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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER R-5-15**

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

and

**Zeballos Lake Hydro Limited Partnership
Cancellation of 2015 Compliance Audit
with Mandatory Reliability Standards Program in British Columbia**

BEFORE:

C. A. Brown, Commissioner
H. G. Harowitz, Commissioner
K. A. Keilty, Commissioner
N. E. MacMurchy, Commissioner
I. F. MacPhail, Commissioner
B. A. Magnan, Commissioner
D. M. Morton, Commissioner
R. D. Revel, Commissioner

February 19, 2015

O R D E R

WHEREAS:

- A. Section 125.2 of the *Utilities Commission Act* (UCA) assigns exclusive jurisdiction to determine whether a “reliability standard,” as defined in the Act, is in the public interest and should be adopted in British Columbia by the British Columbia Utilities Commission (Commission);
- B. Commission Order G-67-09 specified that entities subject to reliability standards must register with the Commission. Commission Order G-123-09 approved the Rules of Procedure including Registration Manual and Compliance Monitoring Program (CMP) for entities subject to adopted Mandatory Reliability Standards. The order also appointed the Western Electricity Coordinating Council (WECC) as its Administrator for registration and monitoring compliance as described in the Administration Agreement between WECC and the Commission;
- C. On October 31, 2014, in accordance with section 3.1.1 of the CMP, WECC submitted the 2015 Implementation Plan including schedules for compliance audits and other compliance monitoring activities foreseen in 2015. The Commission approved the 2015 Implementation Plan by Order R-56-14, dated November 6, 2014;

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- D. According to the audit schedule appended to the 2015 Implementation Plan, Zeballos Lake Hydro Limited Partnership (Zeballos) is scheduled for a compliance audit for May 26-29, 2015. In accordance with section 2.1.5 of the CMP, the Administrator must notify the entity of the Compliance Audit at least 60 days in advance of the compliance audit and it has been the Administrator's practice to notify entities 90 days in advance;
- E. In a letter to the Commission dated February 6, 2015, the Western Electricity Coordinating Council, acting as the Commission's Administrator for the BC MRS Program, issued a Recommendation for Deregistration of Zeballos as Transmission Owner and Transmission Operator, the only two functions for which Zeballos is currently registered; and
- F. The Commission considers the time and resources required on behalf of the Administrator and the Entity for a compliance audit may not be warranted considering the possible deregistration of Zeballos from the BC MRS Program.

NOW THEREFORE pursuant to section 125.2(10) of the *Utilities Commission Act* and in accordance with the Rules of Procedure and Registration Manual, the British Columbia Utilities Commission cancels the compliance audit for Zeballos Lake Hydro Limited Partnership scheduled for May 26-29, 2015, and, if required, will reschedule the compliance audit following the Commission determination on the registration of Zeballos Lake Hydro Limited Partnership with the Mandatory Reliability Standards Program in British Columbia.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of February 2015.

BY ORDER

Original signed by:

D. M. Morton
Commissioner