

February 7, 2008

Information Release regarding Fortis BC's Okanagan Transmission Reinforcement (OTR) Project

BCTC is providing the following information in order to assist Fortis BC with their response to the British Columbia Utilities Commission (Commission) Information request 1.16.2 in the Fortis BC Certificate of Public Convenience and Necessity Application for the Okanagan Transmission Reinforcement Project.

Commission Information Request

16.0 Assessment of System Needs

Reference: Exhibit B-1-1; Executive Summary, p. 2; Tab 4, pp. 8, 51

16.2 In the Application, FortisBC states that the OTR Project will help address current short-term capacity shortfalls within the BCTC transmission system. Please provide a copy of correspondence or a summary of other recent studies that support the statement.

BCTC Information:

BCTC completed a South Interior Development Plan in 2006 that presented a series of potential reinforcements to the South Interior grid to accommodate future transfers. This plan was included as Appendix C of the F2008-F2017 BCTC Transmission System Capital Plan and filed with the Commission on December 21, 2006. The configuration of the OTR Project was included in the cases used to prepare the South Interior Development Plan. At that time it was assumed to be in service by 2008.

Appendix 1 of this report (page 13) noted that the OTR Project and the Selkirk T4 project increased the summer transfer capability at the West of Selkirk cut-plane to 2184 MW limited by voltage stability.

The OTR Project will provide voltage support at Vaseaux Lake, near the midpoint of the 5L96 and 5L98 transmission path from Selkirk to Nicola and also increase the transfer capability on this transmission path after a 5L91 contingency. The critical limitation is the voltage drop at Selkirk and Vaseaux substations after the 5L91 contingency.

An investigation of the voltage security contributions of the OTR Project indicates that the post contingency transfer capability on the 5L96 and 5L98 path from Selkirk to Nicola increases by about 75MW due to the OTR Project.