



**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER** G-195-08

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

and

An Application by the British Columbia Transmission Corporation  
to Amend the BCTC Open Access Transmission Tariff

and

A Complaint by TransCanada Energy Ltd.  
Re Service Agreement between TCE and BCTC  
for Long Term Firm Point-to-Point Transmission Service

BEFORE: A.A. Rhodes, Panel Chair  
L.A. O'Hara, Commissioner  
P.E. Vivian, Commissioner  
December 18, 2008

**ORDER**

**WHEREAS:**

- A. On June 3, 2008, the British Columbia Transmission Corporation ("BCTC") applied to the British Columbia Utilities Commission ("BCUC", "the Commission") to suspend the release for sale of additional Firm Available Transfer Capacity ("Firm ATC") on the British Columbia to Alberta path (the "BC>AB Path") and to suspend the Facilities Study relating to requests for additional service on the BC>AB Path; and
- B. On July 3, 2008, the Commission issued Order G-110-08 (the "Suspension Order"), granting BCTC's June 3, 2008 application. In granting the Suspension Order, the Commission directed BCTC to address certain issues raised in its application in the context of BCTC's next Open Access Transmission Tariff ("OATT") Application or Rate Design review, and to provide a Tariff provision to address the issues; and
- C. The OATT includes the rates, terms, and conditions (including tariff supplements) of the non-discriminatory, open access transmission service offered by BCTC. OATT is modeled on a pro forma tariff established by Federal Energy Regulatory Commission ("FERC") Order No. 888 (the pro forma tariff), as recently amended by FERC Order No. 890; and

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- D. On July 14, 2008, BCTC held a consultation session concerning the implementation of FERC Order No. 890. The consultation addressed the following issues: the potential impact of incremental sales of firm transmission on existing firm transmission service on the BC>AB Path, the simultaneous submission window, and performance metrics and operational penalties; and
- E. On October 9, 2008, TransCanada Energy Ltd. (“TransCanada” or “TCE”) filed a complaint with the Commission with respect to BCTC (the “TCE Complaint” or “Complaint”). TCE requested that the Commission order BCTC to prioritise its Firm ATC retroactive to December 1, 2007, giving priority access to the Firm ATC to TCE over those users that subsequently acquired incremental firm capacity, until such time as system changes are made to accommodate all firm capacity holders on the BC>AB Path; and
- F. By letter dated October 17, 2008, the Commission requested comment from BCTC on a process to review the Complaint; and
- G. By letter of October 31, 2008, BCTC responded to the Commission, stating that BCTC anticipated filing its OATT application by November 21, 2008, and that the application would address the issues raised by TransCanada; and
- H. By letter dated October 24, 2008, NorthPoint Energy Solutions (“NorthPoint”) submitted that it had also been negatively impacted in a manner similar to that noted in the TCE Complaint. NorthPoint stated that it anticipated filing a complaint, and;
- I. By letter dated November 4, 2008, Cargill Power Markets LLC (“Cargill”) requested that, as a power marketer with a reservation on the BC>AB Path that could be affected by the TCE Complaint, it be informed of further developments with respect to the TCE Complaint, and be provided with the opportunity to intervene if and when appropriate; and
- J. By letter dated November 6, 2008, TCE responded to BCTC’s October 31, 2008 letter. TCE expressed the view that the Complaint should not be combined with BCTC’s OATT Application; that, although the Complaint and BCTC’s next Tariff Application both address Firm Sales into Alberta, the Tariff Application and any proceeding relating thereto, could not adequately address all of the issues set forth in the Complaint; and
- K. On November 13, 2008, the Commission issued letter L-53-08, advising TCE that the Commission would, after receipt of the OATT application, issue a procedural letter or order to solicit submissions on the appropriate process or processes for reviewing the TCE Complaint and the BCTC Application, including the appropriate degree of separation between the reviews of the Complaint and Application; and
- L. On November 21, 2008, BCTC filed an application to amend the OATT (the “Application”), pursuant to subsections 58, 59, and 60 of the Utilities Commission Act (“UCA”, the “Act”) and indicated that the Application constitutes its response to the TCE Complaint; and

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- M. As part of the Application, BCTC sought an interim order, pursuant to section 89 of the Act, and section 15 of the Administrative Tribunals Act, requiring that specified new Service Agreements indicate that they are subject to a further Commission order. The requirement would apply to transmission service rollover requests by BC Hydro and Power Authority ("BC Hydro") on the BC>AB Path and any queued requests for Firm ATC coming available on the BC>AB Path on January 1, 2009; and
- N. Commission Order G-175-08, dated November 27, 2008, required BCTC to indicate on two specified BC Hydro rollovers, and any contracts for Firm Available transfer capacity coming available on the BC>AB Path on January 1, 2009, that:
- "This Service Agreement is subject to a further order of British Columbia Utilities Commission in the matter of the British Columbia transmission Corporation Application to Amend the Open Access Transmission Tariff"; and
- O. By letter dated November 28, 2008, TCE reiterated its view that the Complaint should not be heard together with the BCTC OATT Application. Further, TCE objected to BCTC's request for an interim order for release of 180MW of Firm ATC upon the expiration of a BC Hydro contract having no roll-over rights. TCE also re-stated the essential elements of its Complaint; and
- P. In Appendix B of the Application, BCTC proposed a preliminary schedule for the review of the OATT, with a procedural conference to address matters relating to the Application and Complaint, a written hearing process to address Parts 3 to 5 of the Application, and an oral hearing process to address both Part 6 of the Application and the TCE Complaint; and
- Q. The Commission has reviewed BCTC's proposed preliminary regulatory timetable for the review process for the OATT Application, the TCE Complaint, and considers that an Order to establish the timetable and a Notice of Application and Procedural Conference is required.

**NOW THEREFORE** the Commission orders as follows:

A Procedural Conference concerning the regulatory review process will be held on Thursday, January 8, 2009, commencing at 1:00 p.m. in the Commission Hearing Room on the Twelfth Floor, 1125 Howe Street, Vancouver, BC to address procedural matters which will include, but not be limited to, the following:

- i. Identification of the principal issues arising from or related to the OATT Application;
- ii. The appropriate process for addressing the TCE Complaint, and the appropriate degree of separation between the reviews of the Complaint and Application;

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- iii. Timetable for information requests, responses, and filing of intervenor evidence;
- iv. Additional process steps and associated dates for the regulatory review, including:
  - a. whether an oral hearing or written hearing is required;
  - b. whether intervenors intend to file evidence; and
  - c. other matters that may assist the Commission to efficiently review the Application and the TCE Complaint.

After the Pre-hearing Conference, the Commission will issue a further procedural order and regulatory agenda for the review of the Application and the TCE Complaint.

BCTC is directed to transmit the Notice of Application and Procedural Conference, attached as Appendix B to this Order, to all organisations who participated in the July 14, 2008 BCTC FERC-890 Consultation #2 session, to Intervenors in the BCTC 2008 Application to Temporarily Suspend Release of Firm Available Transfer Capacity on the BC>AB Path, and to Intervenors registered in the BCTC Transmission System Capital Plan F2010 and F2011 proceeding.

The Application and the Complaint, together with any supporting materials, will be made available for inspection at the BCTC Head Office at Suite 1100, Four Bentall Centre, 1055 Dunsmuir Street, Vancouver, BC, and at the Commission's office, Sixth Floor, 900 Howe Street, Vancouver, BC.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 17<sup>th</sup> day of December, 2008.

BY ORDER

*Original signed by:*

A.A. Rhodes  
Panel Chair and Commissioner

Attachments

British Columbia Transmission Corporation  
Application to Amend the BCTC Open Access Transmission Tariff (“OATT”)

and

A Complaint by TransCanada Energy Ltd. (“TCE”)  
Regarding a Service Agreement between TCE and BCTC  
for Long Term Firm Point-to-Point Transmission Service

**REGULATORY TIMETABLE**

| <b>ACTION</b>                                      | <b>DATE (2009)</b>   |
|--|----------------------|
| Registration of Intervenors and Interested Parties | Tuesday, January 6   |
| Procedural Conference                              | Thursday, January 8, |



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**Application to Amend the BCTC Open Access Transmission Tariff**

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**Regarding a Service Agreement between TCE and BCTC**  
**for Long Term Firm Point-to-Point Transmission Service**

**NOTICE OF APPLICATION AND  
PROCEDURAL CONFERENCE**

|                  |   |
|------------------|---|
| <b>Date:</b>     | Thursday, January 8, 2009   |
| <b>Time:</b>     | 1:00 p.m.   |
| <b>Location:</b> | Commission Hearing Room<br>12th Floor 1125 Howe Street<br>Vancouver, B.C. |

### **THE APPLICATION**

On November 21, 2008, BCTC filed, pursuant to subsections 58, 59, and 60 of the Utilities Commission Act ("UCA", the "Act"), an Application to Amend the BCTC Open Access Transmission Tariff ("OATT") with the British Columbia Utilities Commission ("BCUC", "the Commission") for review.

BCTC's Open Access Transmission Tariff ("OATT") consists of the rates, terms, and conditions (including tariff supplements) of the non-discriminatory, open access transmission service offered by BCTC. OATT is modeled on a pro forma tariff established by Order No. 888 (the pro forma tariff) of the Federal Energy Regulatory Commission ("FERC"), as amended by FERC Order No. 890.

### **THE COMPLAINT**

On October 9, 2008, TransCanada Energy Ltd. ("TransCanada" or "TCE") filed a complaint with the Commission with respect to BCTC's release for sale of Firm ATC on the BC>AB Path (the "TCE Complaint" or "Complaint"). TCE requested that the Commission order BCTC to prioritise its Firm ATC retroactive to December 1, 2007, giving priority access to the Firm ATC to TCE over those users that subsequently acquired incremental firm capacity, until such time as system changes are made to accommodate all firm capacity holders on the BC>AB Path.

## **THE REGULATORY PROCESS**

Commission Order G-195-08 established a Procedural Conference to hear submissions on the regulatory process for review of the OATT Application and the TCE Complaint. The Procedural Conference will commence at 1:00 p.m. on Thursday, January 8, 2009, in the Commission Hearing Room on the Twelfth Floor, 1125 Howe Street, Vancouver, BC.

## **PUBLIC INSPECTION OF THE APPLICATION**

The Application and the Complaint are available for inspection at the following locations:

### **BCTC**

Suite 1100, Four Bentall Centre, 1055 Dunsmuir Street  
Vancouver, B.C. V7X 1V5  
Telephone: (604) 699-7328

### **BC Utilities Commission**

Sixth Floor, 900 Howe Street  
Vancouver, B.C. V6Z 2N3  
Telephone: (604) 660-4700

The Application and Complaint are available for viewing on the Commission's web site: <http://www.bcuc.com>

## **REGISTERING TO PARTICIPATE**

Persons who expect to actively participate in the review process or processes and Procedural Conference should register as Intervenors with the Commission. Intervenors will receive copies of the Application and the Complaint, all correspondence and filed documents. Persons not expecting to actively participate should register with the Commission as Interested Parties and will receive a copy of the Application's summary, the Complaint's summary, all Orders issued, and the Commission's Decisions.

Intervenors and Interested Parties should inform the Commission Secretary, in writing, by Tuesday, January 6, 2008 of their intention to become Intervenors or Interested Parties, whether they intend to attend the Procedural Conference, and, if so, the number in the party that will be attending with them.

All submissions and/or correspondence received from active participants or the public relating to the Application and the Complaint will be placed on the public record and posted to the Commission's web site.

## **FURTHER INFORMATION**

For further information, please contact Ms. Erica Hamilton, Commission Secretary as follows:

Telephone: (604) 660-4700  
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