC Hydro applied for orders which grant a CPCN to serve the communities of Tsay Keh, Fort Ware and Elhlateese conditional on BC Hydro taking over and owning the distribution system in the community, and for electricity tariff amendments to have Tsay Keh, Fort Ware and Elhlateese listed as Rate Zone II communities;
- E. On February 17, 2011, the Commission granted Orders C-3-11, C-4-11 and C-5-11 for the three remote communities, conditional on the takeover of the distribution system by BC Hydro in each community;

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- F. On November 10, 2011, BC Hydro filed a letter (Amendment Letter) seeking orders, pursuant to section 46 of the Act. The Amendment Letter requested the Commission to:
- allow BC Hydro to proceed with system upgrades and generation plant construction in Tsay Keh, Fort Ware and Elhlateese prior to the takeover of the electricity distribution system in each of the three communities;
 - affirm modification to the projects for Tsay Keh and Fort Ware as described in the Amendment Letter in the context of Orders C-3-11 and C-4-11;
 - amend Order C-4-11 to refer to Alternative 1a, a new generating station, (rather than Alternative 1b);
- G. On December 5, 2011, BC Hydro provided updated cost tables as requested by the Commission on November 17, 2011.

NOW THEREFORE the Commission orders as follows:

- With respect to Orders C-3-11, C-4-11 and C-5-11, BC Hydro can proceed with the system upgrades and generation plant construction in Tsay Keh, Fort Ware and Elhlateese prior to takeover of the electricity distribution system.
- The modifications to projects described in the Amendment Letter are approved in the context of the CPCNs that were granted under Orders C-3-11 and C-4-11.
- CPCNs granted under Orders C-3-11, C-4-11 and C-5-11, as modified by this Order, remain conditional on BC Hydro's taking over and owning the distribution system in each of the respective communities.

DATED at the City of Vancouver, in the Province of British Columbia, this 19th day of December 2011.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner