

3000 Royal Centre . PO Box 11130 1055 West Georgia Street Vancouver . BC . Canada . V6E 3R3 Phone 604.687.6575 Fax 604.641.4949 www.bht.com

 Reply Attention of:
 R. Brian Wallace

 Direct Phone:
 604.641.4852

 Direct Fax:
 604.646.2506

 E-mail:
 RBW@bht.com

 Our File:
 04-3082

 Date:
 July 20, 2005

BC Utilities Commission 6<sup>th</sup> Floor – 900 Howe Street Vancouver, BC V6Z 2V3

**Attention:** Mr. Robert J. Pellatt

**Commission Secretary** 

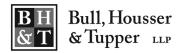
Dear Sirs/Mesdames:

Re: British Columbia Hydro and Power Authority (BC Hydro) Call for Tenders for Capacity on Vancouver Island
Review of Electricity Purchase Agreement (EPA) Project No. 3698354

We write on behalf of the Joint Industry Electricity Steering Committee (JIESC) to respond to a letter dated 12 July 2005 from Duke Point Power (DPP) to the Commission.

The JIESC, along with all major customer groups who participated in the Duke Point EPA hearing, opposed the approval of the Electricity Purchase Agreement (EPA) with DPP. The JIESC continues to believe that the termination of the DPP EPA is in the best interest of all customers. In its letter, DPP continues to argue the merits of its project relative to other options. The JIESC disagrees strongly with DPP's arguments, but does not propose to re-engage in this debate before the Commission since the matter has been rendered moot by BC Hydro's decision to terminate the DPP EPA.

The JIESC is concerned by DPP's request that a complete explanation of the termination of the EPA "be provided to the Commission, given the clearly identified need, the ability of DPP to meet this need and the significant financial implications for BC Hydro and its customers." DPP's request does not reflect the desires or interests of BC Hydro's customers, but reflects only the interests of DPP whose interests have not been disclosed to the Commission in this request. The JIESC and BC Hydro's other customers are quite capable in speaking for themselves and do not need DPP assistance.



The EPA has been terminated and that should be the end of the matter. Any outstanding issues between DPP and BC Hydro should be sorted out by those two parties based on their contractual rights, without the involvement of the Commission or other Stakeholders.

The Commission will soon be undertaking a review of BC Hydro's Resource Expenditure and Acquisition Plans (REAP) and its Integrated Electricity Plan (IEP). These processes will provide an opportunity to review BC Hydro's supply choices for the future, in the full context of all alternatives and free of DPP's rhetoric.

In summary, the DPP EPA has already consumed far too much of stakeholders' time and resources. The Commission should not initiate a further process related to this matter since such a process does not have a clear purpose and it will only consume additional scarce stakeholder resources.

Yours truly,

Bull, Housser & Tupper LLP

R. Brian Wallace

& BWallace\_

RBW/sg/1323083

cc. Duke Point Power

BC Hydro