

**Fred James**

Chief Regulatory Officer

Phone: 604-623-4046

Fax: 604-623-4407

[bchydroregulatorygroup@bchydro.com](mailto:bchydroregulatorygroup@bchydro.com)

May 24, 2017

Mr. Patrick Wruck  
Commission Secretary and Manager  
Regulatory Support  
British Columbia Utilities Commission  
Sixth Floor – 900 Howe Street  
Vancouver, BC V6Z 2N3

Dear Mr. Wruck:

**RE: British Columbia Utilities Commission (BCUC or Commission)  
British Columbia Hydro and Power Authority (BC Hydro)  
Network Economy Quarterly Report - First Quarter (Q1) 2017**

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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 quarterly reporting requirements were amended pursuant to Commission Order No. G-158-15 (October 8, 2015).

The Network Economy Quarterly Report for the first quarter of calendar year 2017 (**Q1 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 Q1 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](https://www.bchydro.com/about/planning_regulatory/regulatory.html).

For further information, please contact the undersigned.

Yours sincerely,



Fred James  
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 – Q1 2017**  
 (January 1, 2017 – March 31, 2017)

Pursuant to Commission Order Nos. G-127-06 and G-158-15, and Tariff Supplement 80 - Network Economy Service – section 4, page 2:

Initial Threshold Purchase Price. <sup>1</sup> on January 1, 2017. <sup>2</sup>
-\$999/MWh

Date of Notification	Threshold Purchase Price Change
N/A	No Change

	January 2017	February 2017	March 2017
Net Domestic volumes (MWh)	(747,212). <sup>3</sup>	(52,193) <sup>3</sup>	22,380 <sup>3</sup>
Monthly System Peak for the integrated domestic system (MW)	10,194	9,795	9,144
Monthly Estimated Peak for the Lower Mainland (MW)	5,099	4,879	4,529
Monthly Estimated Peak for Vancouver Island (MW). <sup>4</sup>	2,127	1,975	1,787

- <sup>1</sup> 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.
- <sup>2</sup> Pursuant to Commission Order No. G-158-15, effective April 1, 2016, the Threshold Purchase Price is the Trigger Price for the Network Economy Economic Test under Tariff Supplement 80 at all times of the year.
- <sup>3</sup> A positive volume indicates net domestic imports during the month.
- <sup>4</sup> Does not include the Gulf Islands.