

**Fred James**

Chief Regulatory Officer

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March 20, 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)  
Electric Tariff and Open Access Transmission Tariff (OATT) Application to  
Amend Foreign Exchange Rates**

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BC Hydro writes pursuant to sections 58 to 61 of the *Utilities Commission Act (UCA)* to request Commission approval of amendments to its Electric Tariff and OATT (together **Tariffs**). The proposed amendments reflect the Bank of Canada's (**BOC**) December 1, 2016 announcement of changes in the number, frequency and calculation methodology of its published foreign exchange rates. Of significance to this Application, the BOC has confirmed its intent to publish only a single indicative daily average exchange rate per currency pair.

**Background**

On December 1, 2016, the Bank of Canada announced details of forthcoming changes to its published foreign exchange rate data<sup>1</sup>. In this announcement, the BOC confirmed that it would make changes to the number, frequency and calculation methodology of its published foreign exchange rates effective March 1, 2017. The new exchange rates will be published once per day, by 16:30 Eastern time, in the form of a single indicative rate per currency pair. The new rates represent a daily average rate for each currency against the Canadian dollar. BC Hydro includes a copy of the BOC's December 1, 2016 notice in Attachment 1.

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<sup>1</sup> Available at: <http://www.bankofcanada.ca/2016/12/bank-canada-announces-details-forthcoming-changes/>

Between March 1, 2017 and April 28, 2017, the BOC will publish the new exchange rates alongside its existing rates. As of May 1, 2017, the BOC will only publish the new exchange rates and will cease publication of all other exchange rates, including noon and closing, high and low, and all forward exchange rates and forward points.

As a result of this announcement, the Bank of Canada rates that are specified in the Tariffs for the conversion between United States dollars and Canadian Dollars will no longer be published by the BOC as of May 1, 2017. As of that date, BC Hydro will be required to use the new BOC daily average exchange rate as no other alternative rate will be available.

### Amendment Sought

BC Hydro proposes to make the following amendments to its Electric Tariff to be effective May 1, 2017:

1. Rate Schedule (**RS**) 1892 - Transmission Service - Freshet Energy. BC Hydro proposes to amend Special Condition No. 10 of RS 1892 to change the reference from "...Bank of Canada noon spot rate on the applicable day(s)" to "...Bank of Canada daily exchange rate on the applicable day(s)"; and
2. Tariff Supplement (**TS**) 90 – Mining Customer Payment Plan – BC Hydro proposes to amend two instances in TS 90, in section 2.2(b)(ii)A and 2.2(b)(ii)B, to change references from "...the Bank of Canada's average daily closing exchange rate over that same period" to "...the average Bank of Canada daily exchange rate over that same period".

BC Hydro proposes to make the following amendments to its OATT to be effective May 1, 2017:

3. Attachment A: BC Hydro proposes to amend section 4.2 of Attachment A to remove the reference to the "...the exchange rate as set by the Bank of Canada close rate on the last business day of each month in which transactions occurred" to "...the daily exchange rate as set by the Bank of Canada on the last business day of each month in which transactions occurred"

A further reference to "... Bank of Canada's noon rate..." in TS 56, Agreement between Burrard Generating Station and Imperial Oil for Supply of Steam to IOCO, section 13 (c), definition of "CP", does not require amendment. TS 56 was an agreement to produce steam for sale to Imperial Oil. BC Hydro confirms that TS 56 has been terminated as discussed in section 2 of BC Hydro's Burrard Thermal Generating Station Ceasing of Operations Application dated December 22, 2016 and approved by Commission Order No. G-198-16 dated December 29, 2016. As such, BC Hydro requests that the Commission remove TS 56 from its list of approved BC Hydro tariffs.

Black-lined version of the affected Tariff pages are included in Attachment 2 and clean versions are included in Attachment 3.

BC Hydro believes that the use of the new exchange rate will have no material impact on the conversion of foreign exchange amounts, and in any event BC Hydro will have no alternative to the use of the new daily BOC average exchange rate for Tariff purposes.

### **Consultation**

BC Hydro is contacting its RS 1892 and TS 90 customers in order to confirm the change to the new daily BOC average exchange rate with them.

BC Hydro notified its OATT Customers (by way of a bulletin posted to on its transmission website on January 26, 2017) of the change to use the new BOC daily average exchange rate for invoicing purposes.

### **Regulatory Process and Order Sought**

Since BC Hydro has no alternative to the use of the BOC daily average exchange rate and considers that there will be no material impact on the determination of foreign exchange amounts, it believes that the Commission can approve the proposed amendment without process. Should the Commission determine that additional process is required however, BC Hydro requests that such process be expedited to allow for a Commission Order by April 14, 2017.

Pursuant to sections 59 to 61 of the *UCA*, BC Hydro requests that the amendments to the Electric Tariff and OATT be approved by the Commission in accordance with the draft order included as Attachment 4.

### **Implementation**

BC Hydro will make the necessary adjustments to adapt its business processes to reflect the new BOC exchange rate format. BC Hydro will implement these changes on May 1, 2017.

March 20, 2017  
Mr. Patrick Wruck  
Commission Secretary and Manager  
Regulatory Support  
British Columbia Utilities Commission  
Electric Tariff and Open Access Transmission Tariff (OATT) Application to Amend  
Foreign Exchange Rates

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For further information, please contact Gordon Doyle at 604-623-3815 or by email at [bchydroregulatorygroup@bchydro.com](mailto:bchydroregulatorygroup@bchydro.com).

Yours sincerely,



Fred James  
Chief Regulatory Officer

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Enclosure

**Electric Tariff and Open Access Transmission Tariff  
Application to Amend Foreign Exchange Rates**

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**Attachment 1**

**Bank of Canada's December 1, 2016 Notice –  
Changes to Published Foreign Exchange Rate Data**



## Bank of Canada announces details of forthcoming changes to its published foreign exchange rate data

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FOR IMMEDIATE RELEASE

Media Relations

613-782-8782

Ottawa, Ontario

1 December 2016

The Bank of Canada today announced a final list of the 26 foreign currency exchange rates that it will continue to publish after 1 March 2017. The Bank also released the new [calculation methodology](http://www.bankofcanada.ca/2016/12/calculation-methodology-foreign-exchange-rates/) (<http://www.bankofcanada.ca/2016/12/calculation-methodology-foreign-exchange-rates/>) that will be used for these rates.

The 26 currencies to be published effective 1 March are: (in alphabetical order):

1. Australian dollar	2. Brazilian real	3. Chinese renminbi
4. European euro	5. Hong Kong dollar	6. Indian rupee
7. Indonesian rupiah	8. Japanese yen	9. Malaysian ringgit
10. Mexican peso	11. New Zealand dollar	12. Norwegian krone
13. Peruvian new sol	14. Russian ruble	15. Saudi riyal
16. Singapore dollar	17. South African rand	18. South Korean won
19. Swedish krona	20. Swiss franc	21. Taiwanese dollar

<http://www.bankofcanada.ca/2016/12/bank-canada-announces-details-forthcoming-changes/>

22. Thai baht	23. Turkish lira	24. UK pound sterling
25. US dollar	26. Vietnamese dong	

This list of currencies captures the vast majority of foreign exchange transactions conducted against the Canadian dollar and reflects the combination of the top 20 currencies by trading volume (based on the [Bank for International Settlements Triennial FX Turnover Survey](http://www.bis.org/publ/rpfx16.htm) (<http://www.bis.org/publ/rpfx16.htm>) ) and those of Canada's top 20 trading partners (based on [Statistics Canada's International Merchandise Trade data](http://www5.statcan.gc.ca/olc-cel/olc.action?objId=65F0013X&objType=2&lang=en&limit=0) (<http://www5.statcan.gc.ca/olc-cel/olc.action?objId=65F0013X&objType=2&lang=en&limit=0>) ). This list will be reviewed and adjusted, if required, every three years.

These new FX rates will be published once a day, by 16:30 ET, in the form of a single indicative rate per currency pair, which represents a daily average rate for that currency against the Canadian dollar.

To allow time for users of the Bank's FX rates to make any necessary adjustments, the Bank plans to publish these new FX rates alongside our existing FX rates between 1 March and 28 April 2017.

As of 1 May 2017, the Bank will publish exchange rate data as described above for *only* these 26 currencies. It will cease publishing all other existing exchange rates, including noon and closing, high and low, and all forward exchange rates and forward points. However, it will continue to publish monthly and annual averages, as well as the Canadian-dollar effective exchange rate index (CERI).

When these changes are implemented on 1 March 2017, the [Exchange Rate section](http://www.bankofcanada.ca/rates/exchange/) (<http://www.bankofcanada.ca/rates/exchange/>) of the Bank's website will be reformatted, which may result in some data being relocated.

## Additional notes

1. In February 2016, the Bank [announced](#) its intention to make a series of changes to the number, frequency and calculation methodology of its published foreign exchange (FX) rates, effective 1 March 2017. These changes reinforce the distinction between FX rate fixings used as benchmarks for transactional purposes and Bank of Canada exchange rates that are provided as a public good—for statistical, analytical and informational purposes only.
2. Changes to the FX rates published by the Bank of Canada are being implemented after wide public consultation (including almost 17,000 responses to a 2014 survey), and are being undertaken in the context of broader international official sector work on the design of foreign exchange reference rates.

3. The Bank began publishing exchange rates when FX markets were much less transparent than they are now. Over time, the emergence of electronic trading platforms has greatly improved pricing transparency for both market participants and the broader public. Exchange rates are now readily available, either continuously (real-time) or at a specific point in time, from multiple trading platforms, various internet-based sources and numerous data vendors.
4. For more information, please consult the following [Background Information](#).

Content Type(s): [Press](#), [Press Releases](#)

<http://www.bankofcanada.ca/2016/12/bank-canada-announces-details-forthcoming-changes/>



**Electric Tariff and Open Access Transmission Tariff  
Application to Amend Foreign Exchange Rates**

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**Attachment 2**

**Tariff Pages –  
Black-lined**

**BC Hydro**Rate Schedule 1892 – ~~Original~~ Revision 1Effective: ~~April 1, 2017~~ May 1, 2017

Page 5-25

**5. TRANSMISSION SERVICE****RATE SCHEDULE 1892 – TRANSMISSION SERVICE – FRESHET ENERGY**

<b>Availability</b>	For Customers supplied with Electricity under Rate Schedule 1823 (Stepped Rate) that increase their Electricity usage during the Freshet Period, subject to the Special Conditions below.
<b>Applicable in</b>	Rate Zone I excluding the Districts of Kingsgate-Yahk and Lardeau-Shutty Bench.
<b>Termination Date</b>	This Rate Schedule will terminate effective December 31, 2017.
<b>Rate</b>	<p><b>Energy Charge:</b></p> <p>The charge applied to energy supplied under this Rate Schedule 1892 during each HLH and LLH of the current Freshet Period is equal to:</p> <ol style="list-style-type: none"> <li>1. The greater of <ol style="list-style-type: none"> <li>(a) The Intercontinental Exchange (<b>ICE</b>) Mid-Columbia (Mid-C) Peak or Mid-C Off-Peak weighted average index price, as published by the ICE in the ICE Day Ahead Power Price Report, applicable to the hour, and</li> <li>(b) \$0/kWh, plus</li> </ol> </li> <li>2. A \$3/MWh wheeling rate.</li> </ol>
<b>Definitions</b>	<p>Terms used in this Rate Schedule have the meanings given to them in Electric Tariff Supplement No. 5 or Rate Schedule 1823 (Stepped Rate). In addition, the following terms have the following meanings:</p> <ol style="list-style-type: none"> <li>1. Freshet Period May 1 to July 31 inclusive.</li> </ol>

ACCEPTED: \_\_\_\_\_

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**BC Hydro**Rate Schedule 1892 – ~~Original~~ Revision 1Effective: ~~April 1, 2017~~ May 1, 2017

Page 5-26

	<p>2. HLH</p> <p>The hours ending 0700 to 2200, Monday through Saturday excluding North American Electric Reliability Corporation holidays.</p>
	<p>3. HLH Baseline</p> <p>The Customer's average hourly energy consumption under Rate Schedule 1823 during HLH of the 2015 Freshet Period.</p>
	<p>4. HLH Gross Freshet Energy</p> <p>The sum of energy taken by the Customer during each HLH of the current Freshet Period in excess of the HLH Baseline, excluding all hours where the energy taken is less than the HLH Baseline.</p>
	<p>5. HLH Net Freshet Energy</p> <p>The total energy taken by the Customer during all HLH of the current Freshet Period in excess of the total energy taken by the Customer under Rate Schedule 1823 during all HLH of the 2015 Freshet Period.</p>
	<p>6. HLH Net to Gross Ratio</p> <p>The ratio obtained by dividing HLH Net Freshet Energy by HLH Gross Freshet Energy.</p>
	<p>7. LLH</p> <p>The hours ending 2300 to 0600, Monday through Saturday and all day Sunday and North American Electric Reliability Corporation holidays.</p>
	<p>8. LLH Baseline</p> <p>The Customer's average hourly energy consumption under Rate Schedule 1823 during LLH of the 2015 Freshet Period.</p>

ACCEPTED: \_\_\_\_\_

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**BC Hydro**

Rate Schedule 1892 – ~~Original~~ Revision 1

Effective: ~~April 1, 2017~~ May 1, 2017

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	<p>9. LLH Gross Freshet Energy</p> <p>The sum of energy taken by the Customer during each LLH of the current Freshet Period in excess of the LLH Baseline, excluding all hours where the energy taken is less than the LLH Baseline.</p> <p>10. LLH Net Freshet Energy</p> <p>The total energy taken by the Customer during all LLH of the current Freshet Period in excess of the total energy taken by the Customer under Rate Schedule 1823 during all LLH of the 2015 Freshet Period.</p> <p>11. LLH Net to Gross Ratio</p> <p>The ratio obtained by dividing LLH Net Freshet Energy by LLH Gross Freshet Energy.</p> <p>12. Reference Demand</p> <p>The average of the highest kVA Demand during the High Load Hours in each of May, June and July 2015, where the High Load Hour period is as defined in Rate Schedule 1823.</p>
<p><b>Reference Demand for Rate Schedule 1823</b></p>	<p>If the Customer is supplied with Electricity under this Rate Schedule 1892, for the purposes of determining Billing Demand under Rate Schedule 1823 for each of the Billing Periods during the current Freshet Period, the highest kVA Demand during the High Load Hours in the Billing Period will be equal to the lesser of:</p> <ol style="list-style-type: none"> <li>1. The Reference Demand; and</li> <li>2. The actual highest kVA Demand during the High Load Hours in the Billing Period.</li> </ol>

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**BC Hydro**Rate Schedule 1892 – ~~Original~~ Revision 1Effective: ~~April 1, 2017~~ May 1, 2017

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<b>Reference Energy for Rate Schedule 1823</b>	<p>If the Customer is supplied with Electricity under this Rate Schedule 1892, the energy supplied to the Customer under Rate Schedule 1823 will be deemed to be the total energy supplied to the Customer less HLH and LLH Net Freshet Energy.</p> <p>Until BC Hydro has determined HLH and LLH Net Freshet Energy after the current Freshet Period, on an interim basis BC Hydro will bill the Customer for energy consumption under Rate Schedule 1823 during each HLH and LLH of the current Freshet Period on the basis that energy consumption is equal to the HLH Baseline and LLH Baseline respectively.</p> <p>When BC Hydro has determined the HLH and LLH Net Freshet Energy for the Customer, BC Hydro will make any necessary retroactive billing adjustments in relation to energy supplied under Rate Schedule 1823.</p>
<b>Rate Schedule 1892 Energy Determination</b>	<ol style="list-style-type: none"> <li>1. If HLH Net Freshet Energy is greater than zero, for each HLH hour of the current Freshet Period the energy taken by the Customer during the hour in excess of the HLH Baseline will be multiplied by the HLH Net to Gross Ratio, and the product will be the amount of energy supplied during that HLH hour under this Rate Schedule 1892.</li> <li>2. If LLH Net Freshet Energy is greater than zero, for each LLH hour of the current Freshet Period, the energy taken by the Customer during the hour in excess of the LLH Baseline will be multiplied by the LLH Net to Gross Ratio, and the product will be the amount of energy supplied during that LLH hour under this Rate Schedule 1892.</li> <li>3. All other energy supplied to the Customer during the current Freshet Period will be deemed to have been supplied under Rate Schedule 1823.</li> </ol>
<b>Special Conditions</b>	<ol style="list-style-type: none"> <li>1. Electricity is available under this Rate Schedule on a pilot program basis during the Freshet Periods of 2016 and 2017 only.</li> </ol>

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**BC Hydro**Rate Schedule 1892 – ~~Original~~ Revision 1Effective: ~~April 1, 2017~~ May 1, 2017

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	<p>2. BC Hydro agrees to provide Electricity under this Rate Schedule to the extent that it has energy and capacity to do so. BC Hydro may refuse Service under this Rate Schedule in circumstances where BC Hydro does not have sufficient energy or capacity. For greater certainty, BC Hydro will not be required to construct a System Reinforcement under Electric Tariff Supplement No. 6 to provide Service under this Rate Schedule.</p> <p>3. By March 1 of each year in which the Customer wishes to take Electricity under this Rate Schedule, the Customer must notify BC Hydro that the Customer elects to take Electricity under this Rate Schedule during the upcoming Freshet Period and also provide to BC Hydro an estimate of the amount of energy (in MWh) that the Customer expects to take under this Rate Schedule during each month of the Freshet Period and a description of the operational changes the Customer plans to make at its plant to take advantage of this freshet energy pilot program.</p> <p>4. If BC Hydro and the Customer agree that the LLH and HLH Baselines or Reference Demand calculated in accordance with the provisions above are not representative of the Customer's expected Rate Schedule 1823 Electricity usage during the Freshet Period of 2016 or 2017, and the parties agree to alternative LLH and HLH Baselines or Reference Demand, BC Hydro will file the agreed-to baselines or Reference Demand with the British Columbia Utilities Commission (<b>BCUC</b>). Subject to direction from the BCUC, BC Hydro will use such filed baselines or Reference Demand for the purposes of applying this Rate Schedule and Rate Schedule 1823.</p>
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ACCEPTED: \_\_\_\_\_

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COMMISSION SECRETARY

**BC Hydro**Rate Schedule 1892 – ~~Original~~ Revision 1Effective: ~~April 1, 2017~~ May 1, 2017

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	<p>5. Electricity under this Rate Schedule will not be available to a Customer if:</p> <p>(a) The Customer has an electricity purchase agreement (<b>EPA</b>) with BC Hydro; and</p> <p>(b) The Customer has, in accordance with the EPA, changed the Seasonal, Monthly or Hourly GBL (as applicable and as defined in the EPA) applicable during the Freshet Period of 2016 or 2017.</p> <p>6. A Customer taking Electricity under this Rate Schedule may, by providing notice to BC Hydro at any time prior to July 31, cancel supply under this Rate Schedule for the current Freshet Period.</p> <p>7. If a Customer taking Electricity under this Rate Schedule advises BC Hydro that the Customer is or will be taking Electricity under Rate Schedule 1880 (Standby and Maintenance) during the current Freshet Period, supply under this Rate Schedule will be automatically cancelled for the current Freshet Period.</p> <p>8. If supply under this Rate Schedule is canceled under Special Condition No. 6 or 7, all Electricity supplied to the Customer during the current Freshet Period will be deemed to be supplied under Rate Schedule 1823 or Rate Schedule 1880, as applicable. Such Customer's Energy and Demand Charges will be determined in accordance with Rate Schedule 1823 or Rate Schedule 1880, whichever is applicable, and BC Hydro will make any necessary retroactive billing adjustments.</p> <p>9. Subject to any advance billing arrangement under Electric Tariff No. 5 or other special billing terms in effect for a particular Customer, BC Hydro will bill for Electricity supplied under this Rate Schedule 1892 after the Freshet Period has ended and BC Hydro has determined the HLH and LLH Net Freshet Energy for the Customer. BC Hydro will then make any necessary retroactive billing adjustments in relation to energy supplied under Rate Schedule 1823.</p>
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**BC Hydro**

Rate Schedule 1892 – ~~Original~~ Revision 1

Effective: ~~April 1, 2017~~ May 1, 2017

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	<p>10. All monetary amounts referred to in this Rate Schedule will be paid in Canadian currency. The ICE Day Ahead Power Price Report referenced in this Rate Schedule is published in US dollars, and the amounts in the report will be converted from US dollars to Canadian dollars at the Bank of Canada <del>noon spot</del> <u>daily exchange</u> rate on the applicable day(s).</p>
<p><b>Taxes</b></p>	<p>The rates set out in this Rate Schedule are exclusive of goods and services and provincial sales taxes.</p>
<p><b>Note</b></p>	<p>The terms and conditions under which Transmission Service is supplied are contained in Electric Tariff Supplement Nos. 5 and 6.</p>
<p><b>Rate Rider</b></p>	<p>The Deferral Account Rate Rider as set out in Rate Schedule 1901 applies to all charges payable under this Rate Schedule, before taxes and levies.</p>

ACCEPTED: \_\_\_\_\_

ORDER NO. \_\_\_\_\_

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COMMISSION SECRETARY



**BC Hydro**

Electric Tariff Supplement No. 90  
Mining Customer Payment Plan  
Effective: ~~March 14, 2016~~ May 1, 2017  
~~Original~~ First Revision of Page 9

tonne of copper, as reported by the London Metal Exchange, for the most recent Settlement Price Period, converted into the average of the daily settlement prices per pound of copper, by using a metric tonne to pound ratio of 1:2204.62, and converted into Canadian currency by using the average Bank of Canada's ~~average~~ daily closing exchange rate over that same period; and

- B. The settlement price calculated for a Mining Customer who operates a coal mine is the average of the daily settlement prices per metric tonne of Hard Coking Coal (Premium Low Vol) FOB Australia, as reported by Platts (Coal Trader International), for the most recent Settlement Price Period, converted into Canadian currency by using the average Bank of Canada's ~~average~~ daily closing exchange rate over that same period;

Provided that:

- (iii) If an AP is calculated to be more than 0.75, the Adjusted Amount for that bill shall be calculated using an AP of 0.75; and
- (iv) If an AP is calculated to be less than -0.75, the Adjusted Amount for that bill shall be calculated using an AP of -0.75.

**2.3 Deferral of Payment**

Where an Adjusted Amount calculated in accordance with section 2.2 is less than the amount that would have been payable by the Mining Customer under Rate Schedule 1823, but for the application of this Supplement, the Mining Customer's payment of the difference between the Adjusted Amount and the amount that would have been payable by the Mining Customer under Rate Schedule 1823, but for the application of this Supplement, shall be deferred in accordance with this Supplement

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**BC Hydro**

Open Access Transmission Tariff

Effective: ~~09 December~~

2019 May 2017

OATT Attachment A – First Revision of Page 1

**ATTACHMENT A**

**Umbrella Agreement for Short-Term Firm or  
Non-Firm Point-To-Point Transmission Service**

1. This Agreement, dated as of \_\_\_\_\_, is entered into, by and between \_\_\_\_\_ (the Transmission Provider, or BC Hydro), and \_\_\_\_\_ (the Transmission Customer).
  
2. This Agreement shall come into force upon execution by both Parties. From the time this Agreement comes into force, the Transmission Customer shall be entitled to arrange Short-Term Firm and Short-Term Non-Firm transactions over OASIS without executing a Service Agreement provided that such transactions do not exceed \$\_\_\_\_\_ in any calendar month. BC Hydro reserves the right to consent to larger monthly transactions on a case-by-case basis.
  
3. Identify any affiliates that own, control or operate any transmission facilities. If there are none, include a sworn statement pursuant to Section 6.0 of Transmission Provider’s OATT (the Tariff).

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4. Billing and Payment
  - 4.1 BC Hydro will submit invoices to the Transmission Customer after the end of each month in which transactions were made.
  
  - 4.2 Canadian Transmission Customers will be invoiced in Canadian funds. US Transmission Customers will be invoiced in U.S. funds, all using the daily exchange rate as set by the Bank of Canada ~~close~~-rate on the last business day of each month in which transactions occurred.
  
  - 4.3 Payment shall be remitted in accordance with the terms and conditions of the Tariff.

ACCEPTED: \_\_\_\_\_

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**Electric Tariff and Open Access Transmission Tariff  
Application to Amend Foreign Exchange Rates**

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**Attachment 3**

**Tariff Pages –  
Clean**

**BC Hydro**

Rate Schedule 1892 – Revision 1

Effective: May 1, 2017

Page 5-25

**5. TRANSMISSION SERVICE****RATE SCHEDULE 1892 – TRANSMISSION SERVICE – FRESHET ENERGY**

<b>Availability</b>	For Customers supplied with Electricity under Rate Schedule 1823 (Stepped Rate) that increase their Electricity usage during the Freshet Period, subject to the Special Conditions below.
<b>Applicable in</b>	Rate Zone I excluding the Districts of Kingsgate-Yahk and Lardeau-Shutty Bench.
<b>Termination Date</b>	This Rate Schedule will terminate effective December 31, 2017.
<b>Rate</b>	<p><b>Energy Charge:</b></p> <p>The charge applied to energy supplied under this Rate Schedule 1892 during each HLH and LLH of the current Freshet Period is equal to:</p> <ol style="list-style-type: none"> <li>1. The greater of <ol style="list-style-type: none"> <li>(a) The Intercontinental Exchange (<b>ICE</b>) Mid-Columbia (Mid-C) Peak or Mid-C Off-Peak weighted average index price, as published by the ICE in the ICE Day Ahead Power Price Report, applicable to the hour, and</li> <li>(b) \$0/kWh, plus</li> </ol> </li> <li>2. A \$3/MWh wheeling rate.</li> </ol>
<b>Definitions</b>	<p>Terms used in this Rate Schedule have the meanings given to them in Electric Tariff Supplement No. 5 or Rate Schedule 1823 (Stepped Rate). In addition, the following terms have the following meanings:</p> <ol style="list-style-type: none"> <li>1. Freshet Period May 1 to July 31 inclusive.</li> </ol>

ACCEPTED: \_\_\_\_\_

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**BC Hydro**

Rate Schedule 1892 – Revision 1

Effective: May 1, 2017

Page 5-26

	<p>2. HLH</p> <p>The hours ending 0700 to 2200, Monday through Saturday excluding North American Electric Reliability Corporation holidays.</p>
	<p>3. HLH Baseline</p> <p>The Customer's average hourly energy consumption under Rate Schedule 1823 during HLH of the 2015 Freshet Period.</p>
	<p>4. HLH Gross Freshet Energy</p> <p>The sum of energy taken by the Customer during each HLH of the current Freshet Period in excess of the HLH Baseline, excluding all hours where the energy taken is less than the HLH Baseline.</p>
	<p>5. HLH Net Freshet Energy</p> <p>The total energy taken by the Customer during all HLH of the current Freshet Period in excess of the total energy taken by the Customer under Rate Schedule 1823 during all HLH of the 2015 Freshet Period.</p>
	<p>6. HLH Net to Gross Ratio</p> <p>The ratio obtained by dividing HLH Net Freshet Energy by HLH Gross Freshet Energy.</p>
	<p>7. LLH</p> <p>The hours ending 2300 to 0600, Monday through Saturday and all day Sunday and North American Electric Reliability Corporation holidays.</p>
	<p>8. LLH Baseline</p> <p>The Customer's average hourly energy consumption under Rate Schedule 1823 during LLH of the 2015 Freshet Period.</p>

ACCEPTED: \_\_\_\_\_

ORDER NO. \_\_\_\_\_

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COMMISSION SECRETARY

**BC Hydro**

Rate Schedule 1892 – Revision 1

Effective: May 1, 2017

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	<p>9. LLH Gross Freshet Energy</p> <p>The sum of energy taken by the Customer during each LLH of the current Freshet Period in excess of the LLH Baseline, excluding all hours where the energy taken is less than the LLH Baseline.</p> <p>10. LLH Net Freshet Energy</p> <p>The total energy taken by the Customer during all LLH of the current Freshet Period in excess of the total energy taken by the Customer under Rate Schedule 1823 during all LLH of the 2015 Freshet Period.</p> <p>11. LLH Net to Gross Ratio</p> <p>The ratio obtained by dividing LLH Net Freshet Energy by LLH Gross Freshet Energy.</p> <p>12. Reference Demand</p> <p>The average of the highest kVA Demand during the High Load Hours in each of May, June and July 2015, where the High Load Hour period is as defined in Rate Schedule 1823.</p>
<p><b>Reference Demand for Rate Schedule 1823</b></p>	<p>If the Customer is supplied with Electricity under this Rate Schedule 1892, for the purposes of determining Billing Demand under Rate Schedule 1823 for each of the Billing Periods during the current Freshet Period, the highest kVA Demand during the High Load Hours in the Billing Period will be equal to the lesser of:</p> <ol style="list-style-type: none"> <li>1. The Reference Demand; and</li> <li>2. The actual highest kVA Demand during the High Load Hours in the Billing Period.</li> </ol>

ACCEPTED: \_\_\_\_\_

ORDER NO. \_\_\_\_\_

\_\_\_\_\_  
COMMISSION SECRETARY

**BC Hydro**

Rate Schedule 1892 – Revision 1

Effective: May 1, 2017

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<b>Reference Energy for Rate Schedule 1823</b>	<p>If the Customer is supplied with Electricity under this Rate Schedule 1892, the energy supplied to the Customer under Rate Schedule 1823 will be deemed to be the total energy supplied to the Customer less HLH and LLH Net Freshet Energy.</p> <p>Until BC Hydro has determined HLH and LLH Net Freshet Energy after the current Freshet Period, on an interim basis BC Hydro will bill the Customer for energy consumption under Rate Schedule 1823 during each HLH and LLH of the current Freshet Period on the basis that energy consumption is equal to the HLH Baseline and LLH Baseline respectively.</p> <p>When BC Hydro has determined the HLH and LLH Net Freshet Energy for the Customer, BC Hydro will make any necessary retroactive billing adjustments in relation to energy supplied under Rate Schedule 1823.</p>
<b>Rate Schedule 1892 Energy Determination</b>	<ol style="list-style-type: none"> <li>1. If HLH Net Freshet Energy is greater than zero, for each HLH hour of the current Freshet Period the energy taken by the Customer during the hour in excess of the HLH Baseline will be multiplied by the HLH Net to Gross Ratio, and the product will be the amount of energy supplied during that HLH hour under this Rate Schedule 1892.</li> <li>2. If LLH Net Freshet Energy is greater than zero, for each LLH hour of the current Freshet Period, the energy taken by the Customer during the hour in excess of the LLH Baseline will be multiplied by the LLH Net to Gross Ratio, and the product will be the amount of energy supplied during that LLH hour under this Rate Schedule 1892.</li> <li>3. All other energy supplied to the Customer during the current Freshet Period will be deemed to have been supplied under Rate Schedule 1823.</li> </ol>
<b>Special Conditions</b>	<ol style="list-style-type: none"> <li>1. Electricity is available under this Rate Schedule on a pilot program basis during the Freshet Periods of 2016 and 2017 only.</li> </ol>

ACCEPTED: \_\_\_\_\_

ORDER NO. \_\_\_\_\_

\_\_\_\_\_  
COMMISSION SECRETARY

**BC Hydro**

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	<p>2. BC Hydro agrees to provide Electricity under this Rate Schedule to the extent that it has energy and capacity to do so. BC Hydro may refuse Service under this Rate Schedule in circumstances where BC Hydro does not have sufficient energy or capacity. For greater certainty, BC Hydro will not be required to construct a System Reinforcement under Electric Tariff Supplement No. 6 to provide Service under this Rate Schedule.</p> <p>3. By March 1 of each year in which the Customer wishes to take Electricity under this Rate Schedule, the Customer must notify BC Hydro that the Customer elects to take Electricity under this Rate Schedule during the upcoming Freshet Period and also provide to BC Hydro an estimate of the amount of energy (in MWh) that the Customer expects to take under this Rate Schedule during each month of the Freshet Period and a description of the operational changes the Customer plans to make at its plant to take advantage of this freshet energy pilot program.</p> <p>4. If BC Hydro and the Customer agree that the LLH and HLH Baselines or Reference Demand calculated in accordance with the provisions above are not representative of the Customer’s expected Rate Schedule 1823 Electricity usage during the Freshet Period of 2016 or 2017, and the parties agree to alternative LLH and HLH Baselines or Reference Demand, BC Hydro will file the agreed-to baselines or Reference Demand with the British Columbia Utilities Commission (<b>BCUC</b>). Subject to direction from the BCUC, BC Hydro will use such filed baselines or Reference Demand for the purposes of applying this Rate Schedule and Rate Schedule 1823.</p>
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ACCEPTED: \_\_\_\_\_

ORDER NO. \_\_\_\_\_

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COMMISSION SECRETARY



**BC Hydro**

Rate Schedule 1892 – Revision 1

Effective: May 1, 2017

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	<p>5. Electricity under this Rate Schedule will not be available to a Customer if:</p> <p>(a) The Customer has an electricity purchase agreement (<b>EPA</b>) with BC Hydro; and</p> <p>(b) The Customer has, in accordance with the EPA, changed the Seasonal, Monthly or Hourly GBL (as applicable and as defined in the EPA) applicable during the Freshet Period of 2016 or 2017.</p> <p>6. A Customer taking Electricity under this Rate Schedule may, by providing notice to BC Hydro at any time prior to July 31, cancel supply under this Rate Schedule for the current Freshet Period.</p> <p>7. If a Customer taking Electricity under this Rate Schedule advises BC Hydro that the Customer is or will be taking Electricity under Rate Schedule 1880 (Standby and Maintenance) during the current Freshet Period, supply under this Rate Schedule will be automatically cancelled for the current Freshet Period.</p> <p>8. If supply under this Rate Schedule is canceled under Special Condition No. 6 or 7, all Electricity supplied to the Customer during the current Freshet Period will be deemed to be supplied under Rate Schedule 1823 or Rate Schedule 1880, as applicable. Such Customer's Energy and Demand Charges will be determined in accordance with Rate Schedule 1823 or Rate Schedule 1880, whichever is applicable, and BC Hydro will make any necessary retroactive billing adjustments.</p> <p>9. Subject to any advance billing arrangement under Electric Tariff No. 5 or other special billing terms in effect for a particular Customer, BC Hydro will bill for Electricity supplied under this Rate Schedule 1892 after the Freshet Period has ended and BC Hydro has determined the HLH and LLH Net Freshet Energy for the Customer. BC Hydro will then make any necessary retroactive billing adjustments in relation to energy supplied under Rate Schedule 1823.</p>
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ACCEPTED: \_\_\_\_\_

ORDER NO. \_\_\_\_\_

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COMMISSION SECRETARY

**BC Hydro**

Rate Schedule 1892 – Revision 1

Effective: May 1, 2017

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	<p>10. All monetary amounts referred to in this Rate Schedule will be paid in Canadian currency. The ICE Day Ahead Power Price Report referenced in this Rate Schedule is published in US dollars, and the amounts in the report will be converted from US dollars to Canadian dollars at the Bank of Canada daily exchange rate on the applicable day(s).</p>
<p><b>Taxes</b></p>	<p>The rates set out in this Rate Schedule are exclusive of goods and services and provincial sales taxes.</p>
<p><b>Note</b></p>	<p>The terms and conditions under which Transmission Service is supplied are contained in Electric Tariff Supplement Nos. 5 and 6.</p>
<p><b>Rate Rider</b></p>	<p>The Deferral Account Rate Rider as set out in Rate Schedule 1901 applies to all charges payable under this Rate Schedule, before taxes and levies.</p>

ACCEPTED: \_\_\_\_\_

ORDER NO. \_\_\_\_\_

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COMMISSION SECRETARY

**BC Hydro**

Electric Tariff Supplement No. 90  
Mining Customer Payment Plan  
Effective: May 1, 2017  
First Revision of Page 9

tonne of copper, as reported by the London Metal Exchange, for the most recent Settlement Price Period, converted into the average of the daily settlement prices per pound of copper, by using a metric tonne to pound ratio of 1:2204.62, and converted into Canadian currency by using the average Bank of Canada daily exchange rate over that same period; and

- B. The settlement price calculated for a Mining Customer who operates a coal mine is the average of the daily settlement prices per metric tonne of Hard Coking Coal (Premium Low Vol) FOB Australia, as reported by Platts (Coal Trader International), for the most recent Settlement Price Period, converted into Canadian currency by using the average Bank of Canada daily exchange rate over that same period;

Provided that:

- (iii) If an AP is calculated to be more than 0.75, the Adjusted Amount for that bill shall be calculated using an AP of 0.75; and
- (iv) If an AP is calculated to be less than -0.75, the Adjusted Amount for that bill shall be calculated using an AP of -0.75.

**2.3 Deferral of Payment**

Where an Adjusted Amount calculated in accordance with section 2.2 is less than the amount that would have been payable by the Mining Customer under Rate Schedule 1823, but for the application of this Supplement, the Mining Customer's payment of the difference between the Adjusted Amount and the amount that would have been payable by the Mining Customer under Rate Schedule 1823, but for the application of this Supplement, shall be deferred in accordance with this Supplement

ACCEPTED: \_\_\_\_\_

ORDER NO. \_\_\_\_\_

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COMMISSION SECRETARY

**BC Hydro**

Open Access Transmission Tariff

Effective: 1 May 2017

OATT Attachment A – First Revision of Page 1

**ATTACHMENT A**

**Umbrella Agreement for Short-Term Firm or  
Non-Firm Point-To-Point Transmission Service**

1. This Agreement, dated as of \_\_\_\_\_, is entered into, by and between \_\_\_\_\_ (the Transmission Provider, or BC Hydro), and \_\_\_\_\_ (the Transmission Customer).
  
2. This Agreement shall come into force upon execution by both Parties. From the time this Agreement comes into force, the Transmission Customer shall be entitled to arrange Short-Term Firm and Short-Term Non-Firm transactions over OASIS without executing a Service Agreement provided that such transactions do not exceed \$\_\_\_\_\_ in any calendar month. BC Hydro reserves the right to consent to larger monthly transactions on a case-by-case basis.
  
3. Identify any affiliates that own, control or operate any transmission facilities. If there are none, include a sworn statement pursuant to Section 6.0 of Transmission Provider's OATT (the Tariff).

\_\_\_\_\_

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4. Billing and Payment
  - 4.1 BC Hydro will submit invoices to the Transmission Customer after the end of each month in which transactions were made.
  
  - 4.2 Canadian Transmission Customers will be invoiced in Canadian funds. US Transmission Customers will be invoiced in U.S. funds, all using the daily exchange rate as set by the Bank of Canada rate on the last business day of each month in which transactions occurred.
  
  - 4.3 Payment shall be remitted in accordance with the terms and conditions of the Tariff.

ACCEPTED: \_\_\_\_\_

ORDER NO. \_\_\_\_\_

\_\_\_\_\_  
COMMISSION SECRETARY

**Electric Tariff and Open Access Transmission Tariff  
Application to Amend Foreign Exchange Rates**

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**Attachment 4**

**Draft Order**

**ORDER NUMBER**

**G-xx-xx**

IN THE MATTER OF

the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

British Columbia Hydro and Power Authority (BC Hydro)  
Electric Tariff and Open Access Transmission Tariff (OATT)  
Application to Amend Foreign Exchange Rates

**BEFORE:**

Commissioner  
Commissioner  
Commissioner

on Date

**ORDER**

**WHEREAS:**

- A. On December 1, 2016, the Bank of Canada (**BOC**) announced details of forthcoming changes to its published foreign exchange rate data. Effective March 1, 2017, the BOC will begin to publish daily average exchange rates, once per day, by 16:30 Eastern time, in the form of a single indicative rate per currency pair. After April 28, 2017, the BOC will no longer publish any other foreign exchange rate;
- B. On March 20, 2017, BC Hydro, pursuant to sections 58 to 61 of the *Utilities Commission Act*, submitted an application (**Application**) to the British Columbia Utilities Commission (**Commission**) for approval to amend the Electric Tariff and the Open Access Transmission Tariff (**OATT**) to replace all references to BOC exchange rates that will become superseded as of May 1, 2017 with the new BOC Daily Average exchange rate. These amendments are to:
  - (i) Electric Tariff Rate Schedule 1892 and Tariff Supplement No. 90; and
  - (ii) OATT Attachment A;
- C. The Commission has reviewed the Application and finds approval of the Application is warranted.

**NOW THEREFORE** pursuant to sections 58 to 61 of the *Utilities Commission Act*, the Commission orders as follows:

1. The amendments to the Electric Tariff and the OATT as described in BC Hydro's Application dated March 20, 2017 are approved, effective May 1, 2017.

.../2

**DATED** at the City of Vancouver, in the Province of British Columbia, this (XX) day of (Month Year).

BY ORDER

(X. X. last name)  
Commissioner

Attachment Options

DRAFT