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July 18, 2019

Mr. Patrick Wruck
Commission Secretary and Manager
Regulatory Support
British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Mr. Wruck:

**RE: British Columbia Utilities Commission (BCUC or Commission)
British Columbia Hydro and Power Authority (BC Hydro)
Mandatory Reliability Standards (MRS) Assessment Report No. 12 (Report)
Addressing Reliability Standards for Adoption in British Columbia
Reply to Public Comments**

BC Hydro writes in compliance with BCUC Order No. R-14-19 dated June 10, 2019 directing BC Hydro to respond to public comments received on the Report by July 19, 2019.

BC Hydro received comments from FortisBC Inc. (**FortisBC**) on July 5, 2019. FortisBC confirmed that its feedback is reflected in the Report and that it has no additional comments. FortisBC also confirmed that it does not foresee any issues with achieving 100 per cent compliance with the PRC-025-2 reliability standard (**PRC-025-2**) by the effective date. Accordingly, BC Hydro has no response to the comments received from FortisBC.

BC Hydro also received comments from Dokie General Partnership (**DGP**), Jimmie Creek Limited Partnership (**JCLP**) and the Toba Montrose General Partnership (**TMGP**) and, together with DGP and JCLP, the **Three Entities**) by letter on July 5, 2019 (the **Letter**). The Three Entities discuss their ability to achieve 100 per cent compliance with PRC-025-2, and they request that the BCUC consider revising PRC-025-2 to replicate what is now Option 5a and 5b to the remaining overcurrent protection assessment options.

BC Hydro notes that, in assessing the reliability standards in the Report, it consulted with the B.C. MRS registered entities listed in Table 1 of the Report, including the Three Entities. BC Hydro did not receive any comments from the Three Entities during that consultation process. BC Hydro has considered the comments received from the Three Entities and its conclusion that PRC-025-2 will preserve or enhance the reliability of the

BES in B.C., and thus will serve the public interest and is suitable for adoption in British Columbia (**B.C.**) remains unchanged.

The following is BC Hydro's response to the comments received from the Three Entities in their Letter.

BCUC Jurisdiction to Revise PRC-025-2

The Three Entities do not suggest in their comments that PRC-025-2 should not be adopted. Based on the Letter, it appears that the Three Entities would prefer that PRC-025-2 be adopted rather than PRC-025-1 remaining in effect, because their feeder relays and turbine F60 relay settings would be compliant with PRC-025-2 but not PRC-025-1.¹

The Three Entities request that additional revisions be made to PRC-025-2; however, the BCUC does not have jurisdiction to revise reliability standards. The BCUC may either: (1) adopt a reliability standard pursuant to section 125.2(6) of the *Utilities Commission Act* (**Act**), if the BCUC considers that the reliability standard is required to maintain or achieve consistency in B.C. with other jurisdictions that have adopted the reliability standard; or (2) not adopt a reliability standard pursuant to section 125.2(7) of the Act, if the BCUC determines that the reliability standard is not in the public interest.

Moreover, pursuant to section 125.2(12) of the Act, the BCUC may not set a standard or rule under section 26 of the Act with respect to a matter addressed by a reliability standard assessed in an assessment report, unless it has been approved by the minister responsible for the administration of the *Hydro and Power Authority Act*.

Therefore, in BC Hydro's view, the BCUC does not have jurisdiction to revise PRC-025-2 as requested by the Three Entities, and the BCUC should adopt PRC-025-2 as recommended in the Report.

Reliability Standard Applicability

BC Hydro has not been provided a copy of the notice submitted by DGP to the BCUC on February 25, 2019 seeking compliance relief from PRC-025-1, Requirement 1, which is referred to in the Letter. BC Hydro was also not aware that JCLP and TMGP will also both be seeking such compliance relief from PRC-025-1, Requirement 1.

As explained in the Report,² in reviewing each reliability standard in accordance with section 125.2(3)(c.1) of the Act, BC Hydro assesses the applicability of the reliability

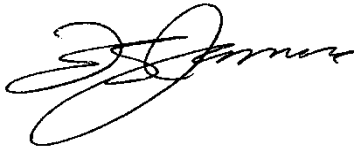
¹ Refer to the first bullet on page 2 of the Letter.

² Exhibit B-1, page 14.

standard (e.g., section A.4 of PRC-025-2) to ensure consistency with the functional registration categories contained in the B.C. MRS program. BC Hydro does not assess the applicability of the reliability standard to a specified person, a class of persons or a person in respect of specified equipment. Any issues regarding the applicability of reliability standards to particular entities can be addressed in the context of the BCUC's registration and compliance regime.

For further information, please contact Geoff Higgins at 604-623-4121 or by email at bchydroregulatorygroup@bchydro.com.

Yours sincerely,



Fred James
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