

# William J. Andrews

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January 5, 2015

British Columbia Utilities Commission  
Sixth Floor, 900 Howe Street, Box 250  
Vancouver, BC, V6Z 2N3  
Attn: Erica Hamilton, Secretary  
By Web Posting

Dear Madam:

Re: BC Hydro Application for Approval of Section 2.5 Guidelines for Tariff Supplement No. 3 to Rate Schedule 3808; Order G-205-14

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I am writing to register the B.C. Sustainable Energy Association (BCSEA) and the Sierra Club of B.C. (SCBC) as intervenors in the above-noted proceeding.

BCSEA is a non-profit association of citizens, professionals and practitioners committed to promoting the understanding, development and adoption of sustainable energy, energy efficiency and energy conservation in British Columbia. BCSEA has five chapters across B.C. and approximately five hundred individual and corporate members. Many members of BCSEA are ratepayers and potential ratepayers of BC Hydro and of FortisBC Inc. (FBC). BCSEA's goals include sustainable energy, energy efficiency and energy conservation in British Columbia.

SCBC is a non-profit organization of British Columbians from all walks of life who care about a broad range of environmental issues including climate change and clean energy. SCBC has six local groups and over 16,000 members and supporters across the province, many of whom are ratepayers and potential ratepayers of BC Hydro and of FBC. The promotion of environmentally sustainable energy falls within SCBC's mandate.

BCSEA-SCBC's interests in this proceeding are as non-profit public interest environmental and energy policy organizations, and as representatives of their members' interests as ratepayers.

BCSEA-SCBC participated in the precursor to the present proceeding: the Commission's proceeding regarding BC Hydro's 2013 application for approval of a new Power Purchase Agreement and related agreements between BC Hydro and FBC (New PPA).<sup>1</sup>

For background, the New PPA proceeding resulted in Order G-60-14, in which the Commission approved the New PPA, including section 2.5(a)(ii). Section 2.5(a)(ii) of the New PPA is aimed at preventing arbitrage of BC Hydro's embedded cost power provided to FBC under the New PPA. Section 2.5(a)(ii) prevents FBC from selling New PPA power to an FBC customer with self-generation facilities when such customer is selling self-generated electricity "unless a portion of the customer's load equal to or greater than the customer-specific baseline is being

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<sup>1</sup> Application for approval of rates between BC Hydro and FBC with regard to Rate Schedule 3808, Tariff Supplement No. 3 – Power Purchase and Associated Agreements (New PPA) and Tariff Supplement No. 2 to RS 3808.

served by Electricity that is not Electricity taken under this Agreement, where such customer-specific baseline is as determined in accordance with Commission-approved guidelines and in consultation with the customer.” [underline added] Direction 2 of Order G-60-14 required BC Hydro to initiate a consultation process resulting in an application for RS 3808, Section 2.5 customer-specific baseline guidelines.

On November 20, 2014, BC Hydro held a workshop – in which BCSEA-SCBC participated – to discuss draft New PPA Section 2.5 Guidelines.<sup>2</sup> On December 15, 2014, BC Hydro filed the present application for approval of New PPA Section 2.5 Guidelines.

BCSEA-SCBC’s overarching objective in this proceeding is that the Contracted GBL Guidelines will prevent arbitrage of embedded cost power while allowing the building and/or use of cost-effective incremental clean and renewable self-generation.

BCSEA, *et al* intend to participate fully in the proceeding. They do not intend to file expert evidence.

Copies of correspondence and other filings should be provided to:

- William Andrews, [wjandrews@shaw.ca](mailto:wjandrews@shaw.ca)
- Thomas Hackney, [thackney@shaw.ca](mailto:thackney@shaw.ca)

Thank you for your attention to this matter.

Yours truly,

William J. Andrews



Barrister & Solicitor

cc. Distribution List by email

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<sup>2</sup> BC Hydro’s November 20, 2014 workshop also addressed draft Contracted Generator Baseline Guidelines applicable to contracts between BC Hydro and BC Hydro customers (other than FBC). The Contracted GBL Guidelines are the subject of a contemporaneous but separate BC Hydro application to the Commission.