**BC hydro**

**FOR GENERATIONS**

**Janet Fraser**
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October 28, 2014

Dear Sirs:

**RE:     British Columbia Hydro and Power Authority (BC Hydro)
            Independent Review of the British Columbia Utilities Commission
            Interim Report (the Interim Report)**

BC Hydro is writing to provide its comments on the Interim Report. BC Hydro's only comments are in reference to Part 2, section 2(j) regarding mandatory reliability standards (**MRS**) in British Columbia (**B.C.**). The Interim Report includes the following at page 30:

> **"Conclusions**
>
> It is essential to have MRS to keep British Columbia aligned with the rest of North America: if a serious blackout occurs, users of the system may need to document compliance with adopted standards. Ultimately, whether it is the transmission owners or the BCUC that is responsible for assessing and adopting standards, and ensuring compliance, the entity responsible needs to have the resources, cost recovery capability, and the expertise to be effective.
>
> A greater role in ensuring MRS are met aligns with BC Hydro's multiple roles in transmission planning, development, ownership, grid operations and balancing. In addition, MRS coordination would leverage BC Hydro's institutional expertise in ensuring grid reliability for the vast majority of the Provincial Bulk Electric System.
>
> **Recommendations**
>
> Recommendation(s), if any, will be included in the Final Report."

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October 28, 2014
British Columbia Hydro and Power Authority (BC Hydro)
Independent Review of the British Columbia Utilities Commission
Interim Report (the Interim Report)                                    **Page 2 of 2**

BC Hydro is unclear as to the direction that is being suggested with respect to the regulation of, and compliance with, MRS in B.C. BC Hydro will provide comments on the recommendations with respect to this topic once the recommendations are issued in the final report of the Task Force, if necessary.

For further information, please contact the undersigned.

Yours sincerely,

Original signed

Janet Fraser
Chief Regulatory Officer

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