

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER E-8-12

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

and

Filing by British Columbia Hydro and Power Authority (BC Hydro) Amendments to BC Hydro Electricity Purchase Agreements (EPAs) for the Bear Mountain Wind Park and Barr Creek Projects

BEFORE: L.F. Kelsey, Commissioner March 23, 2012

ORDER

WHEREAS:

- A. Pursuant to section 71 of the *Utilities Commission Act* (the Act), on March 16, 2012, BC Hydro filed the amendments (the Amendments) for the Bear Mountain Wind Park and Barr Creek Projects. These are Amendments to existing energy supply contracts that were previously filed with, and accepted by, the Commission;
- B. On March 16, 2012 BC Hydro filed un-redacted copies of the Amendments (Filing). BC Hydro requested that the un-redacted copy of the Bear Mountain Wind Park and Barr Creek Amendments, and the filing be kept confidential due to the commercially sensitive nature of certain information, and BC Hydro also filed a copy of the Bear Mountain Wind Park Amendment and Filing that redacts the confidential information and that is intended for public disclosure;
- C. The Commission acknowledges receipt of Attachment 4, which BC Hydro included in the Filing, that sets out contractual developments related to Electricity Purchase Agreements that BC Hydro considers are not amendments to the agreements, and which are listed in Appendix B to this Order;
- D. The Commission has considered the Filing by BC Hydro and has determined that the Amendments are in the public interest.

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2

NOW THEREFORE the Commission orders as follows:

- 1. The Amendments that are set out in Appendix A to this Order are accepted for filing pursuant to section 71 of the Act.
- 2. The Commission will hold the un-redacted copy of the Bear Mountain Wind Park Amendment and the Barr Creek Amendment and the Filing confidential.

DATED at the City of Vancouver, in the Province of British Columbia, this 23rd day of March 2012.

BY ORDER

Order signed by:

L.F. Kelsey Commissioner

Attachments

British Columbia Hydro and Power Authority Amending Agreement #2 to Electricity Purchase Agreements

Schedule A SUMMARY OF EPA AMENDMENTS

| | Project Name | Seller Company Name | Effective Date of Agreement | Document Type | Regulatory Acceptance Date | Description |
|---|----------------------------|--|--------------------------------|---------------------------|-------------------------------|---|
| 1 | Bear Mountain Wind Park | Bear Mountain Wind Limited Partnership | October 24, 2010 | Amendment Agreement No. 3 | On or before June 20, 2012 | Under section 7.2(d) of the EPA, the Seller has the one-time option of changing the Monthly Firm Energy Amount by up to 10 per cent of the annual total. Actual wind data for 2009/2010 was below predictions and, as a result, BC Hydro agreed to reduce the Monthly Firm Energy Amounts on an interim basis to allow the Seller the opportunity to obtain more normal operating data for the Seller decides whether or not to exercise its section 7.2(d) rights. Under the amendment, the Seller's one-time right to modify the Monthly Firm Energy Amounts is extended to the 3rd anniversary of COD (one extra year). If this right is exercised, the amended Monthly Firm Energy Amount would remain in place for the balance of the term of the EPA. The capacity reduction payment clause (section 7.2(e)) was modified to reflect potential changes to the Monthly Firm Energy Amounts. This amendment provides that the Capacity Reduction LDs must be paid on the earlier of the 2rd anniversary of COD and the date when a section 7.2(d) notice is delivered to BC Hydro. The Capacity Reduction LDs will then be adjusted on the 3rd anniversary of COD, depending on whether or not the Seller exercises its section 7.2(d) rights and if so, by the amount of the change in the Monthly Firm Energy Amounts. |

| | Project Name | Seller Company Name | Effective Date of Agreement | Document Type | Regulatory Acceptance Date | Description |
|---|--------------|-----------------------------------|--------------------------------|---------------------------|--------------------------------|--|
| 2 | Barr Creek | Barr Creek Limited Partnership | October 26, 2011 | Amendment Agreement No. 4 | On or before March 24, 2012 | Appendix 4 of the EPA (Seller's Plant Description) was amended to reflect a 10 per cent increase in Plant Capacity, which is the maximum increase allowed under section 4.2 of the EPA. |

British Columbia Hydro and Power Authority Electricity Purchase Agreements Contractual Developments for Information

Schedule B SUMMARY OF EPA CONTRACTUAL DEVELOPMENTS

| | Project Name | Seller Company Name | Effective Date of Agreement | Document Type | Description |
|---|-------------------------|---|-----------------------------|--|---|
| 1 | Jamie Creek | C-Free Power Corp. | May 25, 2010 | Assignment, Assumption and Consent Agreement | To assign the EPA from C-Free Power Corp. to Sequoia Energy Inc. |
| 2 | Bear Mountain Wind Park | Bear Mountain Wind Limited Partnership | November 10, 2011 | Waiver | BC Hydro waives its right to collect delivery shortfall Liquidated Damages for the one-year period prior to the 2nd anniversary of COD in exchange for Seller's agreement to provide VAR support services. |
| 3 | Jamie Creek¹ | Sequoia Energy Inc. | December 29, 2011 | Notice of Exercise of Contractual Right | Plant Capacity of project increased by 10 per cent from 19.4 MW to 21.34 MW, pursuant to section 4.5 of the EPA. |
| 4 | Northwest Stave River | Cloudworks Energy Inc. | December 31, 2011 | Assignment and Assumption Agreement | To assign the EPA from Cloudworks Energy Inc. to Northwest Stave River Hydro Limited Partnership. |

^{1.} Jamie Creek EPA was entered into as part of the Clean Power Call and is exempt from section 71 of the UCA under Section 7(1)(g) of the CEA.