



June 10, 2008

Erica M. Hamilton
Commission Secretary
British Columbia Utilities Commission
Sixth Floor, 900 Howe Street
Vancouver, B.C.
V6Z 2N3

Dear Sir:

Re: British Columbia Transmission Corporation (“BCTC”) and British Columbia Hydro and Power Authority (“BC Hydro”) Applications for Exceptions to Standards of Conduct

By letter dated May 29, 2008 the British Columbia Utilities Commission (“BCUC”) asked for comments from interested parties with respect to the above. The Independent Power Producers of B.C. (“IPPBC”) is not in favour of the above applications brought by BC Hydro and the British Columbia Transmission Corporation (“BCTC”).

Neither party has demonstrated the need for BC Hydro’s access to BCTC’s non-public transmission related information for integrated system planning and resource acquisition processes nor provided a broad description of what this information might consist of. It might be more convenient for BC Hydro and BCTC if BC Hydro has access to this information but this is not the same as demonstrating a need for it.

In the BCUC’s May 11, 2007 LTAP decision¹ it says:

“BCTC submits that coordination between BC Hydro and BCTC in the IEP/LTAP process was sufficient to ensure that the transmission implications were properly considered and that BCTC was able to undertake a high-level assessment of the resulting transmission reinforcements. BCTC further submits that additional interaction between BC Hydro and BCTC, or a more relaxed Standards of Conduct, would neither have made a substantive difference to the application, nor have resulted in CRPs that consumed less transmission or deferred additional transmission infrastructure (BCTC Argument, pp. 2-4).”

¹ Page 41



The IPPBC notes that the filing of BC Hydro's 2008 Long Term Acquisition Plan is imminent so it is difficult to understand why BC Hydro needs access to this information for this purpose at this very late date.

The terms of reference have not been set for the prospective inquiry under section 5(4) of the amended Utilities Commission Act so it is premature to request non-public information for this purpose.

With respect to this information being used for various BC Hydro resource acquisition processes, including processes where there are negotiations between BC Hydro and independent power producers, it is imperative that these processes be transparent and not ones that rely in part on non-public transmission information. It is also important to note that BC Hydro will have this information for the purposes of developing its own generating projects and they compete with independent power projects.

All of BC Hydro's senior executives will have access to this information and there is no evidence to suggest that if these executives leave the employment of BC Hydro that this information will be protected under employee confidentiality agreements. There is also no evidence that third parties such as consultants are required to enter into confidentiality agreements.

The IPPBC respectfully submits that it is premature to allow BC Hydro access to non-public information and that in this instance, the U.S. Federal Energy Regulatory process should be allowed to run its course before the BCUC makes any determination.

In the alternative, the IPPBC submits that any party that uses the BCTC transmission system or that is interconnected to it, be given the same access to information that BC Hydro has access to. There should be no need for the distinction between public and non-public information.

Yours truly,

"Original signed by David Austin"

David Austin