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Our File: 11-3512
Date: April 10, 2012

British Columbia Utilities Commission
6th Floor – 900 Howe Street
Vancouver, BC V6Z 2N3

Attention: Alanna Gillis, Acting Commission Secretary

Dear Madame:

Re: British Columbia Hydro and Power Authority (“BC Hydro”) Certificate of Public Convenience and Necessity (“CPCN”) Application Dawson Creek/Chetwynd Area Transmission (“DCAT”) Project, Project 3698640 Association of Major Power Customers of BC (“AMPC”) – Response to BC Hydro Letter dated April 5, 2012, and Proposed Schedule

We are legal counsel to AMPC in this matter. AMPC is in receipt of BC Hydro's supplemental letter commenting on intervener responses to BC Hydro's hearing reactivation request. In its letter BC Hydro proposes a procedural schedule for the first time. This letter provides AMPC's response to the suggested schedule. AMPC also provides a correction to a BC Hydro misunderstanding of AMPC's position.

1. Procedural Schedule

As a preliminary comment AMPC notes that BC Hydro's letter was not filed pursuant to any Commission process, was filed shortly before the close of business on Thursday, April 5, and seeks a Commission ruling on the proposed schedule on Tuesday, April 10 (today). Our offices, AMPC's offices, the Commission's offices, and the offices of many AMPC member companies and other parties in B.C. were closed on Good Friday and Easter Monday. The urgency of BC Hydro's request contrasts sharply with the open-ended delay BC Hydro requested in November. Interveners should have an opportunity to comment on any proposed schedule.

AMPC has three concerns with the proposed procedural schedule and associated requests:

- (a) The schedule suggests that interveners (currently AMPC, West Moberly First Nation, and Shell) file evidence one week after receiving responses to both the outstanding IRs and IRs on the new material. This is an unreasonably short interval, and would more typically be three to four weeks.



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- (b) BC Hydro's timelines are unduly aggressive and fall within a very congested regulatory period (the spring - including BC Hydro's 2012-2014 Revenue Requirement Application) as well as during the summer period. AMPC would prefer a more feasible schedule with an oral hearing date in October.
- (c) As previously stated, and as echoed by other interveners, BC Hydro's requests to limit scope remain poorly defined. Parties are not able to properly comment on scope absent clear requests. Moreover, under the proposed schedule on April 17 BC Hydro proposes to "identify" Round 3 IRs that are already answered, out of scope, or no longer relevant, based on its recent submissions. This process seems likely to lead to less clarity about issues, not more. BC Hydro should simply answer the IRs and reference its new evidence where applicable. Refusals to answer may be dealt with by further process.

2. Correction

BC Hydro states that "AMPC (and [BCOAPO]) seek to elevate BC Hydro's request to make some very minor amendments to the distribution tariff...as a concession by BC Hydro that the tariffs as a whole have been placed in issue." With respect, AMPC did not state or imply that the BC Hydro has made concessions, or that this aspect of the application alone makes AMPC's concerns relevant. AMPC stated that BC Hydro's submissions that the tariff should be considered out of scope are inconsistent with its request to address inequitable outcomes arising from the application of the current tariff.

AMPC's concerns are whether the tariff's customer contribution policy, BC Hydro's interpretation of WECC policy, or BC Hydro's interpretation of "electrification" policy under the BC Energy Objectives create the DCAT project need, in combination or independently. These issues would be present even if BC Hydro had not proposed to change the distribution tariff. AMPC seeks to explore these issues strictly as they relate to DCAT project need. It is coincidence that BC Hydro's opposition to the scope of Commission and intervener IRs (including AMPC's) is, at a principled level, inconsistent with part of BC Hydro's application.

Please contact the writer if you have any questions.

Yours truly,

Bull, Housser & Tupper LLP

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