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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-111-10**

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

and

**An Application by British Columbia Hydro and Power Authority
for 2010 Standards of Conduct**

BEFORE: D.A. Cote, Commissioner June 24, 2010
L.F. Kelsey, Commissioner

O R D E R

WHEREAS:

- A. The British Columbia Utilities Commission (Commission) issued Order G-12-05 dated January 27, 2005, approving for the British Columbia Transmission Corporation (BCTC) a Standards of Conduct document (BCTC Standards) with respect to confidentiality and disclosure, in certain situations, of non-public information about the transmission system; and
- B. Commission Order G-13-05 dated January 27, 2005, approved a Standards of Conduct document for the British Columbia Hydro and Power Authority (BC Hydro Standards) governing BC Hydro's use of transmission-related information obtained from BCTC to enable BC Hydro to perform its roles and responsibilities under a set of agreements (Key Agreements) between BC Hydro and BCTC, designated by Order in Council on November 20, 2003, regarding the planning, operation, management, and maintenance of the transmission system; and
- C. On May 27, 2005, BC Hydro applied to the Commission (Line 71 Agreements Exception Application) for an order allowing certain BC Hydro personnel to review the Line 71 Agreement (dated April 15, 2002 and as amended December 6, 2002) and the Nelway Agreement (dated December 6, 2002) between BC Hydro and Tech Cominco Metals Ltd.; and
- D. Commission Order G-54-05 dated June 10, 2005, approved the Line 71 Agreements Exception Application; and
- E. On May 16, 2008, BCTC applied for Commission approval of exceptions to the BCTC Standards (BCTC Exception Application) to allow disclosure of Transmission Related Information to certain BC Hydro employees in connection with integrated system planning and resource acquisition functions; and
- F. On May 16, 2008, BC Hydro applied for corresponding exceptions to the BC Hydro Standards (BC Hydro Exception Application) allowing certain of its employees and consultants access to BCTC Transmission-Related Information for integrated system planning and resource acquisition purposes; and
- G. Commission Order G-104-08, dated June 23, 2008, approved the BCTC Exception Application and the BC Hydro Exception Application; and
- H. On June 3, 2010, the *Clean Energy Act*, S.B.C. 2010 received Royal Assent. On July 5, 2010, under Part 7 sections 21 to 33 of the *Clean Energy Act*, BC Hydro assumes all obligations and liabilities of the BCTC Open Access Transmission Tariff (OATT). BC Hydro becomes the Transmission Provider, as defined in the OATT, and the Key Agreements are no longer of force or effect; and

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- I. The OATT requires BC Hydro to comply with North American industry standards of conduct concerning the administration of the open access same-time information system (OASIS). OASIS allows parties to reserve transmission service on the BC Hydro transmission system; and
- J. On June 11, 2010, BC Hydro applied for Commission approval of new Standards of Conduct (2010 Standards Application or Application) reflecting the integration of BCTC with BC Hydro pursuant to the *Clean Energy Act*, as well as recent changes in North American industry standards regarding confidentiality and disclosure of transmission-related information. BC Hydro recommended against establishing a process to review the Application on the basis that the new Standards are fully consistent with the current FERC Standards, therefore satisfying OATT requirements previously approved by the Commission. BC Hydro also requested that the Orders relating to BC Hydro's and BCTC's Standards previously approved by the Commission (G-12-05, G-13-05, G-54-05 and G-104-08) be terminated; and
- K. FERC Order 717 is included in the Application in Appendix "C". In Paragraph 316 of Order 717, FERC explains that, as it is committed to ensuring compliance with its rules and regulations, it will consider regular auditing of transmission providers' compliance with the standards of conduct; and
- L. The Commission has reviewed the 2010 Standards Application and considers the proposed new Standards of Conduct to be in the public interest.

NOW THEREFORE the Commission orders as follows:

- 1. The proposed BC Hydro Standards of Conduct, as described in Appendix A of the 2010 Standards Application, are approved effective July 5, 2010. As there was no opportunity for public comment on the Application, this approval is subject to review of any complaints received by the Commission within thirty (30) days of the date of publication of this Order.
- 2. The Standards of Conduct approved by this Order replace any approved, or previously applied for, standards of conduct applicable to either BC Hydro or BCTC.
- 3. Commission Orders G-12-05, G-13-05, G-54-05, and G-104-08, are terminated effective July 5, 2010.
- 4. BC Hydro is to assemble, and to make available for possible Commission audit, any non-public information on transmission transactions with Powerex Corporation made during the 12 calendar months ending in June 2011. The information should include explanations of BC Hydro's mechanisms and procedures for transmission transactions with Powerex Corporation.

DATED at the City of Vancouver, in the Province of British Columbia, this 24th day of June 2010.

BY ORDER

Original signed by:

D.A. Cote
Commissioner