

RESALE AND TRANSFER OF TRANSMISSION RIGHTS

In this Section

[Overview](#)

[Resales](#)

[Transfers](#)

1.0 OVERVIEW

Pursuant to Section 23 of BC Hydro's [Open Access Transmission Tariff](#) (OATT), a Transmission Customer may sell, assign, or transfer all or a portion of its rights under its Service Agreement or Umbrella Agreement (the "Reseller"), but only to another Eligible Customer (the "Assignee").

Note: Mixed Class Wheelthrough Transmission service can only be resold as Mixed Class Wheelthrough Transmission service.

A sale, assignment or transfer of a Transmission Service Agreement or Umbrella Agreement is either a:

1. "Resale" where a Reseller sells all or a portion of its scheduling rights associated with the Point of Receipt (POR) and Point of Deliver (POD) of a CONFIRMED Firm or Non-Firm Point-to-Point (PTP) Service Agreement or Umbrella Agreement; or
2. "Transfer" where a Reseller transfers all of the rights and obligations under an existing, CONFIRMED Firm yearly Service Agreement and CONFIRMED Firm and Non-Firm monthly Umbrella Agreement to the Assignee.

These Business Practices provide clarification of the rules, standards and practices used by BC Hydro to implement its OATT. While the terms of BC Hydro's OATT and these Business Practices govern, customers should also refer to the NAESB WEQ Business Standards and WECC Regional Criteria which BC Hydro has followed in most, but not all, respects. BC Hydro also complies with the Mandatory Reliability Standards adopted by the BCUC.

2.0 RESALES

A Reseller shall have the right to offer for sale all or a portion of the scheduling rights associated with its Service Agreement or Umbrella Agreement.

Resales are posted on OASIS and are subject to the following rules:

- a) A Resale must be between two registered BC Hydro customers. For information on how to get registered and enabled on BC Hydro's OASIS, refer to BC Hydro's OATT Business Practice on *Becoming a BC Hydro Transmission Customer*.

- b) A Resale must be conducted or posted on OASIS otherwise BC Hydro will not approve the Resale.
- c) A Resale shall retain all the same transmission service attributes, transmission service priority and POR/POD of the Parent Reservation (the CONFIRMED TSR of the Reseller). For example, if one hour of a Monthly Firm reservation is resold, the Resale TSR shall be a Monthly Firm Resale reservation lasting one hour.
- d) A Resale does not convey the right of service renewal pursuant to Section 2 of BC Hydro's OATT.
- e) Bid Price of the Resale TSR is the rate mutually agreed between the Reseller and Assignee. The price shall be in \$/MW-Hour. Refer to BC Hydro's OATT Business Practices on *Settlements and Billing* for information regarding invoicing of Resales.
- f) With the exception of Conditional Firm Service reservations, a Reseller has the right to aggregate multiple reservations into a single Resale provided that each reservation being aggregated is of exactly the same service attribute, priority, product and POR/POD.
- g) Service arranged through a Redirect on a Non-Firm Basis, pursuant to Section 22.1 of BC Hydro's OATT, cannot be resold. BC Hydro will annul a Resale of a Redirect on a Non-Firm Basis. Refer to BC Hydro's OATT Business Practice on *Redirect of Transmission Service* for information on Redirects.
- h) A Resale must be in whole MWs and equal to or less than the Granted Capacity of the Parent Reservation, less any reductions (i.e. confirmed Redirects, previous resales, etc.) and allocated capacity (i.e. confirmed energy schedules, etc.).

The Assignee must execute a Service Agreement in the form of Attachment A-1 or B-1 of BC Hydro's OATT (as applicable) with BC Hydro that will govern the provision of reassigned service and the price of the Resale in \$/MW per hour, before BC Hydro approves the Resale. BC Hydro will annul a Resale in absence of an executed Service Agreement (Attachment A-1 or B-1 as appropriate).

For clarity, pursuant to the Resale:

- a) The Assignee shall be obligated directly to BC Hydro for all arrangements required for scheduling transactions under its Service Agreement on BC Hydro's transmission system, including, but not limited to, submission of schedules and provision of losses.
- b) The Assignee shall be responsible for any usage-based charge and overuse penalties resulting from its subsequent use of the Resale.
- c) The Reseller shall lose the scheduling rights for the time and of the Resale.
- d) The Assignee has the right to Redirect transmission rights under its Service Agreement pursuant to Section 22 of BC Hydro's OATT.

3.0 TRANSFERS

A Reseller shall have the right to Transfer all of their rights and obligations under an existing Long Term Firm PTP, and Firm and Non-Firm monthly PTP reservation. Such Transfer shall be for all or a portion of the capacity of that reservation.

All Transfers must be posted and approved by all parties on OASIS, subject to the following rules:

- a) A Transfer must be between two registered and enabled BC Hydro Customer. For information on how to get registered and enabled on BC Hydro's OASIS, refer to BC Hydro's OATT Business Practice on *Becoming a BC Hydro Transmission Customer*.
- b) A Transfer must be conducted or posted on OASIS; otherwise BC Hydro will not approve the Transfer.
- c) Partial Transfers in the amount less than the full capacity granted to the Parent Reservation shall be limited to the capacity available for scheduling (i.e. granted capacity less any reductions of confirmed Redirects, previous sales, energy schedules, etc.). The Transfer will be REFUSED if there is insufficient capacity. Partial Transfers of Conditional Firm Service will be INVALID.
- d) Full Transfers for the entire capacity granted to the Parent Reservation shall result in the Transfer of all capacity of the Parent Reservation and the Transfer of all encumbrances associated with that capacity in the form of confirmed Redirects, Resales or any other reductions in reserved capacity.
- e) The Bid Price is equal to the contract price of the Parent Reservation.
- f) All parties – the Reseller, the Assignee and BC Hydro – must agree to the Transfer. The conveyance of Transfer rights is not complete until BC Hydro approves the Transfer.
- g) A Transfer shall convey all rights and obligations under BC Hydro's OATT from the Reseller to the Assignee.

Prior to BC Hydro approval of the Transfer:

- a) The prospective Assignee shall have executed a Transmission Service Agreement in the form of Attachment A-1 or B-1 of BC Hydro's OATT.
- b) For the Transfer of Long Term PTP transmission service, the Reseller shall execute an amendment of its Service Agreement that amends the Reseller rights in accordance with the duration and in the capacity of the Transfer.

For clarity, pursuant to the Transfer:

- a) Any renewal rights held by the Parent Reservation pursuant to Section 2.2 of BC Hydro's OATT, including all limitations to those renewal rights, shall be conveyed from the Reseller to the Assignee on the path and in the capacity transferred.

- b) The Assignee of a Transfer shall have the same right to redirect and resell the transferred capacity in accordance with BC Hydro's OATT.

Document Change History

Issue	Reason for Issue	Date
2	Updated procedures. Previously Business Practice 8.	November 1, 2010
1	OATT Implementation	March 1, 2006

[Back to Top of Section](#)