



LETTER L-99-09

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VIA EMAIL

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November 3, 2009

Mr. Dennis Swanson
Director, Regulatory Affairs
FortisBC Inc.
100-1975 Springfield Road
Kelowna, BC V1Y 7V7

Dear Mr. Swanson:

Re: British Columbia Hydro and Power Authority
Application to Amend
Section 2.1 of Rate Schedule 3808 – Order G-48-09

In Order G-48-09, the Commission requested that FortisBC Inc. ("FortisBC") file as information, its current intentions as to whether it would be implementing an Open Access Same-Time Information System ("OASIS") for its transmission transactions. The Commission's request was stimulated in part by BC Hydro's submission in the proceeding that the Commission should consider requiring FortisBC to implement an OASIS for its transmission transactions, or in the alternative, to provide relevant information on its website. (See Decision at p. 34)

Fortis BC replied to the Commission's request on August 4, 2009 and the reply was forwarded to BC Hydro for comments under cover of the Commission's letter of August 24, 2009. BC Hydro provided comments in its letter of September 2, 2009 and FortisBC responded in its letter to the Commission of September 9, 2009.

The Commission Panel has reviewed the correspondence and has decided that in the present circumstances, there is no need for FortisBC to establish an Open Access Same-Time Information System for its limited transmission transactions.

However, the Panel does agree with the submission in the BC Hydro letter of September 2, 2009, that the purpose of an OASIS goes further than the limited purpose of managing potential transmission congestion on constrained paths. BC Hydro has set out the objectives of an OASIS as they were put forward by the Federal Energy Regulatory Commission ("FERC") in its Notice of Proposed Rulemaking, 60 FR 66182. While FERC rulings or definitions are not binding upon the Commission or public utilities regulated in BC under the provisions of the *Utilities Commission Act, RSBC 1996, Chapter 473*, international comity and cross-border reciprocity has led to standardized operational standards and protocols. The Panel agrees with BC Hydro's characterization of the purpose to be served by an OASIS as "... to provide transparency of transmission transactions to all transmission customers who use, or may use, the system."

The Panel is of the view that the limited current transmission services offered by FortisBC, do not warrant the cost of implementing a stand-alone OASIS. Further, FortisBC in its reply response of September 9, 2009 undertook to enhance its public website to better inform its transmission customers and other interested parties. It will post information as follows:

- Description of the transmission system;
- Transmission Tariff, Terms and Conditions;
- Interconnection Guidelines;
- Process for applying for transmission service; and
- List of existing users and their use of the transmission system.

These website postings should meet the requirements put forward as a suggestion by BC Hydro.

Also, FortisBC noted in its reply response that while energy schedules through FortisBC's system are not tagged, there is no pressing need for an e-tag system because there is at present only one customer for transmission services and any problem (such as a required curtailment) can be corrected manually by real-time staff. FortisBC further notes that in the six years since the Kootenay Intertie went into service, there has not been a required curtailment.

Finally, FortisBC offers to report annually on third party transmission usage and to comment on the need to consider, if then current conditions warrant, the implementation of an OASIS. The Panel accepts this offer and looks forward to reviewing these reports and, as appropriate, seeking comments from users and the wider public.

It may well be the case that as new Independent Power Producers ("IPPs") come on stream, there will be increased need for transmission services within the operating territory of FortisBC; further, there are proceedings now before the Commission (e.g. the Waneta Transaction and the operation and use of transmission line L71) that may trigger the need for increased surveillance and monitoring of the FortisBC transmission facilities and services. In the absence of an operating OASIS, the dispute resolution procedures of the Commission are available to any interested parties.

Yours truly,

Original signed by:

Alison Cormack

For: Erica M. Hamilton

PV/ac

cc: Ms. Joanna Sofield
Chief Regulatory Officer
British Columbia Hydro and Power Authority
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