
2008 Long Term Acquisition Plan



APPENDIX A

Draft Order

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-**

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

and

An Application by British Columbia Hydro and Power Authority (BC Hydro)_
(Name of Application)

BEFORE: _____, Commissioner _____, 2009

O R D E R

WHEREAS:

- A. British Columbia Hydro and Power Authority ("BC Hydro", the "Applicant") filed its 2008 Long-Term Acquisition Plan (the "LTAP", the "Application") on 12 June 2008 pursuant to sections 44.1 and 44.2 of the Utilities Commission Act (the "Act"); and
- B. BC Hydro in the filing applies for an order which states that the 2008 LTAP is in the public interest pursuant to section 44.1(6)(a) of the Act and pursuant to section 44.2(3)(a), determines that expenditures related to the programs and projects listed in section 1.1.2 of the Application are in the public interest; and
- C. The Commission has considered the Application, evidence, and submissions of intervenors and the Applicant.

NOW THEREFORE the Commission orders as follows:

1. The 2008 LTAP is in the public interest under subsection 44.1(6)(a) of the Act and the Commission endorses:

- The proposed Clean Power Call pre-attrition target of ~~5,000~~ 3,000 gigawatt hours per year of firm energy;
- The Clean Power Call eligibility requirement that the energy to be purchased pursuant to the Clean Power Call must qualify as “clean or renewable” in accordance with the B.C. Government’s *Clean or Renewable Electricity Guidelines* and the other Clean Power Call eligibility requirements;
- BC Hydro’s plan to rely on Burrard Thermal Generating Station (“Burrard”) for planning purposes for 900 megawatts of dependable capacity and 3,000 GWh/year of firm energy until at least F2019;
- ~~The residential Low Income demand side management (“DSM”) program, which has a Non-Participant Test benefit cost ratio of 0.6 and an All Ratepayers benefit cost ratio of 0.9;~~
- The rescission of Directives 62 and 64 of the Commission’s decision concerning BC Hydro’s F2005/F2006 Revenue Requirements Application (“F05/F06 RRA Decision”);
- The amendment of Directive 69 of the F05/F06 RRA Decision and Directive 16 of the Commission’s decision concerning BC Hydro’s 2006 Integrated Electricity Plan/LTAP to provide that DSM performance reports, as described in Directive 16, will be filed with the Commission on an annual basis;
- BC Hydro’s amortization period for deferred DSM expenditures is to remain at 10 years;-
- The proposed capital plan review process including the review of major threshold projects and expenditures related to DSM.

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UTILITIES
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**ORDER
NUMBER G-**

3

2. Pursuant to section 44.2(3)(a) of the Act, the following expenditures are determined to be in the public interest:

- Expenditures of \$418 million required to implement BC Hydro's DSM Plan in F2009, F2010 and 2011;
- Expenditures of \$600,000 in F2009 and F2010 required to undertake and complete the Definition phase work for capacity-related DSM initiatives;
- Expenditures of \$1.6 million of sustaining capital expenditures in F2010 required to ensure the reliability of Burrard;
- Expenditures of \$30.0 million required to undertake and complete the Definition phase work for Mica Unit 5 and Mica Unit 6 in F2009, F2010 and F2011;
- Expenditures of \$41.0 million required to undertake and complete the Stage 2 Definition and Consultation phase work for Site C in F2009 and F2010;
- Expenditures of \$2.0 million in F2009 and F2010 required to complete the Definition phase work, and to implement, the Clean Power Call;
- Expenditures of \$ 140.1 million in F2009 – F2012 required to complete the Definition phase work for, and implement, the Fort Nelson Generating Station Upgrade Case 3.2.

In the alternative, BC Hydro seeks a determination that expenditures of \$94.5 million to complete the Definition phase work for, and implement, the Fort Nelson Generating Station Upgrade Case 2 are in the public interest under subsection 44.2(3)(a) of the Act;

- Approves the submission of the LTAP Contingency Resource Plans for inclusion in BC Hydro's Network Integration Transmission Service update.

DATED at the City of Vancouver, in the Province of British Columbia, this _____ day of _____ 2009

BY ORDER