



**ORDER NUMBER**  
**R-17-24**

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

and

Columbia Power Corporation  
Registration of Generator Owner, Generator Operator, and Transmission Owner Functions  
with the Mandatory Reliability Standards Program

**BEFORE:**

E. B. Lockhart, Panel Chair  
E. A. Brown, Commissioner

on June 28, 2024

**ORDER**

**WHEREAS:**

- A. On May 17, 2024, the Western Electricity Coordinating Council (WECC), acting as the Administrator for the British Columbia Mandatory Reliability Standards Program (BC MRS Program), issued a Recommendation for registration of Columbia Power Corporation (CPC) for the functions of Generator Owner (GO), Generator Operator (GOP), and Transmission Owner (TO), effective July 1, 2024 (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. On June 4, 2009, the BCUC issued Order G-67-09 specifying that entities subject to reliability standards must register with the BCUC;
- C. In accordance with the Administration Agreement between WECC and the BCUC, dated September 8, 2009 and renewed most recently on July 5, 2019, WECC makes registration recommendations in its role as the BCUC’s Administrator for the BC MRS Program;
- D. Order R-40-17 approved the most recent version of the Rules of Procedure for Reliability Standards in British Columbia (ROP), which includes Appendix 1: Registration Manual (Registration Manual). The Registration Manual establishes that every owner, operator and user of an element of the Bulk Electric System (BES), as that term is defined in the North American Electric Reliability Corporation Glossary of Terms and as adopted by the BCUC, is a candidate for registration with the BC MRS Program;
- E. CPC owns the following hydroelectric generation and transmission assets located in the Columbia Basin River: (i) Brilliant Expansion Station (BRX), (ii) Waneta Expansion Station (WAX), (iii) Arrow Lakes Hydro Station (ALH), and (iv) transmission line 2L289 (82L) (altogether, the Assets);

- F. On March 28, 2024, CPC filed with WECC an application to register as a GO and GOP for its BRX, WAX, and ALH facilities, and a TO for 82L. Additionally, CPC sought a recommendation from WECC to the BCUC for a phased approach to compliance enforcement as CPC is a new entity executing MRS compliance responsibilities;
- G. In its Recommendation, WECC concluded that CPC's Assets qualify as an I2 Inclusion of the BES definition and recommended the BCUC approve CPC for the functions of GO, GOP, and TO effective July 1, 2024. Regarding CPC's request for a phased approach to compliance enforcement, WECC recommended that CPC comply with all MRS requirements for the GO, GOP, and TO registrations effective July 1, 2024;
- H. Pursuant to Section 2.2(3) of the Registration Manual, entities may file a response to a registration recommendation within 21 days. CPC filed a response to the Recommendation on May 30, 2024, stating, among other things, clarification of the GO, GOP, and TO registrations related to the Assets, and clarification regarding CPC's request for a phased approach to compliance enforcement;
- I. By letter dated June 19, 2024, WECC amended the Recommendation with respect to CPC's clarifications related to the GO, GOP and TO registration of the Assets. Further, WECC maintained that CPC comply with all MRS requirements effective July 1, 2024; and
- J. The BCUC has reviewed the submissions by WECC and CPC and makes the following determinations.

**NOW THEREFORE** pursuant to section 125.2(10) of the UCA and in accordance with the Registration Manual, the BCUC orders as follows:

1. CPC's registration as a GO and GOP for the BRX, WAX and ALH facilities and as a TO for 82L, effective July 1, 2024, is approved.
2. CPC's request for a phased approach to compliance enforcement is denied for the reasons provided in the decision issued concurrently with this order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 28<sup>th</sup> day of June 2024.

BY ORDER

*Original signed by:*

E. B. Lockhart  
Commissioner

Columbia Power Corporation  
Registration of Generator Owner, Generator Operator, and Transmission Owner Functions  
with the Mandatory Reliability Standards Program

**DECISION**

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## **1.0 Background**

On May 17, 2024, the Western Electricity Coordinating Council (WECC) filed a recommendation to the British Columbia Utilities Commission (BCUC) (Recommendation) to register Columbia Power Corporation (CPC) as a Generator Owner (GO), Generator Operator (GOP), and Transmission Owner (TO) with the British Columbia (BC) Mandatory Reliability Standards (MRS) Program, effective July 1, 2024. The Recommendation includes a response to a CPC request of a recommendation for a phased approach to compliance enforcement to the BCUC. WECC states that, in the U.S., once an entity is notified of being on the North American Reliability Corporation (NERC) registry, they are to be fully compliant.

Located in the Columbia Basin River, CPC's facilities include hydroelectric generation and transmission assets, which are interconnected to the Bulk Electric System (BES) at 230 kilovolts (Assets). Under various management and services agreements between CPC (through its related entities) and FortisBC Pacific Holdings Inc. (FPHI), FPHI is the responsible party for executing CPC's MRS compliance obligations until June 30, 2024.

On February 2, 2023, CPC submitted to FPHI a formal notice of termination for the provision of MRS services for CPC's Assets. Further, to ensure an orderly transition of responsibility for MRS compliance, CPC requested FPHI provide reasonable instruction and training with respect to the discharge of MRS compliance requirements at each of Brilliant Expansion Station, Waneta Expansion Station, and Arrow Lakes Hydro Station up to June 30, 2024 (MRS Expiry Notice).<sup>1</sup> Consequently, CPC will adopt the applicable MRS compliance obligations for the Assets upon expiry of the management and services agreements effective July 1, 2024.

## **2.0 Legislative Authority**

Section 125.2 of the *Utilities Commission Act* (UCA) assigns exclusive jurisdiction to the BCUC to determine whether a "reliability standard," as defined in the UCA, is in the public interest and should be adopted in BC. By Order G-67-09 dated June 4, 2009, the BCUC directed that entities subject to reliability standards must register with the BCUC.

By Order G-123-09 dated October 15, 2009, pursuant to section 8 of the UCA, the BCUC appointed WECC as its Administrator for the BC MRS Program and adopted the Rules of Procedure for Reliability Standards in BC, which includes Appendix 1: Registration Manual (Registration Manual). On July 5, 2019, the BCUC and WECC renewed an administration agreement (Administration Agreement) whereby the BCUC granted WECC the authority to assist the BCUC with respect to functional registration of BC entities and monitoring compliance with Reliability Standards adopted in BC. In accordance with the Administration Agreement, WECC submits registration recommendations in its role as the BCUC's Administrator for the BC MRS Program.

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<sup>1</sup> CPC, letter dated February 2, 2023, p. 2.

## **2.1 Registration Manual for BC Mandatory Reliability Standards**

The Registration Manual sets forth the requirements and process for registration and confirms the function(s) that apply to an entity under the BC MRS Program.

Pursuant to Section 2.1.2 of the Registration Manual, entities are required to be registered and comply with reliability standards adopted in BC if they are an owner, operator and user of an element of the BES, perform a specified function, and are material to the reliable operation of the interconnected BES. Further to Section 2.2 of the Registration Manual, entities must submit to WECC a registration application. Upon review, WECC will submit a recommendation to the BCUC as to whether an entity should be registered for particular function(s). Section 2.2(3) of the Registration Manual provides that an entity may file with the BCUC a response to the recommendation within 21 days of the date of the recommendation.

## **3.0 Registration Application**

On March 28, 2024, CPC filed with WECC an application to register CPC as a GO, GOP, and TO for its Assets (Registration Application).

Additionally, CPC requested that WECC recommend to the BCUC a phased approach to compliance enforcement as CPC is a new entity executing MRS compliance responsibilities for the first time. CPC stated that entities in BC and North America have benefitted from phased implementation of MRS enforcement, such as adoption of new reliability standards or new registrants.<sup>2</sup>

## **4.0 WECC's Recommendation**

On May 17, 2024, WECC recommended that CPC comply with all MRS requirements effective July 1, 2024. In response to the CPC request for a phased enforcement of MRS responsibilities, WECC noted that phased implementation is rare, and that the U.S. expectation is that once an entity is notified of being on the NERC registry, they are to be fully compliant.<sup>3</sup>

### **4.1 CPC Response**

On May 30, 2024, CPC stated that it does not seek permission to be non-compliant of MRS responsibilities after July 1, 2024. Rather, CPC seeks an enforcement approach "characterized by correction, education and guidance for potential administrative deficiencies that might be identified during the first audit following CPC's first year discharging MRS compliance responsibilities".<sup>4</sup>

### **4.2 WECC Response**

On June 19, 2024, WECC reaffirmed that it does not recommend a phased approach for enforcement. WECC submitted that, in the U.S., enforcement discretion (not with respect to how violations are determined but with how violations are processed) is an inherent part of the enforcement process.<sup>5</sup>

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<sup>2</sup> CPC, letter dated March 28, 2024, p. 1.

<sup>3</sup> WECC, letter dated May 17, 2024, p. 2.

<sup>4</sup> CPC, letter dated May 30, 2024, pp. 1-2.

<sup>5</sup> WECC, letter dated June 19, 2024, pp. 1-2.

## 5.0 Panel Determination

The Panel agrees with WECC that CPC should align with the U.S. expectation for entities to be fully compliant upon registration. The Panel considers that ensuring entities are fully compliant upon registration is crucial for maintaining the broader reliability of the BES. The Panel notes that CPC, on its own motion, provided the MRS Expiry Notice to FPHI on February 2, 2023, more than one year ahead of its anticipated registration and adoption of MRS compliance responsibilities. CPC also requested FPHI to provide instruction and training on meeting MRS compliance until June 30, 2024.

Given the issuance date of the MRS Expiry Notice and the March 28, 2024 submission date of CPC's Registration Application to WECC, as well as FPHI providing training, the Panel considers CPC was afforded ample time and training opportunities to prepare and develop the necessary procedures and protocols to transition the responsibility for applicable MRS requirements from FPHI by July 1, 2024. **Therefore, the Panel denies CPC's request for a phased enforcement of MRS responsibilities and requires that CPC be fully compliant with MRS requirements for the Assets effective July 1, 2024.**

DATED at the City of Vancouver, in the Province of British Columbia, this 28<sup>th</sup> day of June 2024.

*Original signed by:*

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E. B. Lockhart  
Panel Chair

*Original signed by:*

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E. A. Brown  
Commissioner