

**Fred James**

Chief Regulatory Officer

Phone: 604-623-4046

Fax: 604-623-4407

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

March 25, 2019

Mr. Patrick Wruck  
Commission Secretary and Manager  
Regulatory Support  
British Columbia Utilities Commission  
Suite 410, 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 - Fourth Quarter (Q4) 2018**

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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 fourth quarter of calendar year 2018 (**Q4 Quarterly Report**) is enclosed as Attachment 1.

As required by subsection 9(e) of the Settlement Agreement and section 4(e) of Supplement 80 - Network Economy Service, 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](https://www.bchydro.com/about/planning_regulatory/regulatory.html).

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Commission Secretary and Manager  
Regulatory Support  
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Network Economy Quarterly Report - Fourth Quarter (Q4) 2018

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For further information, please contact the undersigned.

Yours sincerely,



(for) Fred James  
Chief Regulatory Officer

ch/ma

Enclosure (1)

Copy to: **Powerex**  
Attention: Mike MacDougall  
[mike.macdougall@powerex.com](mailto:mike.macdougall@powerex.com)

## BC Hydro Network Economy Quarterly Report – Q4 2018

(October 1, 2018 – December 31, 2018)

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 October 1, 2018 <sup>2</sup> |
| -\$999/MWh  |

| Date of Notification | Threshold Purchase Price Change |
|----------------------|---------------------------------|
| November 2, 2018     | \$50/MWh                        |
| November 8, 2018     | \$65/MWh                        |
| December 11, 2018    | \$61/MWh                        |
| December 13, 2018    | \$49/MWh                        |
| December 16, 2018    | \$45/MWh                        |
| December 17, 2018    | \$30/MWh                        |

|   | October 2018       | November 2018        | December 2018        |
|---|--------------------|----------------------|----------------------|
| Net Domestic volumes (MWh)                                    | 2,039 <sup>3</sup> | 363,384 <sup>3</sup> | 220,188 <sup>3</sup> |
| Monthly System Peak for the integrated domestic system (MW)   | 7,678              | 8,509                | 9,243                |
| Monthly Estimated Peak for the Lower Mainland (MW)            | 3,897              | 4,313                | 4,631                |
| Monthly Estimated Peak for Vancouver Island (MW) <sup>4</sup> | 1,396              | 1,607                | 1,788                |

<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 average 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.