

LIDSTONE & COMPANY
BARRISTERS AND SOLICITORS

April 24, 2012

BY COURIER / EMAIL

British Columbia Utilities Commission
6th Floor, 800 Howe Street
Vancouver, BC V6Z 2N3

Attention: Ms. Alanna Gillis
Acting Commission Secretary

Dear Ms. Gillis:

Re: Project No. 3698640; British Columbia Hydro and Power Authority (“Hydro”) – Certificate of Public Convenience and Necessity for the Dawson Creek/Chetwynd Area Transmission Project

Our File No. 10059-101

We represent the City of Dawson Creek (the “City”). We have been instructed to apply for late intervener status on the City’s behalf.

We are in receipt of the Commission’s letter of April 11, 2012, granting Hydro’s application to reactivate the DCAT proceeding and lifting the temporary suspension of the hearing. We have also reviewed Hydro’s correspondence of March 23, 2012, April 5, 2012, and April 17, 2012 which sets out Hydro’s reasons for requesting the reactivation, and also Hydro’s responses to the positions and information requests of various interveners.

We understand that applications for intervener status were originally requested by August 15, 2011. The following circumstances are directly material to the City’s application.

- Prior to the original August 15, 2011 filing date, the City sought input from Hydro on the status of the project. The information from Hydro indicated that the DCAT application would proceed as a standard facilities application, and that there should be no substantial delay either in the hearing, or in the expansion of service to the Dawson Creek area.

- New City Council was elected in November 2011, as with all other BC municipalities. Within a few months of being sworn in, in early March 2012, Council began to receive complaints from local businesses that the completion of the DCAT line, and the resulting expansion of service to the area, were being delayed. Some businesses advised that the delay in service would affect adversely their own operating schedules.
- Council learned of the suspension of the Commission hearings at approximately the same time. When all of these factors were brought to Council's attention, Council passed a resolution to seek intervener status.

As stated above, the City's view in the summer of 2011 was that the DCAT application would proceed as a standard facilities application, within the context of standard Hydro policies on such matters as user rates and quality of service. However, as is evident from the Hydro correspondence, hearing participants have now raised substantially broader issues. Those issues are fundamental to both the policies that Hydro will follow in delivering service to the Dawson Creek area, and to the interests and concerns of the City's residents. We have not had sufficient time to examine the large volume of information that is contained in both the original application and numerous information requests, but the Hydro correspondence identifies some of the principal issues that have arisen:

- Some interveners now appear to question whether distinctions should be made between old and new customers of Hydro for both ratemaking and service level issues.
- The application of "postage stamp" rates, and whether they should be modified to reflect the cost of new facilities, has also been questioned.
- The long-standing policy of Hydro of providing a uniform level of service throughout the Province has been brought into issue.
- If the Commission addresses these issues, it will also have to address the legal issues of whether, and to what extent, the Commission is entitled to change Hydro policies in these areas.

In addition to these points, the course of the Commission proceedings itself has begun to impact the interests of City residents. As the evidence before the Commission has already disclosed, new businesses in the area are waiting on the additional delivery capacity to power new job opportunities. Further delay may impact both those businesses and the economic

advancement of the area as a whole. It is not only the substantive aspects of the hearing, but also its length and procedures, that have taken a course not previously expected.

The City represents approximately 13,000 citizens who have a more keen and direct interest in the advancement of the DCAT application than anyone else. The issues now being raised bring into question their right to be treated in a fair and equitable way, in relation to other users in the Province, on issues like access to power, cost of power, and quality of service. We respectfully submit that given the course the proceedings have taken to date, it would be fundamentally unfair and unjust for these proceedings to proceed further without the City's voice.

Accordingly, the City respectfully submits that the following reasons support the City's application for late intervenor status.

1. The issues being raised in the hearing affect the City's residents in a direct and fundamental way. We understand that 40% of the capacity of the DCAT line is required to maintain quality and service levels in Greater Dawson Creek. City Council does not believe that it is open to Hydro not to provide the same quality and level of service that is available uniformly throughout the rest of the Province
2. The Commission is also being asked to consider directly whether City residents should continue to enjoy their long-standing right to receiver power at the same cost as other residents of the Province.
3. The economic interests of the City as a whole, in terms of business development, job creation, and economic opportunity for the area residents are impacted.
4. The City seeks to have input on the procedure to be following in this matter going forward, so that unnecessary delays in the approval of the DCAT line, and ultimately its completion, can be avoided.
5. The issues set out above, and the extent of their potential impact on the City's inhabitants, have only become apparent from the course of these hearings, and were not anticipated in August 2011.

The unusual course of this application is evident from the fact that it was suspended, and then reactivated several months later. The City represents those most directly affected by the circumstances that led to the suspension, and it should have the opportunity to participate in the hearings now that the suspension has been lifted.

The City is prepared to intervene on the basis that it accepts the record of proceeding to date, so that none of the effort that has been put forward to date is made redundant. However, the City seeks full intervener status going forward, including the right to adduce evidence at any oral hearing that may be held.

In the course of our intervention, the City would like to provide submissions with respect to the impacts of the lack of power supply to the City and its surrounding area. The City also wishes to speak to the various issues that have been raised by the interveners relating to the relative rates to be charged to City residents, and the relative quality of service that will be provided to them. Finally, the City wishes to speak to procedural issues, and the importance of avoiding any unnecessary delay in expanding and improving its existing Hydro service. More specifically, we also wish to participate in the Procedural Conference scheduled for May 2, 2012, as set out in Commission Exhibit A-26.

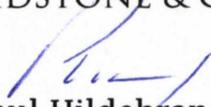
We ask that the City be registered as an intervener and that the author and Jim Chute of the City be added to the distribution list so that we may receive notice of all filings and other information at the e-mail addresses below:

lidstone@lidstone.info
hildebrand@lidstone.info
jchute@dawsoncreek.ca

Should any elaboration or clarification be required, please do not hesitate to contact us.

Sincerely,

LIDSTONE & COMPANY



Paul Hildebrand
hildebrand@lidstone.info

PAH/mrv

- c. Jim Chute, Chief Administrative Officer
Constance Smith, Assistant Commission Secretary

LIDSTONE & COMPANY
BARRISTERS AND SOLICITORS

April 25, 2012

BY EMAIL

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

Attention: Ms. Alanna Gillis
Acting Commission Secretary

Dear Ms. Gillis:

Re: Project No. 3698640;
British Columbia Hydro and Power Authority ("Hydro") - Certificate of
Public Convenience and Necessity for the Dawson Creek/Chetwynd
Area Transmission Project

Our File No. 10059-101

Further to our letter of April 24, 2012 requesting late intervener status for the City of Dawson Creek, we would like to bring the Commission's attention to section 114 of the *Utilities Commission Act*, R.S.B.C. 1996 c. 473, which states:

- 114 (1) In this section, "municipality" includes a regional district.
- (2) If a municipality believes that the interests of the public in the municipality or a part of it are sufficiently concerned, the municipality may, by resolution, become an applicant, complainant or intervenant in a matter within the commission's jurisdiction.
- (3) The municipality may, for subsection (2), take a proceeding or incur expense necessary
- (a) to submit the matter to the commission,
 - (b) to oppose an application or complaint before the commission, or
 - (c) if necessary, to become a party to a proceeding or appeal under this Act.

As noted in our letter of April 24, the Council of the City of Dawson Creek has passed a resolution to seek intervener status with respect to Project No.

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3698640, and for that reason section 114 is clearly material to our application. We apologize for our inadvertent failure to draw your attention to this section in our previous letter.

Sincerely,

LIDSTONE & COMPANY



Paul Hildebrand
hildebrand@lidstone.info

PAH/mrv

- c. Jim Chute, Chief Administrative Officer
Constance Smith, Assistant Commission Secretary
Chris Sanderson, Q.C.