

LETTER L-53-10

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VIA EMAIL

June 24, 2010

TO: Entities Who have Applied for MRS Registration and Registered Entities

Re: Mandatory Reliability Standards <u>Guidelines for Filing Mitigation Plans - Guidance Letter Number 2</u>

Further to the letter of guidance dated June 10, 2010, the British Columbia Utilities Commission (Commission, BCUC) wishes to expand upon a number of issues it has become aware of related to Mandatory Reliability Standards and the filing of Mitigation Plans. This letter is to provide additional guidance for those issues.

Issue 1: Mitigation Plan filing Date

Entities who have applied to register for certain functions have been expected to file Mitigation Plans for those functions by June 30, 2010, whether or not the Commission has issued an Order confirming registration for those functions. However, as some entities may not have been fully aware of this requirement and the June 30 date is very near, the date for filing Mitigation Plans for these applied-for but not yet confirmed functions is extended to August 31, 2010.

Where there is a difference between the functions that the entity applied to register for and the functions that the Western Electricity Coordinating Council (WECC) recommends the entity be registered for, the entity does not need to file Mitigation Plans for a function that is in dispute until 90 days after the date of the BCUC Order confirming that the entity is registered for the function.

If an entity is unable to comply with this filing requirement, they are required to submit an extension request to the Commission stating the reasons they are unable to comply. The Commission will review each request and will make a decision on the request on an individual basis.

Issue 2: Requirement for Self-Certification Forms

Entities are not required to submit self-certification forms with the Mitigation Plans; however, this may present some difficulty for WECC when evaluating the plans. In order to minimize additional information requests, the Commission and WECC request entities to clearly explain the violation that the Mitigation Plan is addressing.

Issue 3: Filing of Mitigation Plans

Submission of Mitigation Plans to the WECC Portal constitutes adequate filing and duplicates need not be filed with the Commission. The WECC will review the plans and make a recommendation regarding approval to the Commission.

Issue 4: Self-Reporting and Filing of Mitigation Plans by Registered Entities

The Commission wishes to remind registered entities of Section 2.5 of the Compliance Monitoring Program. Entities are encouraged to Self-Report when they become aware of a violation of a reliability standard or a change in the nature or severity of a previous violation, and may file a Mitigation Plan, but are not obligated to do so.

Finally, the Commission will review the requirements for filing of future Mitigation Plans and will communicate any future changes.

Yours truly,

Erica M. Hamilton

RWR/cms