



FOR GENERATIONS

Janet Fraser

Chief Regulatory Officer

Phone: 604-623-4046

Fax: 604-623-4407

bchydroregulatorygroup@bchydro.com

September 29, 2014

Ms. Erica Hamilton
Commission Secretary
British Columbia Utilities Commission
Sixth Floor – 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Ms. Hamilton:

**RE: British Columbia Utilities Commission (BCUC or Commission)
British Columbia Hydro and Power Authority (BC Hydro)
Network Economy Quarterly Report - Second Quarter (Q2) 2014**

BC Hydro writes to the Commission in compliance with Commission Order No. G-127-06 in connection with the British Columbia Transmission Corporation Application for Network Economy and Open Access Transmission Tariff (October 19, 2006). Section 9 of the Settlement Agreement, attached to Order No. G-127-06 as Appendix 1, requires that BC Hydro prepare reports for each quarter of the calendar year containing the information as set out in section 9 of the Settlement Agreement and in BC Hydro Tariff Supplement 80 - Network Economy Service – section 2, page 2.

Attachment 1 is the Network Economy Quarterly Report related to the second quarter of calendar 2014 (**Q2 Quarterly Report**).

As required by subsection 9 (e) of the Settlement Agreement I attest that the information contained in the Q2 Quarterly Report is accurate.

BC Hydro will be posting this letter and the attached report on its website at https://www.bchydro.com/about/planning_regulatory/regulatory.html.

September 29, 2014
Ms. Erica Hamilton
Commission Secretary
British Columbia Utilities Commission
Network Economy Quarterly Report - Second Quarter (Q2) 2014

For further information, please contact the undersigned.

Yours sincerely,

Original signed

Janet Fraser
Chief Regulatory Officer

jm/ma

Enclosure (1)

Copy to: **Powerex**
Attention: Mike MacDougall
mike.macdougall@powerex.com

BC Hydro Network Economy Quarterly Report – Q2
(April 1, 2014 to June 30, 2014)

Pursuant to Commission Order No. G-127-06 and Tariff Supplement 80 - Network Economy Service - section 2, page 2:

Initial Threshold Purchase Price ¹ on April 1, 2014	Burrard Heat Rate on April 1, 2014
-\$999/MWh	10.0 MMBTU/MWh

Date of Notification	Threshold Purchase Price Change	Burrard Heat Rate Change	Reason for Burrard Heat Rate Change
N/A	No Change	No Change	No Change

	April 2014	May 2014	June 2014
Net Domestic Volumes (MWh)	21,049 ²	3,153 ²	1,043 ²
Burrard Thermal Generating Station Volumes (MWh)	12,611	255	0
Monthly System Peak for the Integrated Domestic System (MW)	7,468	6,685	6,722
Monthly Estimated Peak for the Lower Mainland (MW)	3,725	3,397	3,484
Monthly Estimated Peak for Vancouver Island (MW) ³	1,343	1,163	1,047

¹ Pricing is quoted in US\$. For the purpose of allocation of energy and cost of energy, price is converted to CAN\$ based on the Bank of Canada daily noon exchange rate.

² A positive volume indicates net domestic imports during the month.

³ Does not include the Gulf Islands.