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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER C-4-12**

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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 Approval of a Certificate of Public Convenience and Necessity for
Hartley Bay Electrification Project Application**

BEFORE: L.F. Kelsey, Commissioner
C.A. Brown, Commissioner
N.E. MacMurchy, Commissioner March 22, 2012
D.M. Morton, Commissioner
R.D. Revel, Commissioner

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

WHEREAS:

- A. On December 16, 2011, British Columbia Hydro and Power Authority (BC Hydro) filed its Remote Community Electrification (RCE) application for the community of Hartley Bay pursuant to sections 45 and 46 of the *Utilities Commission Act* (the Act) and the Remote Communities Regulation (Regulation);
- B. In the filing BC Hydro applies for orders which grant a Certificate of Public Convenience and Necessity (CPCN) to serve the community of Hartley Bay, conditional on BC Hydro taking over and owning the distribution system in the community, and for electricity tariff amendments to have Hartley Bay listed as a Rate Zone II community;
- C. In addition, BC Hydro requested approval to carry out construction work for a diesel generating station and upgrades to the distribution system, in advance of taking over and owning the distribution system, to service customers in Hartley Bay;
- D. On January 5, 2012, the British Columbia Utilities Commission (Commission) issued Letter L-1-12 requesting comments as to whether a workshop is required for the review of the RCE Program 2011 Annual Report, the preferred regulatory process required to review the CPCN applications and required revisions to the Electric Tariff, and the final project report for Toad River;
- E. On February 9, 2012, BC Hydro stated that as no responses to Letter L-1-12 were received the Commission may proceed using its discretion, without further process, in making a determination on the CPCN application and the Electric Tariff revision;
- F. On February 22, 2012, the Commission issued Information Request No. 1 (IR1) and on February 29, 2012, BC Hydro responded to IR1;

- G. In addition to the IR1 response, BC Hydro requested the Commission to issue a CPCN for Hartley Bay, consistent with the streamlined regulatory review process for RCE communities, and that the order allow sufficient flexibility for BC Hydro to construct and operate the proposed new diesel generating station at the site indicated in the Application, or other potential sites in the vicinity of Hartley Bay;
- H. Since none of the Participants other than BC Hydro provided comment, the Commission has considered the Application, the comments filed, the response to the information request and proceeded with the review of the CPCN application and required revisions to the Electric Tariff using its discretion and without further process.

NOW THEREFORE the Commission orders as follows:

1. Pursuant to sections 45 and 46 of the Act, a CPCN is granted to BC Hydro to serve Hartley Bay as set out in the Application, conditional on BC Hydro taking over and owning the distribution system in Hartley Bay.
2. BC Hydro can proceed with system upgrades and construction of the generation plant and related works in Hartley Bay prior to the takeover of the electricity distribution system.
3. BC Hydro is granted sufficient flexibility for selecting a suitable site for the construction and operation of the proposed diesel generation station in the vicinity of Hartley Bay provided the new site does not materially impact the capital cost.
4. In accordance with Special Direction No. 10, the BC Hydro Electric Tariff is amended to expand the definition of Rate Zone II to Hartley Bay.
5. Pursuant to section 61 of the Act, the revised tariff to include Hartley Bay is approved as set out in Appendix A of this Order.
6. BC Hydro shall file a clean copy of revised tariff within 15 days of the date of this Order.
7. The Crown's duty to consult with certain First Nations has been adequately met as of the date of this Order.

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of March 2012.

BY ORDER

Original signed by:

D.M. Morton
Commissioner

Attachment

Attachment B
RCE Program CPCN Application - Hartley Bay
Appendix 2

BC Hydro

Terms and Conditions

Effective: _____
Fourth Revision of Page 7

Rate Zone IB: Bella Bella

Rate Zone II: Anahim Lake, Atlin, Bella Coola, Dease Lake, Eddontenajon, Elhateese, Fort Ware, Hartley Bay, Queen Charlotte Islands, Telegraph Creek District, Toad River and Tsay Keh.
Residential Service: Electricity for use:

1. In Single-Family Dwellings.
2. In the common areas of Premises containing two or more Single-Family Dwellings, whether the common area is metered separately or is metered as part of a separate Residential Service to one of the dwellings, if the Electricity is used only for the common benefit of those dwellings.
3. Upon farms for any farm use whether or not in conjunction with use in a Single-Family Dwelling, provided that farm use shall not include:
 - (a) use in any dwelling other than a Single-Family Dwelling,
 - (b) use in the processing of farm products produced elsewhere than on the farm in question,
 - (c) use in selling farm or other products to the general public other than from a small roadside stand, or
 - (d) use for any commercial operation not ordinarily conducted upon a farm.
4. In dwellings where a part is used to carry on a business even if the whole dwelling is supplied through one meter.

Note: Despite anything else in this Electric Tariff, General Service is not available as an alternative to residential service, where residential service is otherwise available, except:

- a) for farm use;
- b) for business use in a dwelling supplied through one meter; or
- c) in common use areas of Premises containing two or more Single Family Dwellings.

In the case of exception (a) or (b) being applicable, General Service (35 kW and Over) is available at the customer's request. In the case of exception (c) being applicable, any applicable General Service rate is available at the customer's request.

ACCEPTED: _____

ORDER NO. _____

COMMISSION SECRETARY