

XX.X PERFORMANCE METRICS AND PENALTIES - STUDY OF TRANSMISSION SERVICE REQUESTS

xx.xx Overview

This Business Practice outlines the process and obligations for BCTC to report on its performance in meeting the due-diligence timelines for the study of transmission service requests (“TSRs”) in accordance the OATT. This Business Practice also outlines the criteria and mechanism for BCTC to apply and distribute penalties if its performance routinely falls below levels defined in accordance with the OATT.

For the purpose of this Business Practice, BC Hydro and Powerex are Affiliates of BCTC, in accordance with Section 1.1 of the OATT.

xx.xx Quarterly Performance Metrics

BCTC will post the following performance metrics on its OASIS for each calendar quarter and keep these quarterly performance metrics posted on its OASIS for three calendar years.

BCTC will post these quarterly performance metrics within 15 Calendar Days of the end of the quarter.

- Process time from initial service request to offer of a System Impact Study Agreement pursuant to sections 17.5, 19.1 and 32.1 of the OATT.
 - Number of new System Impact Study Agreements delivered to transmission customers
 - Number of new System Impact Study Agreements delivered to the transmission customer more than 30 days after the transmission customer submitted its Completed Application.
 - Average time (days) from request submittal to change in request status
 - Average time (days) from Completed Application submittal to delivery of System Impact Study Agreement
 - Number of new System Impact Study Agreements executed
- System impact study processing time pursuant to sections 19.3 and 32.3 of the OATT.
 - Number of system impact studies completed
 - Number of system impact studies completed more than 60 days after receipt of executed System Impact Study Agreement
 - Average time (days) from receipt of executed System Impact Study Agreement to date when completed system impact study made available to the transmission customer
 - Average cost of system impact studies completed during the quarter.
- Service requests withdrawn from the TSR queue.
 - Number of requests withdrawn from the TSR queue

- Number of requests withdrawn more than 60 days after receipt of executed System Impact Study Agreement
- Average time (days) from receipt of executed System Impact Study Agreement to date when request was withdrawn from the TSR queue

- For all system impact studies completed more than 60 days after receipt of executed System Impact Study Agreement, average number of days study was delayed due to transmission customer's actions (e.g., delays in providing needed data).

- Process time from completed system impact study to offer of facilities study pursuant to sections 19.4 and 32.4 of the OATT.
 - Number of new Facilities Study Agreements delivered to transmission customers
 - Number of new Facilities Study Agreements delivered to transmission customers more than 30 days after the completion of the system impact study
 - Average time (days) from completion of system impact study to delivery of Facilities Study Agreement
 - Number of new Facilities Study Agreements executed

- Facilities study processing time pursuant to sections 19.4 and 32.4 of the OATT.
 - Number of facilities studies completed
 - Number of facilities studies completed more than 60 days after receipt of executed Facilities Study Agreement
 - Average time (days) from receipt of executed Facilities Study Agreement to date when completed facilities study made available to the transmission customer
 - Average cost of facilities studies completed during the period
 - Average cost of recommended upgrades for facilities studies completed during the quarter.

- Service requests withdrawn from the TSR queue.
 - Number of requests withdrawn from the TSR queue
 - Number of requests withdrawn more than 60 days after receipt of executed Facilities Study Agreement
 - Average time (days) from receipt of executed Facilities Study Agreement to date when request was withdrawn from the TSR queue

- For all facilities studies completed more than 60 days after receipt of executed Facilities Study Agreement, average number of days study was delayed due to transmission customer's actions (e.g., delays in providing needed data)

BCTC will calculate and report these performance metrics separately for affiliates' and non-affiliates' TSRs.

xx.xx Notification Filing

xx.xxx Notification Trigger

BCTC will submit a Notification Filing with the British Columbia Utilities Commission (“BCUC”) if it completes more than 20 percent of non-affiliates’ studies outside of the 60-day due diligence deadlines in the OATT for two consecutive quarters. BCTC defines this threshold level of performance for two consecutive quarters as the “Notification Trigger”.

BCTC will include in its Notification Filing an explanation, as applicable, of any extenuating circumstances that prevented it from meeting the associated deadlines in the OATT.

- If the BCUC determines that delays in completing studies are due to extenuating circumstances, BCTC will not post the additional performance metrics, discussed below.

To calculate the Notification Trigger, BCTC will aggregate all system impact studies and facilities studies that it completes during the quarter for non-affiliates.

- BCTC will measure processing time from the point that the transmission customer returns its executed study agreement unless BCTC and the transmission customer agreed on an alternate day for BCTC to begin the study.

BCTC will file a Notification Filing, if necessary, within 30 Calendar Days of the end of the second quarter that triggered the Notification Filing.

xx.xxx Additional Performance Metrics

Subject to a BCUC determination on any extenuating circumstances, as applicable, following its Notification Filing with the BCUC, BCTC will post additional performance metrics on its OASIS each calendar quarter, starting with the calendar quarter following that follows its Notification Filing (that is, the 3rd calendar quarter in sequence).

The additional performance metrics are:

- the average number of employee-hours expended per completed system impact study;
- the average number of employee hours expended per completed facilities study;
- the number of employees devoted to processing system impact studies; and
- the number of employees devoted to processing facilities studies.

BCTC will not post these additional performance metrics separately for affiliates’ and non-affiliates’ requests for transmission service.

BCTC will continue to post these additional performance metrics until the calendar quarter in which it completes at least 80 percent of non-affiliates’ studies within the 60-day due diligence deadlines in the OATT. At this time, BCTC will reset its tracking of performance for the purpose of calculating the Notification Trigger.

xx.xx Penalties

xx.xxx Penalty Trigger

If BCTC files a Notification Filing with the BCUC and the BCUC determines that there are no extenuating circumstances that excuse the performance that triggered the Notification Filing, BCTC will be subject to penalties under the condition that:

- In each of the two calendar quarters following the Notification Filing (that is, the 3rd & 4th calendar quarter in sequence), BCTC completes greater than 10 percent of non-affiliates studies outside of the 60 days due-diligence timelines.

To calculate the Penalty Trigger, BCTC will aggregate all system impact studies and facilities studies that it completes for non-affiliates during the 1st and 2nd calendar quarter following the Notification Filing (that is, the 3rd and 4th calendar quarter in sequence)

- BCTC will measure processing time from the point that the transmission customer returns its executed study agreement unless BCTC and the transmission customer agreed on an alternate day for BCTC to begin the study.

xx.xxx Amount and Assessment

If penalties are triggered in accordance with the above, BCTC will assess a penalty on itself of \$500 for each day it took to complete any study beyond 60-days, starting with the calendar quarter following the Notification Filing (that is, the 3rd calendar quarter in sequence).

- For the purposes of assessing penalties only, BCTC will include studies that are in the TSR queue and will also assess the penalty for each day that studies have been in the TSR queue beyond 60 Calendar days.

BCTC will continue to assess penalties on itself until it completes at least 90% of all studies within the due-diligence timelines in the calendar quarter that follows assessment of the penalty.

xx.xxx Distribution and Recovery

BCTC will allocate penalties by non-affiliate customer (that is, pro rata by customer), and only to non-affiliate customers that:

- Had studies completed late under the Notification Trigger;
- Had studies completed late under the Penalty Trigger; or
- Had studies in the TSR queue beyond 60 Calendar days that BCTC included in assessment of the penalty in accordance with the above.

BCTC will not recover penalties in its rates for transmission service.