



**ORDER NUMBER
R-38-18**

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

Catalyst Paper – Crofton Division
Application to Change Registration required for Compliance with
Mandatory Reliability Standards

BEFORE:

W. M. Everett, QC, Commissioner

on November 6, 2018

ORDER

WHEREAS:

- A. On October 10, 2018, the Western Electricity Coordinating Council (WECC), acting as the Administrator for the British Columbia Mandatory Reliability Standards Program (BC MRS Program), issued its Recommendation for Deregistration of Catalyst Paper – Crofton Division (CPCD) for the function of Distribution Provider (DP) and Registration of CPCD for the DP subcategory DP Under Frequency Load Shedding-Only (DP UFLS-Only) (Recommendation);
- B. Section 125.2 of the *Utilities Commission Act* (UCA) assigns exclusive jurisdiction to the British Columbia Utilities Commission (BCUC) to determine whether a “reliability standard,” as defined in the UCA, is in the public interest and should be adopted in BC;
- C. Ministerial Order M039, also referred to as the Mandatory Reliability Standards Regulation (MRS Regulation), deposited February 23, 2009, described the parties subject to reliability standards adopted under section 125.2(6) of the UCA and on June 4, 2009, the BCUC issued Order G-67-09 specifying that entities subject to reliability standards must register with the BCUC;
- D. In accordance with the Administration Agreement between WECC and the BCUC, dated September 8, 2009 and renewed August 21, 2014, WECC makes registration recommendations in its role as Administrator for the BC MRS Program;
- E. By Order G-140-10, dated September 16, 2010, the BCUC approved the registration of CPCD for the functions of Transmission Owner (TO), Transmission Operator (TOP), Load Serving Entity (LSE) and DP with the BC MRS Program because CPCD qualified for registration for those functions as stipulated by the MRS Regulation at the time;

- F. On November 17, 2015, the UCA was amended to repeal sections 125.2(8) and 125.2(9) concerning the applicability of reliability standards and include updated sections 125.2(8) and 125.2(9), pursuant to which, the BCUC may, by order, specify that a reliability standard adopted under the UCA applies or does not apply to a specified person, a class of persons or a person in respect of specified equipment;
- G. On May 18, 2016, the MRS Regulation was revised by Ministerial Order M171 to remove, among other things, Section 2 - Application, which described the parties to which the reliability standards adopted under the UCA apply;
- H. As a result of the amended UCA giving the BCUC authority to make determinations on the applicability of reliability standards in BC, and considering the general policy to have the BC MRS Program align with the North American Electric Reliability Corporation (NERC) MRS Program in the United States, the BCUC issued for comment proposed revisions to the BC Registration Manual which included registration criteria that align with the NERC Statement of Compliance Registry Criteria;
- I. Following a public process, the BCUC issued Order R-12-17, dated February 23, 2017, approving the revised BC Registration Manual which stipulates that BCUC-adopted reliability standards apply to every owner, operator and user of an element of the Bulk Electric System (BES) as that term is defined in the NERC Glossary of Terms, as adopted by the BCUC. The revised Registration Manual also includes clarification of the registration criteria for DPs and for DPs that do not meet the BES definition but have UFLS assets to be registered as DP UFLS-Only, a subcategory within the DP function;
- J. After careful review of the CPCD facilities, WECC issued the Recommendation noting that deregistering CPCD as a DP and registering it as DP UFLS-Only would be consistent with entity registration practice in the United States;
- K. Pursuant to Section 2.3 of the Registration Manual, an entity is allowed 21 days to respond to a registration recommendation issued by WECC. CPCD did not respond within the allotted time; and
- L. The BCUC reviewed the Recommendation and considers deregistration of CPCD as a DP and registering CPCD as DP UFLS-Only is warranted.

NOW THEREFORE pursuant to section 125.2(10) of the UCA and in accordance with the Registration Manual that is Appendix 1 to the Rules of Procedure for Reliability Standards in British Columbia, the BCUC approves that CPCD be deregistered for the DP function and be registered as DP UFLS-Only with the BC MRS Program.

DATED at the City of Vancouver, in the Province of British Columbia, this 6th day of November 2018.

BY ORDER

Original signed by:

W. M. Everett, QC
Commissioner