

October 7, 2022

Brenda Ambrosi
Manager, Market Policy and Operations
BC Hydro

RE: BC Hydro's revised business practices posted for comment

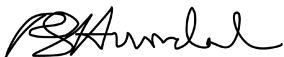
Dear Brenda,

Powerex appreciates the opportunity to comment on BC Hydro's revised business practices posted for comment on September 9th, 2022. Powerex submits the following comments regarding the Conditional Firm Service (CFS) business practice.

Powerex has reviewed the various scenarios that have been provided in the CFS business practice and it would be helpful for BC Hydro to clarify how renewal rights will be managed within those scenarios. Powerex notes that within the scenarios there is a possibility of a CFS agreement being tendered to a transmission customer with or without renewal rights, or the possibility that a partial amount is offered with renewal rights and the remainder is not. In these scenarios, it is also important that BC Hydro discuss the study result with the transmission customer prior to tendering a service agreement. The transmission customer's review of the study results may indicate a preference of the transmission customer as to what would be an acceptable service agreement. For example, if the study indicated that CFS of 400 MW could be offered, but only 100 MW retained renewal rights, the transmission customer may indicate to BC Hydro that a 100 MW service agreement with renewal rights is preferred which would result in a service agreement, whereas a 400 MW offer may not result in a service agreement. In the approach outlined above, the transmission customer could execute the 100 MW service agreement and the remainder of the 300 MW, that does not have renewal rights, could be offered to other transmission customers in the queue.

Lastly, Powerex also requests BC Hydro to clarify Section 6.0 of the business practice, so that when Long Term Firm ATC becomes available, perhaps as a result of a non-renewal of long term service, that the Long Term Firm ATC be granted to existing CFS transmission reservations based on their queue priority. This is an important clarification to ensure that the CFS business practice affirms the first come first serve principles and awards Long Term Firm ATC to existing CFS transmission reservations prior to processing other requests in the long term queue.

Kind Regards,



Raj Hundal
Director, Market Policy and Practices