



November 12, 2009

Brenda Ambrosi  
Wholesale Market Services Manager  
BC Transmission Corporation  
Suite 1100, Four Bentall Centre  
1055 Dunsmuir Street  
P.O. Box 49260  
Vancouver, BC V7X 1V5

TransCanada Energy Ltd.  
450 - 1st Street S.W.  
Calgary, Alberta, Canada T2P 5H1

tel 403.920.2081  
fax 403.920.2362  
email [chris\\_best@transcanada.com](mailto:chris_best@transcanada.com)  
web [www.transcanada.com](http://www.transcanada.com)

**Re: Market Operations and Development (MOD) System Upgrade Project  
Customer Information Session October 30, 2009**

Dear Brenda,

TransCanada appreciates BCTC hosting the Information Session on October 30, 2009, to explain to their customers the MOD project and the impending changes that BCTC is considering making to its business practices to align with and facilitate the project.

TransCanada also appreciates the opportunity to provide feedback to BCTC on this project and offers the following responses to the proposed items in the presentation materials (identified by the presentation page / slide numbers).

**(Slide 17)**

**Short Term Preemption and Competition**

**Proposal**

- **Start the competition process earlier than 8 AM.**
- **Two options for customer consideration**
  - 1) Start the process immediately once a preemption or competition opportunity is identified. This may be during the time period of midnight to 6 AM.**
  - 2) Start the process at 6 AM to align with most trading shops being open**

TransCanada would prefer to maintain the status quo of starting the competition at 8:00am and definitely would not support it happening overnight. Maintaining the current time will require fewer changes to customer's current processes. There is no need to start the process during the early morning hours and this could lead to issues relating to the authority of staff available in those hours.

TransCanada would also like to suggest to BCTC that there would be significant benefit if they could provide some type of model for customers to demonstrate various competition scenarios.

This could be as simple as a spreadsheet with the Simultaneous Submission of Matches logic behind it. That would allow customers to input a variety of scenarios and see how they play out, leading to less confusion and experimentation when the process goes live.

**(Slide 19)**

#### **Short Term Preemption and Competition**

##### **Submission of Match**

- **Matching Window will conclude based on matching submission timelines specified under Section 6 of BCTC Business Practices.**
  - **Are the timelines sufficient for customer response?**

TransCanada finds the current timelines in Section 6 of BCTC Business Practices acceptable and sufficient.

**(Slide 19)**

#### **Short Term Preemption and Competition**

##### **Submission of Match**

- **All matches received on OASIS during the Matching Window will not be masked as they will be for the Simultaneous Submission Window (SSW) at midnight.**
  - **Are customers ok with matches not being masked in the Matching Window?**

TransCanada supports the proposal that matches not be masked as this will lead to greater transparency in the market and less opportunity for gaming.

**(Slide 24)**

#### **Release of Unscheduled firm as Non-Firm**

- **BCTC now has the ability to configure the time when unscheduled Firm shall be released.**
  - **BCTC proposes to change the release time of the unscheduled capacity to be the top of an hour.**
  - **BCTC requests customer feedback on the best time for this release. Options could include:**
    - **One hour prior to the delivery hour**
    - **Two hours prior to the delivery hour**
    - **Other recommendations?**

TransCanada would prefer and support that the unscheduled firm be released one hour prior to the delivery hour. This is closest to the status quo and TransCanada feels there is minimal value to make it longer.

**(Slide 28)**

#### **Super Blanket and Blanket Scheduling**

- **BCTC proposes and requests customer feedback on SuperBlanket and Blanket functionality being phased out, and transitioning to a more industry recognized mechanism be used for scheduling.**

TransCanada supports the SuperBlanket and Blanket functionality being eliminated as this will align more closely with other markets. This will also eliminate the current problem of one entity being able to book on another entities' tag, leading to confusion and requiring incremental tags to be purchased.

(Slide 32)

#### **Curtailment Process**

- **BCTC proposes a modification to the current curtailment methodology to incorporate the System Operating Limit (SOL) of the path, instead of Negative ATC, as the primary determinant on whether or not curtailments are required. BCTC also proposes a new curtailment methodology.**

TransCanada is more concerned that no further firm transmission, either STF PTP or CFS, above 480 MW, be offered on BC>AB or US>AB paths or that the firm point-to-point transmission service of current customers on these paths not be degraded. As well, BCTC must consider and abide by the import limits into Alberta in real time

While TransCanada recognizes that SOL looks simpler, we are very concerned that considerable effort has gone into explaining and defining ATC in a recent hearing and this clarity could now be lost. TransCanada would prefer that BCTC maintain the current practice of initiating curtailment when Non-Firm ATC is negative. If BCTC still desires to pursue the proposed process including removing ATC and instead following SOL, TransCanada suggests this should be heard in front of the BCUC.

(Slide38)

#### **Curtailment Process**

##### **Curtailment Charges**

- **BCTC proposes that segregation of curtailments between internal and external constraints be eliminated, and all contracts be considered as take-or-pay with no internal constraint refunds.**

BCTC states that "BCTC constraints only account for less than 1.0 % overall for Alberta, and less than 1.0 % overall for US". TransCanada would like further detail for the past three years on the exact number of constraints on each of these paths, the number that were BCTC constraints and the number that were external constraints. TransCanada would also like the dollar amounts associated with each of these different types of constraints.

Based on this information, TransCanada might find it acceptable for BCTC to stop refunding for internal constraints if this amount is limited to 1% (capped). However TransCanada is concerned that if there were some large, long term activity on the BCTC system that required significant and consistent constraints this could become much greater than 1%.

If you have any further issues or concerns on this matter please feel free to contact me at (403) 920-2081.

Regards

TransCanada Energy Ltd.

[sent electronically]

Chris Best  
Market Services, Western Power