

June 24, 2005

Mr. R. Pellatt
Commission Secretary
British Columbia Utilities Commission
Sixth Floor, 900 Howe Street
Vancouver, B.C.
V6Z 2N3

Dear Sir:

Re: British Columbia Hydro and Power Authority (“BCH”) 2005 Resource Options Report - Order Number G-51-05 – Comments on Terms of Reference

Dear Mr. Pellatt:

Further to the IPPBC’s letter of June 13, 2005, the IPPBC wishes to re-iterate some of the points made in this letter. The usefulness and value of the Resource Option Report is extremely limited. In its current form it is an incomplete document including prices that require large amounts of due diligence and discussion. Without a lot of work, it has no practical value.

Before deciding whether to invest any time and money into properly examining the Resource Option Report, the IPPBC requests the B.C. Utilities Commission to clearly set out the relationship between the Resource Option Report, the Integrated Electricity Plan and the Resource Expenditure and Acquisition Plan. Currently, the only common thread is an expensive, disjointed series of review processes that will lead to no useful outcome.

The IPPBC and others have previously requested the B.C. Utilities Commission to formally review BC Hydro’s Integrated Electricity Plan. Even if the preceding clarification is made, it is imperative that this review be undertaken as soon as practicable.

The review can be completed without further delay to BC Hydro’s plans to purchase additional supplies of electricity from Independent Power Producers. These plans were announced last October and despite importing approximately 13% of its domestic electrical energy requirements in its most recent fiscal year, and when there is no drought of any record, BC Hydro is still planning and seeking approval for its acquisition process. There is an immediate need for new domestic supplies of electricity and their acquisition will not adversely impact the form and substance of the review of the Integrated Electricity Plan.



There have been far too many delays in properly establishing BC Hydro's electricity supply/demand balance and how it will be met. The result is even increasing volume of imports with the consequent price and supply uncertainty.

Some interim steps have to be taken while some of the decisions that have been made with respect to BC Hydro's Integrated Electricity Plan and the absence of clarity and usefulness of the Resource Option Report, Integrated Electricity Plan and the Resource Acquisition Plan are rectified.

Yours truly,

“Original signed by David Austin”

David Austin