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May 5, 2009

SECTION 5

TRANSMISSION INQUIRY

EXHIBIT A-9

Mr. Peter Dimitrov
Barrister & Solicitor
B.C. First Nations Energy & Mining Council
615-1000 Park Royal South
West Vancouver, BC V7T 1A2

Dear Mr. Dimitrov:

Re: British Columbia Utilities Commission
Project No. 3698545/Order G-30-09
Inquiry into British Columbia's Long-Term Transmission Infrastructure

Letter dated April 28, 2009 – Capacity Funding Query

In its letter dated April 28, 2009, the B.C. First Nations Energy and Mining Council ("Council") requests clarification on several issues related to capacity funding for First Nation participation in the Long Term Electricity Transmission Inquiry. Specifically, the letter asks:

- For clarification on rates of payment for consultancy, legal services and disbursements and the process by which other First Nations organizations can receive capacity funds.
- Should invoices be submitted by the Council and if so, how soon following its submissions will payment be received?
- Will a capacity funding agreement be required and if so, what will be the terms of such an agreement, and who will be the parties to such an agreement?

The Council letter states that it has been informed by BC Hydro that it is prepared to pay for capacity costs of the First Nations participation, including that of the Council, in BC Hydro's own "parallel" process of consultation with First Nations, but that "...we should look to the Commission for capacity funds to participate in the Inquiry itself." The Council considers this to be needlessly complicated and requests that the Commission establish a "one-stop basis" for First Nation applications for capacity funding from BCUC/BC Hydro/BCTC/Fortis.

The Commission letter dated May 5, 2009 (Exhibit A-8) to all Inquiry Participants, establishes that the Commission Panel will entertain requests for interim awards to cover expenses for the period up to the next Procedural Conference to be held on June 24, 2009. The Commission Panel also indicates that it will consider,

after the June 24th Procedural Conference whether alternative funding guidelines should be established for the remainder of the Inquiry. Therefore, the Commission defers a response to the questions concerning a Council capacity funding agreement and the establishment of a one-stop basis for funding until after the June 24th Procedural Conference.

As noted in the Commission's May 5, 2009 (Exhibit A-8) letter, the rates of payment for consultancy, legal services and disbursements are set out in the Commission's Participant Assistance Cost Award Guidelines attached to Order G-72-07 (available on the BCUC website at www.bcuc.com). Invoices should be submitted by the Council or other Participants. The timing of the reimbursement will depend on the completeness of the applications for an award, but the Commission will endeavour to process applications that are complete in a timely manner.

Yours truly,

Original signed by:

Erica M. Hamilton

JWF/dg

cc: Participants – Long Term Electricity Transmission Inquiry
(*Transmsn-Inquiry-RI*)