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March 9, 2016

Ms. Laurel Ross
Acting Commission Secretary
British Columbia Utilities Commission
Sixth Floor – 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Ms. Ross:

**RE: British Columbia Utilities Commission (BCUC or Commission)
British Columbia Hydro and Power Authority (BC Hydro)
Network Economy Quarterly Report - Fourth Quarter (Q4) 2015**

BC Hydro writes in compliance with Commission Order No. G-127-06 approving the British Columbia Transmission Corporation's 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 4, page 2.

The Network Economy Quarterly Report for the fourth quarter of calendar year 2015 (**Q4 Quarterly Report**) is enclosed as Attachment 1.

As required by subsection 9 (e) of the Settlement Agreement I attest that the information contained in the Q4 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.

For further information, please contact the undersigned.

Yours sincerely,



Tom Loski
Chief Regulatory Officer

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Enclosure (1)

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

BC Hydro Network Economy Quarterly Report – Q4
(October 1, 2015 – December 31, 2015)

Pursuant to Commission Order No. G-127-06 and Tariff Supplement 80 - Network Economy Service – section 4, page 2:

Initial Threshold Purchase Price ¹ on October 1, 2015	Burrard Heat Rate on October 1, 2015
-\$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

	October 2015	November 2015	December 2015
Net Domestic volumes (MWh)	(68,129) ²	(216,452) ²	(276,415) ²
Burrard Thermal Generating Station volumes (MWh)	250	7,373	0
Monthly System Peak for the integrated domestic system (MW)	7,432	9,155	9,382
Monthly Estimated Peak for the Lower Mainland (MW)	3,773	4,640	4,701
Monthly Estimated Peak for Vancouver Island (MW) ³	1,335	1,767	1,854

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.