



**ORDER NUMBER
R-21-18**

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

and

Capital Power Limited Partnership
Application to Change Registration required for Compliance with Mandatory Reliability Standards

BEFORE:

W. M. Everett, QC, Commissioner

on April 30, 2018

ORDER

WHEREAS:

- A. On April 23, 2018, 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 Deregistration (Recommendation) of Capital Power Limited Partnership (CPL) for the function of Transmission Owner (TO);
- 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 and recognizes the North American Electric Reliability Corporation (NERC) as a “standard-making body”;
- 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, BCUC issued Order G-67-09 specifying that entities subject to reliability standards must register with BCUC;
- D. In accordance with the Administration Agreement between WECC and 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. The Registration Manual, approved by BCUC Order G-123-09 and amended by BCUC Order R-40-17, requires an entity to notify WECC of any change in circumstance affecting its registration and allows the Entity 21 days to respond to any registration recommendation issued by WECC;
- F. By BCUC Order R-31-13 dated August 15, 2013, BCUC approved the registration of CPLP for the functions of Generator Owner (GO), Generator Operator (GOP) and TO with the BC MRS Program;

- G. On September 19, 2013, the United States Federal Energy Regulatory Commission (FERC), by Docket No. RM 12-16-000; issued FERC Order 785 that stated modifications to four specific reliability standards would result in the application of these Reliability Standards to GOs without the need to register the GOs as TOs, solely as a result of the generator interconnection facilities. NERC stated that the Reliability Standards FAC-001-1, FAC-003-3, PRC-004-2.1a and PRC-005-1.1b are the only standards that need to be applied to GOs and GOPs to ensure appropriate coverage of generator interconnection facilities, except as necessary on a fact-specific basis;
- H. On July 17, 2014, by Order R-32-14, BCUC adopted Reliability Standards FAC-001-1, FAC-003-3, PRC-004-2.1a and PRC-005-1.1b that require a GO and GOP to assume compliance responsibilities for TO and TOP requirements for a transmission line that connects generation to the Bulk Electric System. By various orders since then, BCUC adopted FERC-approved revised/replacement standards FAC-001-2, FAC-003-4, PRC-004-5(i) and PRC-005-2(i) that supersede FAC-001-1, FAC-003-3, PRC-004-2.1a and PRC-005-1.1b respectively, and require a GO and GOP to assume compliance responsibilities for TO and TOP requirements for the generation interconnections;
- I. 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 to include updated sections 125.2(8) and 125.2(9), pursuant to which, 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;
- J. In consideration of the compliance requirements of the reliability standards applicable to a GO and GOP noted in Recital H above, CPLP requested that WECC review its registration with the BC MRS Program;
- K. WECC reviewed the CPLP facilities and issued the Recommendation noting that deregistering CPLP as a TO would be consistent with entity registration practice in the United States;
- L. On April 23, 2018, CPLP informed BCUC that it supports WECC's Recommendation; and
- M. BCUC reviewed the Recommendation and considers deregistration of CPLP from the TO function 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, BCUC approves that CPLP be deregistered for the TO function with the BC MRS Program.

DATED at the City of Vancouver, in the Province of British Columbia, this 30th day of April 2018.

BY ORDER

Original signed by:

W. M. Everett, QC
Commissioner