

November 12, 2009

Ms. Brenda Ambrosi
Customer Service Manager
British Columbia Transmission Corporation
1100 – 1055 Dunsmuir Street
Vancouver, BC V7X 1V5

Via email

Dear Ms. Ambrosi,

**RE: Market Operations and Development (MOD) System Upgrade Project
Customer Information Session**

In response to BCTC's request for comments on the above-noted subject matter, Powerex Corp (Powerex) submits the following. Powerex anticipates fully participating in BCTC's Certificate of Public Convenience and Necessity application before the BCUC to ensure there is a rational alignment between the principles and objectives articulated by BCTC and customer needs and expectations. Therefore, Powerex submits these comments without prejudice to future positions it may take.

Short-term Preemption & Competition

Slide 17: No comment at this time

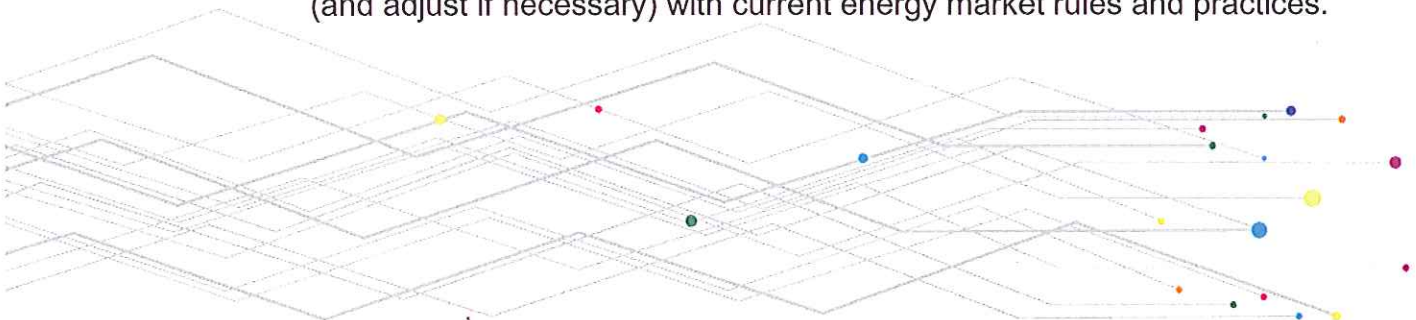
Slide 19:

- (i) The timelines for the Matching Window, as described in Section 6 of BCTC's Business Practices, are sufficient for customer response;
- (ii) Powerex recognizes that matches received on OASIS during the Matching Window will not be masked.

Release of Unscheduled Firm

Slide 24:

Given BCTC's ability to configure the time when the unscheduled firm shall be released, Powerex expects BCTC to align the release timelines (and adjust if necessary) with current energy market rules and practices.



While not discussed at the customer session, Powerex expects BCTC to utilize this increased capability to re-instate previously curtailed firm transmission should the transmission rating increase prior to the hour of flow as opposed to maintaining the curtailment and releasing the now available transmission as unscheduled firm.

Super-Blanket and Blanket Scheduling

Slide 28:

Powerex recognizes BCTC's desire to eliminate the use of blankets. However, it is imperative that BCTC provide an efficient and effective replacement mechanism for customers to aggregate transmission reservations. The elimination of blankets without such a substitute mechanism would place an undue burden on transmission customers as well as other Balancing Authorities and/or Purchasing Selling Entities. The large volume of tags which would therefore be generated would hinder the ability to both create and process tags in a timely and efficient manner. Moreover, the inability to aggregate multiple transmission reservations would negatively impact energy trading. Other large volume Transmission Providers, like BPA, who have recently upgraded their IT systems, have retained the use of the blanket mechanism for precisely these reasons.

Curtailment Process

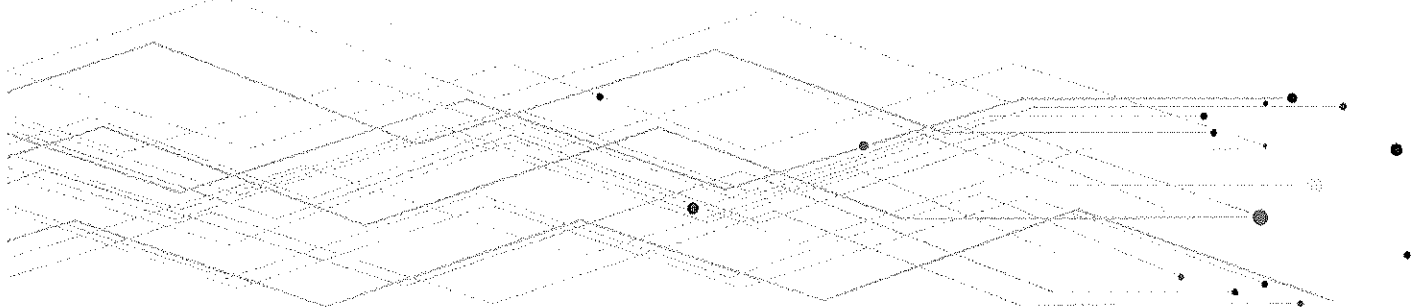
Slide 32:

Powerex is supportive of BCTC's modification of the current curtailment methodology to incorporate the system operating limit of the path as opposed to negative ATC as the primary determinant on whether or not curtailments are required.

Slide: 38:

Powerex understands and accepts BCTC's proposal to eliminate refunds for internal constraints.

In addition to the specific request for comments contained within the presentation materials, Powerex wishes to comment on the topic of Queue Hoarding as it was discussed by BCTC staff at the customer information session on October 30, 2009.




Powerex notes that in accordance with NAESB WEQ 001 8.3, the transmission provider has the right to ***institute processes and procedures*** to limit the ability of a transmission customer to delay the timely processing of transmission requests submitted by other transmission customers (emphasis added). Powerex strongly recommends that BCTC consult further with its customers both prior to and during the development and implementation of such processes and procedures.

Powerex will be extremely concerned should BCTC opt not to develop transparent, clearly defined processes whereby it exercises its discretion with respect to Queue Hoarding. Given the numerous, legitimate reasons why requests may exceed TTC, there simply must be a pre-defined understanding of what constitutes hoarding and what does not.

Thank you for the opportunity to provide these comments. Powerex looks forward to continue working with BCTC on the development and implementation of the MOD.

Please contact me directly at 604.891.6074 should you have any questions.

Sincerely,



Lisa Cherkas
Trade Policy – BC & Alberta

c. Mike Goodenough, Powerex
c. Mark Holman, Powerex

