

February 4, 2005  
File No.: 260254.18/15311

**VIA FACSIMILE**

British Columbia Utilities Commission  
PO Box 250, 600 – 900 Howe Street  
Vancouver, BC V6Z 2N3

**Attention: Mr. Robert J. Pellatt, Commission Secretary**

Dear Mr. Pellatt:

**BC Hydro and Power Authority Call for Tenders for Capacity on Vancouver Island  
Review of Electricity Purchase Agreement (Project No. 3698354)**

As you are aware, we are counsel for BCTC in these proceedings. We are writing in response to the final argument of Duke Point Power Limited Partnership ("DPP") that was filed with the Commission on February 1, 2005.

In its Argument, DPP makes a number of submissions directed at BCTC's witnesses. BCTC takes issue with these submissions and believes that these comments are inappropriate and unhelpful and do nothing to advance the issue before the Commission.

There are many places where DPP's Argument does not accurately reflect BCTC's evidence. However, given BCTC's role in this proceeding, BCTC does not believe that it is appropriate for it to engage in a point-by-point rebuttal of DPP's Argument. As a general response to DPP's comments, BCTC submits that casting dispersions on BCTC's witnesses and BCTC neither constitutes evidence nor has any relevance in terms of when the 230kV project will be in-service. BCTC and its witnesses have attempted to be as helpful as possible to the Commission and to the participants and, without limiting the generality of the foregoing, BCTC submits that both Mr. Mansour and Mr. Barrett conducted themselves in an open, professional, knowledgeable and trustworthy manner. Mr. Mansour and Mr. Barrett fully responded to Mr. Keough's questions and, when Mr. Keough allowed them to go beyond simply confirming what was written in a document that is almost a year old and was indicated to be outdated, they offered concrete examples of the progress that has been made on each of the items identified in the "Risk Log" relied on in DPP's Argument.<sup>1</sup> They also addressed the nature and purpose of the Risk

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<sup>1</sup> BCTC will not attempt to identify every instance of this here. For a summary statement see TR 10, p. 2349 (lines 2-8).

Log as a project management tool rather than as a project risk forecast.<sup>2</sup> Finally, without attempting to canvass the whole of the evidence, they identified BCTC's change in approach to pursue approvals in parallel rather than sequentially<sup>3</sup> and to advance the date of applying for project approvals.<sup>4</sup> In short, contrary to DPP's submissions, BCTC submits that Mr. Mansour and Mr. Barrett's evidence was based on a disciplined project management approach, the actual progress made on the project to date, and their current state of knowledge and experience. Like DPP, BCTC commends the whole of BCTC's evidence to the Commission.

In conclusion, as the Commission is aware, BCTC cannot guarantee that the 230kV cables will be in service by October 2008. As acknowledged by Mr. Mansour, any major project faces risks, just as VIGP did, and DPP does.<sup>5</sup> Equally, as Mr. Barrett testified, the 230kV project may be able to be completed prior to the October 2008 date.<sup>6</sup> Notwithstanding this possibility, BCTC's evidence is that, for planning purposes, BCTC is relying on the October 2008 date and that it has a reasonably high level of confidence in this date.<sup>7</sup> BCTC believes that the evidence fully supports that this is a reasonable view but, in any event, submits that it does not warrant the personalized nature of DPP's submissions.

Yours truly,

**FASKEN MARTINEAU DuMOULIN LLP**



A.W. (Sandy) Carpenter

AWC/dmc

cc. British Columbia Transmission Corporation

BC Hydro  
c/o Lawson Lundell - Attention: Chris Sanderson

Duke Point Power Limited Partnership  
c/o Bennett Jones - Attention: Loyola Keough

Registered Intervenors

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<sup>2</sup> TR 10, p. 2407 (line 9) to p. 2408 (line 24); TR 10, p. 2346 (line 18) to p. 2348 (line 4).

<sup>3</sup> TR 10, p. 2361 (lines 7-13).

<sup>4</sup> TR 10, p. 2350 (line 11) to 2351 (line 1).

<sup>5</sup> TR 10, p. 2364 (lines 8-20).

<sup>6</sup> TR 10, p. 2335 (lines 1-13); p. 2355 (lines 4-5).

<sup>7</sup> TR 10, p. 2288 (lines 2-16); p. 2332 (lines 2-6).