



July 10, 2020

450–1<sup>st</sup> Street SW  
Calgary, Alberta  
T2P 5H1

**Mark Thompson**  
T: 403.589.7193  
E: markj\_thompson@tcenergy.com

BC Hydro  
333 Dunsmuir St.  
Vancouver, BC V6B 5R4

**Attention: Ms. Brenda Ambrosi**

Dear Ms. Ambrosi,

**Re: Bulletin Proposing Changes to the Release of Unused Firm Transmission Capacity in Real Time Posting of Transmission Service Offerings (Bulletin)**

TC Energy (TCE) writes in response to the above-referenced Bulletin posted on June 15, 2020 that addresses a proposed change to the release of unused firm transmission as proposed by Capital Power. TCE has reviewed the Bulletin and for the reasons expressed below does not support the proposed change.

TCE understands that the change is being proposed because Capital Power claims that BC Hydro's current practice of releasing firm transmission at T-85 creates a scheduling inconsistency between British Columbia and the balancing authorities in the CAISO Energy Imbalance Market (EIM), which makes transactions with parties in the CAISO EIM difficult. TCE further understands that Capital Power has proposed that the release of firm transmission be moved to T-60 as this would relieve such inconsistencies.

TCE acknowledges that the proposed change would make it easier for parties to transact using non-firm transmission, and that it would be reasonable to do so if it was the first-best solution. However, this is not the case.

Firm transmission remains available on the AB-BC and BC-US paths, which means that parties are able to procure transmission prior to T-85 for transfers going to the CAISO EIM. In other words, a party can transact without scheduling inconsistencies by using firm transmission rather than non-firm transmission. TCE submits that this would set a bad precedent (particularly when firm transmission is available) that would reduce the incentive for parties to procure firm transmission, which would negatively impact investment in BC Hydro's transmission system.

While TCE believes the proposed change to be unwarranted, if BC Hydro should decide to implement this change, TCE encourages BC Hydro to limit the change exclusively to the AB-BC and BC-US paths since the rationale relates only to transfers from Alberta to balancing pools in the CAISO EIM. Accordingly, no changes ought to be made to any other paths as no such need has been identified.

If you have any questions or comments, please feel free to contact the undersigned.

Yours truly,

*Original Signed by the Writer*

Mark Thompson  
Manager, Regulatory & Compliance