

Chris Sandve Chief Regulatory Officer <u>bchydroregulatorygroup@bchydro.com</u>

December 20, 2024

Patrick Wruck Commission Secretary and Manager Regulatory Services British Columbia Utilities Commission Suite 410, 900 Howe Street Vancouver, BC V6Z 2N3

Dear Patrick Wruck:

RE: British Columbia Utilities Commission (BCUC or Commission) British Columbia Hydro and Power Authority (BC Hydro) Electric Tariff Supplement No. 108 – Dawson Creek Area Interim Transmission Service Agreement Application

BC Hydro writes to file the attached application for approval of Tariff Supplement No. 108 (**TS 108**).

TS 108 is an interim, interruptible transmission service agreement for customers requesting new or increased load in the Dawson Creek area prior to the in-service date of a fourth transformer (currently expected to be March 2027), which is required to meet this load growth on a permanent basis. TS 108 will allow us to connect customers earlier than would otherwise be the case (i.e., prior to the fourth transformer entering service).

Concurrent with this filing and under separate cover, BC Hydro is also submitting an application for approval of Tariff Supplement No. 110 (**TS 110**). TS 110 is a permanent load curtailment agreement for applicable customers that are, or would be, subject to the Natal Load Shedding Remedial Action Scheme which exists today on BC Hydro's system and has a low probability of occurrence. TS 110 will allow status quo service to be maintained for affected customers while avoiding the need for costly infrastructure investments to address a low probability event.

These applications will achieve compliance with Mandatory Reliability Standard TPL-001-4 (**TPL-001-4**), which does not permit Non-Consequential Load Loss or the interruption of Firm Transmission Service under certain system contingencies starting July 1, 2025.

Neither application imposes additional costs on ratepayers and both are supported by affected customers.



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For further information, please contact Shiau-Ching Chou at <u>bchydroregulatorygroup@bchydro.com</u>.

Yours sincerely,

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Chris Sandve Chief Regulatory Officer

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Enclosure

BC Hydro Application for Electric Tariff Supplement No. 108 Dawson Creek Area Interim Service Agreement

PUBLIC



Chris Sandve Chief Regulatory Officer bchydroregulatorygroup@bchydro.com

December 20, 2024

Patrick Wruck Commission Secretary and Manager Regulatory Services British Columbia Utilities Commission Suite 410, 900 Howe Street Vancouver, BC V6Z 2N3

Dear Patrick Wruck:

RE: British Columbia Utilities Commission (BCUC or Commission) British Columbia Hydro and Power Authority (BC Hydro) Electric Tariff Supplement No. 108 – Dawson Creek Area Interim Transmission Service Agreement Application

BC Hydro writes pursuant to sections 58 to 61 of the *Utilities Commission Act* for approval of Electric Tariff Supplement No. 108 (**TS 108** or **Tariff Agreement**) for the provision of electricity service on an interim, curtailable basis for certain transmission voltage customers in the Dawson Creek area that are connected, or will be connecting, to BC Hydro's system via the Bear Mountain Terminal Substation (**BMT**) prior to the installation of a fourth transformer (which is expected to occur in March 2027), and for the rescindment of Electric Tariff Supplement Nos. 104 and 105 (**TS 104** and **TS 105**).

TS 108 will allow us to connect customers earlier than would otherwise be the case (i.e., prior to the fourth transformer entering service) and achieve compliance with a mandatory reliability standard that is required to be fully implemented by July 1, 2025. The Application includes the following attachments:

- 1. Proposed TS 108 as Attachment 1;
- 2. TS 104 and TS 105 as Attachment 2; and
- 3. Customer letters of support as Attachment 3.

This application contains specific information relating to the electricity use of certain transmission voltage customers and other commercially sensitive information. To preserve confidentiality and protect commercially sensitive information, BC Hydro requests that the BCUC keep this information confidential pursuant to section 42 of the *Administrative Tribunals Act* and Part 4 of the BCUC's Rules of Practice and Procedure. BC Hydro has separately submitted a public version of the Application with the above confidential information redacted.



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December 20, 2024 Patrick Wruck Commission Secretary and Manager Regulatory Services British Columbia Utilities Commission Electric Tariff Supplement No. 108 – Dawson Creek Area Interim Transmission Service Agreement Application

Background

BC Hydro has received a large volume of interconnection requests from transmission voltage customers in the Dawson Creek area for new or increased load. System impact studies that have been completed in response to these requests have identified that BC Hydro has the capacity and ability to serve these requests under system normal conditions, but may not when a specific contingency system condition occurs: an outage of one of the three existing transformers at BMT. If that contingency occurred and there was insufficient capacity on the two remaining transformers to supply all loads in the Dawson Creek area, BC Hydro would have to reduce or suspend the supply of electricity to some customers.

To address this contingency, BC Hydro will be installing a fourth transformer at BMT (**BMT-T4**). BMT-T4 is expected to come into service in March 2027.

BC Hydro is submitting this Application to support our customers' requested in-service dates for new or increased load, which fall prior to BMT-T4 being in service. The proposed Tariff Agreement is drafted in the form of a supplemental curtailment agreement with the affected customers that provides BC Hydro with the right to shed some or all of these customers' loads in the event of a transformer outage, if necessary, on a priority basis over other customer loads (i.e., the reliability of service to existing customers will not be impacted), until BMT-T4 is in service.

Mandatory Reliability Standard TPL-001-4 (**TPL-001-4**) forbids the use of Non-Consequential Load Loss and/or the interruption of Firm Transmission Service to respond to most single system contingency events, including a transformer outage.¹ This prohibition does not apply to "Interruptible Loads" as defined in the North American Electric Reliability Corporation (**NERC**) Glossary of Terms.² The deadline for full implementation of TPL-001-4 is July 1, 2025.^{3,4}

By defining loads served under TS 108 as Interruptible Loads, BC Hydro will be compliant with TPL-001-4 while helping our customers energize sooner than they would otherwise be able to. Examples of customer requests that BC Hydro would be accommodating through the proposed Tariff Agreement are set out below:

Refer to Table 1 of Appendix D of BCUC Order No. R-27-18A, which sets out certain system conditions under which Non-Consequential Load Loss and interruption of Firm Transmission Service is not allowed.

² "Demand that the end-use customer makes available to its Load-Serving Entity via contract or agreement for curtailment." Refer to: <u>https://www.nerc.com/pa/Stand/Glossary of</u> <u>Terms/Glossary_of_Terms.pdf</u>

³ Approved for adoption in B.C. by BCUC Order No. R-27-18A.

⁴ TPL-001-4 includes a transition period for implementation, during which Non-Consequential Load Loss and interruption of Firm Transmission Service are still permitted. This transition period ends June 30, 2025, after which Non-Consequential Load Loss and interruption of Firm Transmission Service are only permitted as set out in Table 1 of TPL-001-4.



- ARC Resources Ltd. (ARC) submitted a load request that was entered into BC Hydro's load interconnection queue on November 5, 2020 for the interconnection of their Dawson 3&4 facilities to the BC Hydro transmission system, replacing on-site self-generation. To comply with Mandatory Reliability Standards (i.e., TPL-001-4), the System Impact Study identified the need to install a fourth 230/138 kV transformer with associated switchgear at BMT to increase 230/138 kV transformation capacity in the Dawson Creek area. BC Hydro executed an Electricity Supply Agreement (ESA) with the customer for KVA on May 9, 2023. However, to comply with TPL-001-4, the load is required to be Interruptible Load prior to July 1, 2025 and until BMT-T4 is in place.
- ARC also submitted a request to BC Hydro for a load increase in relation to its Sunrise Gas Plant (a natural gas terminal and gas processing plant) located north of Highway 97 near Progress, BC. ARC's current ESA for the Sunrise Gas Plant has a Contract Demand of kVA. The additional Contract Demand of kVA requested by ARC was provided to the customer on an interim, curtailable basis in accordance with TS 104.⁵ TS 104 includes curtailment provisions to address a potential constraint on transmission line 1L358 that has since been resolved with the construction of a new transmission line. TS 108 would replace TS 104 for ARC's Sunrise Gas Plant (i.e., TS 104 would be terminated to align with the effective date of TS 108).
- Cutbank Ridge Partnership (CRP) operates three customer-owned substations supplying electricity to multiple natural gas processing and compressor facilities in the Kiskatinaw River area, located approximately 15 km west of Dawson Creek on Highway 97 and approximately 6 km from BMT. CRP's current ESAs have a Contract Demand of KVA. CRP requested an increase of KVA, which has previously been served on an interim, curtailable basis in accordance with TS 105.⁶ As with TS 104, TS 105 included curtailment provisions to address a potential constraint on transmission line 1L358 that has since been resolved with the construction of a new transmission line. TS 108 would replace TS 105 for CRP.
- NorthRiver Midstream's Tupper West facility (TPW) is an electric driven gas processing facility (TPW1 and TPW2) with a combined MMcf/d throughput. TPW is located on 200 Road, approximately 2.5 km from the junction with Hwy 52 (Heritage Highway), approximately 13 km south of Highway 97 and about 32 km from Dawson Creek. Their current ESA has a Contract Demand of KVA and NRM is seeking an ESA amendment to increase contract demand by kVA to a total contract demand of KVA.

A full list of customer requests that are expected to be impacted by the need for BMT-T4, and which may require TS 108, is provided in Table 1 below.

⁵ Approved by BCUC Order No. G-24-23.

⁶ Approved by BCUC Order No. G-24-23.



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Customer	Project Name	Interconnection Status
ARC	ARC Dawson 3&4 Load Interconnection	In Service
	ARC Sunrise load Increase	In Service
	ARC Sunrise load Increase	Interconnection In Progress
	ARC Parkland Load Increase	Interconnection In Progress
	ARC Dawson 3&4 Load Increase	Interconnection In Progress
NorthRiver Midstream	NorthRiver Tupper West Load Increase	Interconnection In Progress
	1L351 Load Interconnection (NRM Dawson)	Interconnection In Progress
CRP	1L358 Load Increase for CRP Gas Plants (Ovintiv)	In Service
	1L358 Load Increase (Ovintiv)	Interconnection In Progress
	Ovintiv 01-34 Compressor Station Electrification	Interconnection In Progress
Tourmaline	Tourmaline Sundown Compressor Station	Interconnection In Progress

Table 1 Customer Interconnection Requests

Proposed Interim Load Curtailment Agreement

TS 108 is intended to protect the interests of earlier customers served via BMT (who do not request a load increase requiring TS 108), who will not be impacted, while allowing new/increased loads to be served sooner than they would otherwise be able to. The customers seeking new/increased loads must agree and acknowledge that their load is Interruptible Load that could be suspended or reduced if a transformer outage occurs during the interim period (i.e., until BMT-T4 is in place), which meets the requirements of TPL-001-4. Once the permanent solution is in place, there will be no need for TS 108.

Through the proposed Tariff Agreement:

Once a fourth transformer at BMT is installed, the loss of a transformer at BMT would no longer result in TPL-001-4 issues for these customer loads, and thus, BC Hydro would no longer require additional curtailment provisions (i.e., that the load be Interruptible Load) beyond those contained in BC Hydro's standard ESA (TS 5 or TS 87).



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- BC Hydro will have the right to suspend or reduce the supply of electricity to the customer in the event of a transformer outage, if necessary (i.e., only if there is insufficient capacity on the remaining two BMT transformers to supply all the loads in the area); and
- BC Hydro and the customer will agree that any load that is suspended or reduced will be considered "Interruptible Load", as defined under the NERC Glossary of Terms as: "Demand that the end-use customer makes available to its Load-Serving Entity via contract or agreement for curtailment."⁸

The likelihood of a transformer outage that could result in BC Hydro exercising this curtailment right under the Tariff Agreement is expected to be low. Based on historical planned and unplanned outage information, the expected unavailability for a 230 kV transformer on the BC Hydro system is about 1.86%.

The load curtailment procedure will be enacted through an automatic load shedding Remedial Action Scheme (**RAS**), which shall be specified in BC Hydro's Peace Region system operating order and referenced in the joint operating orders between BC Hydro and the relevant customers. The joint operating orders are signed by BC Hydro and the customer and outline the procedures necessary to facilitate the interconnected operation of the customer's operations and BC Hydro's electrical system.

Proposed Terms for the Tariff Agreement

The key terms of TS 108 are summarized below:

- (a) Subject Contract Demand The amount of Additional Contract Demand the customer will receive in addition to any existing Contract Demand under its ESA or, for new loads, the Contract Demand set in the Customer's ESA;
- (b) Suspension of Supply (i.e., Load Curtailment and Load Shedding RAS actions) If one of the three existing BMT transformers is out of service and there is insufficient capacity on the remaining two BMT transformers to supply all the loads in the area, BC Hydro may suspend or reduce the supply of electricity to the customer for as long as BC Hydro determines is necessary to maintain safe and reliable service in the Dawson Creek Area;
- (c) Interruptible Load BC Hydro and the customer agree that any load suspended or reduced under TS 108 will be considered Interruptible Load as defined by the NERC Glossary of Terms; and
- (d) Term and Termination the Tariff Agreement shall commence on the Effective Date and continue in force until BC Hydro and the Customer execute a replacement ESA after the Effective Date; the customer's ESA is terminated without replacement; or, if the Additional Contract Demand in the Tariff Agreement is zero, BC Hydro confirms in writing that a fourth transformer at the Bear Mountain

⁸ Refer to: <u>https://www.nerc.com/pa/Stand/Glossary of Terms/Glossary_of_Terms.pdf</u>



Substation is fully operational. The Tariff Agreement can also be terminated by either party providing not less than three months notice to the other party.

There are no changes to the rate that would otherwise apply, which remain the applicable transmission service rates, and there are no costs to be recovered from other ratepayers.

Since TS 108 will replace TS 104 for ARC's Sunrise Gas Plant and TS 105 for CRP's facilities in the Kiskatinaw River area, BC Hydro is seeking BCUC approval to rescind TS 104 and TS 105 as part of this Application.

TS 108 is Supported by Customers

BC Hydro has engaged with the customers that are expected to be impacted by the proposed arrangement regarding the need for TS 108. This engagement has included several (virtual) meetings, as well as emails and phone calls. The potential for the customer's full load to be curtailed formed part of this consultation.

Letters of support for the Application from affected customers are provided as Attachment 3.

Benefits of the Tariff Agreement

BC Hydro submits that TS 108 is justified because it:

- Allows BC Hydro to advance the service requests of affected customers without impacting earlier connected customers;
- Promotes economic development and electrification in the Dawson Creek area;
- Reduces greenhouse gas emissions by eliminating the need to generate electricity using more carbon intensive fuels in the interim period (i.e., until BMT-T4 is in-service); and
- Does not cause costs to be recovered from other ratepayers.

Proposed Regulatory Process and Order Sought

BC Hydro submits that a regulatory process is not required for the review of this application because the Tariff Agreement is supported by the affected customers.

BC Hydro respectfully requests that the BCUC issue an order approving TS 108 and rescinding TS 104 and TS 105 by February 7, 2025, with an effective date as of the date of the order. This proposed timeline is driven by the service requests of affected customers.



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For further information, please contact Shiau-Ching Chou at <u>bchydroregulatorygroup@bchydro.com</u>.

Yours sincerely,

mh

Chris Sandve Chief Regulatory Officer

jl/tl

Enclosure

BC Hydro Electric Tariff Supplement No. 108 Dawson Creek Area Interim Service Agreement

Attachment 1

Proposed Tariff Supplement No. 108

DAWSON CREEK AREA – INTERIM TRANSMISSION SERVICE

THIS SUPPLEMENTAL AGREEMENT is made as of

the _____ day of ______, 20___ (the "Effective Date").

BETWEEN:

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY,

a Crown corporation continued under the laws of British Columbia having its head office at

333 Dunsmuir Street, Vancouver, British Columbia V6B 5R3

(herein called "BC Hydro")

OF THE FIRST PART

AND:

[CUSTOMER LEGAL NAME] having an office in British Columbia at [CUSTOMER ADDRESS], [CITY], British Columbia [POSTAL CODE] (herein called the "Customer")

OF THE SECOND PART

ACCEPTED:_____

ORDER NO.

BC Hydro Electric Tariff Supplement No. 108 COMMISSION SECRETARY Dawson Creek Area Interim Service Agreement Page 1 of 10

WHEREAS:

- A. The Customer has requested new or increased Contract Demand pursuant to Electric Tariff Supplement No. 5 or No. 87.
- B. BC Hydro has the capacity and ability to serve the requested new or increased load under system normal operating conditions; however, BC Hydro has identified a potential constraint on supplying the requested new or increased load if one of the three existing transformers at Bear Mountain Substation is out of service.
- C. The permanent solution to the potential constraint is expected to be the addition of a fourth transformer at the Bear Mountain Substation, which is expected to be completed by March 2027.
- D. In the interim, BC Hydro is willing to supply the requested new or increased Contract Demand pursuant to the Customer's Electricity Supply Agreement so that the Customer's planned operations can proceed prior to a permanent solution being implemented, on the condition that BC Hydro may suspend or reduce the supply of Electricity to the Customer's Plant if BC Hydro determines necessary to maintain safe and reliable service in the Dawson Creek Area.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT BC Hydro and the Customer agree as follows:

ACCEPTED:_____

ORDER NO.

BC Hydro Electric Tariff Supplement No. 108^{COMMISSION SECRETARY} Dawson Creek Area Interim Service Agreement Page 2 of 10

Attachment 1 BC Hydro

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ACCEPTED:

ORDER NO.

BC Hydro Electric Tariff Supplement No. 108 COMMISSION SECRETARY Dawson Creek Area Interim Service Agreement Page 3 of 10

1.0 DEFINITIONS AND INTERPRETATION

- 1.1 In this Supplemental Agreement, the following terms shall have the following meanings:
 - (a) "Additional Contract Demand" means the kVA demand specified in section 3.1 of this Supplemental Agreement;
 - (b) "Bear Mountain Substation" means the BC Hydro-owned Bear Mountain Terminal 230kV/138kV substation located approximately 13 km west of the City of Dawson Creek;
 - (c) "Customer's Electricity Supply Agreement" means the Electricity Supply Agreement in effect on the Effective Date;
 - (d) "Dawson Creek Area" means BC Hydro's service area downstream of the Bear Mountain Substation;
 - (e) "Dawson Creek Area Customer" means a BC Hydro customer who takes, or proposes to take, Electricity from BC Hydro's transmission system at a point downstream of Bear Mountain Substation pursuant to an Electricity Supply Agreement;
 - (f) "Electricity Supply Agreement" means an agreement in the form of Electric Tariff Supplement No. 5 or Electric Tariff Supplement No. 87, as applicable, between BC Hydro and the Customer for the Customer's Plant;
 - (g) "Load Interconnection Queue" means the queue used by BC Hydro to determine the order of accepted requests for load interconnection and increase to Contract Demand, pursuant to BC Hydro's Business Practice for Load Interconnection Queue Management; and

ACCEPTED:	

ORDER NO.

BC Hydro Electric Tariff Supplement No. 108 COMMISSION SECRETARY Dawson Creek Area Interim Service Agreement Page 4 of 10

- (h) "Subject Contract Demand" means:
 - (i) if the Additional Contract Demand is zero, the Contract Demand set in the Customer's Electricity Supply Agreement; and
 - (ii) in any other case, the Additional Contract Demand.
- 1.2 All capitalized terms not otherwise defined in this Supplemental Agreement shall have the meaning set out in the Customer's Electricity Supply Agreement.
- 1.3 This Supplemental Agreement is intended as a supplement to and should be read in conjunction with the Customer's Electricity Supply Agreement. If there is any conflict between the provisions of this Supplemental Agreement and the Customer's Electricity Supply Agreement, the provisions of this Supplemental Agreement shall prevail.

2.0 APPLICABILITY

2.1 This Supplemental Agreement is available only to Dawson Creek Area Customers whose request for new or increased Contract Demand pursuant to Electric Tariff Supplement No. 5 or No. 87 is entered into the Load Interconnection Queue on or after November 5, 2020 and prior to the installation and successful operation of a fourth transformer at the Bear Mountain Substation and only following completion of any upgrades BC Hydro determines are necessary to ensure that BC Hydro can exercise its rights pursuant to section 4.1 of this Supplemental Agreement, which upgrades shall be at the Customer's sole cost.

ACCEPTED:

ORDER NO.

BC Hydro Electric Tariff Supplement No. 108 COMMISSION SECRETARY Dawson Creek Area Interim Service Agreement Page 5 of 10

3.0 ADDITIONAL CONTRACT DEMAND AND SUBJECT CONTRACT DEMAND

3.1 For new Contract Demand, the full Contract Demand will be included in the Customer's Electricity Supply Agreement and the Additional Contract Demand specified in this section 3.1 will be zero.

For increased Contract Demand, in addition to the Contract Demand set out in section 6 of the Customer's Electricity Supply Agreement, BC Hydro will supply _____ kVA of Additional Contract Demand to the Customer.

- 3.2 For greater certainty, the Contract Demand set out in section 6 of the Customer's Electricity Supply Agreement plus the Additional Contract Demand under this Supplemental Agreement, if any, will be the Customer's total Contract Demand in the Customer's Electricity Supply Agreement for so long as this Supplemental Agreement remains in effect, including for the purpose of billing under the Applicable Rate Schedule.
- 3.3 The supply of Subject Contract Demand to the Customer will be conditional upon the right to suspend or reduce the supply of Electricity set out in section 4.0 of this Supplemental Agreement.

4.0 SUSPENSION OF SUPPLY

- 4.1 In addition to any other right BC Hydro may have to discontinue, suspend or reduce the supply of Electricity to the Customer:
 - (a) if one, and only one, of the three transformers at Bear Mountain Substation is out of service; and
 - (b) there is insufficient capacity on the two remaining transformers to supply all loads in the Dawson Creek Area,

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ORDER NO				
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BC Hydro may suspend or reduce the supply of Electricity to the Customer's Plant for as long as BC Hydro determines is necessary to maintain safe and reliable service in the Dawson Creek Area.

- 4.2 For greater certainty, BC Hydro's right to suspend or reduce the supply of Electricity to the Customer under section 4.1 is not limited to Subject Contract Demand and applies to all Electricity supplied under both this Supplemental Agreement and the Customer's Electricity Supply Agreement.
- 4.3 BC Hydro's right to suspend or reduce the supply of Electricity to the Customer under section 4.1 applies only to Dawson Creek Area Customers that are taking Electricity subject to the terms of a Supplemental Agreement in the form of Tariff Supplement No. 108, and BC Hydro will not concurrently suspend or reduce the supply of Electricity to any other Dawson Creek Area Customer.
- 4.4 The Customer is responsible for any costs BC Hydro incurs to give effect to section 4.1 of this Supplemental Agreement from and after the Effective Date. If any such costs are incurred, BC Hydro will issue the Customer an invoice, consistent with BC Hydro's standard billing practices.
- 4.5 For the purposes of demonstrating BC Hydro's compliance with the mandatory reliability standard TPL-001-4 *Transmission System Planning Performance Requirements*, or any successor standard to the extent applicable, BC Hydro and the Customer agree that any load of the Customer's Plant that cannot be served due to the suspension or reduction of the supply of Electricity pursuant to section 4.1 of this Supplemental Agreement will be considered "Interruptible Load" as defined in the North American Electric Reliability Corporation Glossary of Terms, as amended or replaced from time to time.

ACCEPTED:

ORDER NO.

BC Hydro Electric Tariff Supplement No. 108^{COMMISSION SECRETARY} Dawson Creek Area Interim Service Agreement Page 7 of 10

5.0 BILLING ADJUSTMENTS

5.1 A suspension or reduction, pursuant to section 4.1, for more than one hour shall be cause for Billing Adjustments to be made by BC Hydro under the Customer's Electricity Supply Agreement.

6.0 TERM AND TERMINATION

- 6.1 The term of this Supplemental Agreement shall commence on the Effective Date and continue in force until the earlier of:
 - BC Hydro and the Customer execute a replacement Electricity Supply Agreement for the Customer's Plant after the Effective Date;
 - (b) the Electricity Supply Agreement in effect on the Effective Date is terminated without replacement; or
 - (c) if the Additional Contract Demand specified in section 4.1 is zero, BC Hydro confirms in writing that a fourth transformer at the Bear Mountain Substation is fully operational.
- 6.2 Either party may also terminate this Supplemental Agreement for any reason by providing not less than three months notice to the other party.
- 6.3 If the Additional Contract Demand specified in section 4.1 is zero and either party terminates this Supplemental Agreement pursuant to section 6.2, the Customer's Electricity Supply Agreement will also be terminated effective upon the date of termination of this Supplemental Agreement.

ACCEPTED:				
ORDER NO.				
	BC Hydro Electric	Tariff Sunnlom	ont No	108 COMMISSION SECRETARY

Dawson Creek Area Interim Service Agreement

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7.0 COUNTERPARTS

7.1 This Supplemental Agreement may be executed in any number of counterparts, each of which when executed and delivered (by facsimile, pdf or otherwise) will be deemed to be an original, and all of which together shall constitute one and the same document.

ACCEPTED:

ORDER NO.

BC Hydro Electric Tariff Supplement No. 108 COMMISSION SECRETARY Dawson Creek Area Interim Service Agreement Page 9 of 10

Attachment 1 BC Hydro Electric Tariff Supplement No. 108 Dawson Creek Area – Interim Transmission Service Effective:

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IN WITNESS WHEREOF the duly authorized representative of each party has executed

this Supplemental Agreement.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY

[CUSTOMER LEGAL NAME]

By:		By:	
	(signature)		(signature)
Printed Name:		Printed Name:	
Title:		Title:	

ACCEPTED:

ORDER NO.

BC Hydro Electric Tariff Supplement No. 108 COMMISSION SECRETARY Dawson Creek Area Interim Service Agreement Page 10 of 10

BC Hydro Electric Tariff Supplement No. 108 Dawson Creek Area Interim Service Agreement

Attachment 2

Tariff Supplement Nos. 104 & 105

PUBLIC

BC Hydro PUBLIC

Electric Tariff Supplement No. 104 Sunrise Gas Plant Effective: February 1, 2023 Original of Page 1

SUNRISE GAS PLANT

THIS TARIFF AGREEMENT is made as of

the <u>01</u> day of <u>February</u>, 2023.

BETWEEN:

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY,

a Crown corporation continued under the laws of British Columbia having its head office at

333 Dunsmuir Street, Vancouver, British Columbia V6B 5R3 (herein called "**BC Hydro**")

OF THE FIRST PART

AND:

ARC RESOURCES LTD.

having an office at 1200, 308 – 4th Ave S.W., Calgary, AB T2P 0H7 (herein called the "**Customer**")

OF THE SECOND PART

ACCEPTED: March 6, 2023

ORDER NO. G-24-23

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ACTING COMMISSION SECRETARY

BC Hydro Electric Tariff Supplement No. 108 Page 1 of 14 Dawson Creek Area Interim Service Agreement

WHEREAS:

- A. The Customer owns and operates the Sunrise Substation supplying electricity to the Customer's natural gas terminal and gas processing plant near Progress, B.C., and is an existing BC Hydro customer.
- B. The Customer has requested that it be provided with an additional kVA of Contract Demand.
- C. BC Hydro has the capacity and ability to serve the Customer's requested additional load under most system normal operating conditions. However, BC Hydro has identified a potential constraint on supplying the requested additional load in conditions of high ambient temperature. The permanent solution to this issue is expected to be the construction of a new transmission line, which is expected to be completed in two to three years.
- D. In the interim, BC Hydro is willing to increase the Customer's load as requested so that the Customer's planned operations can proceed prior to a permanent solution being implemented, on the condition that BC Hydro may curtail the Customer's load if necessary to maintain safe and reliable service in the Dawson Creek Area

NOW THEREFORE THIS AGREEMENT WITNESSES THAT BC Hydro and the Customer agree as follows:

ACCEPTED: March 6, 2023

ORDER NO. G-24-23

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ACTING COMMISSION SECRETARY

BC Hydro Electric Tariff Supplement No. 108 Page 2 of 14 Dawson Creek Area Interim Service Agreement

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FUBLIC Electric Tariff Supplement No. 104 Sunrise Gas Plant Effective: February 1, 2023 Original of Page 3

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ACCEPTED: March 6, 2023

ORDER NO. G-24-23

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ACTING COMMISSION SECRETARY

BC Hydro Electric Tariff Supplement No. 108 Page 3 of 14 Dawson Creek Area Interim Service Agreement

1.0 DEFINITIONS AND INTERPRETATION

- 1.1 In this Tariff Agreement, the following terms shall have the following meanings:
 - (a) "Additional Contract Demand" means the kVA demand specified in section 2.1 of this Tariff Agreement;
 - (b) **"Dawson Creek Area**" means BC Hydro's service area downstream of the Bear Mountain Terminal substation; and
 - (c) "Local Operating Order" means the operating order entered into by BC Hydro and the Customer that outlines the procedures, including safety isolation procedures, necessary to facilitate the interconnected operation of the Customer's Sunrise Substation and BC Hydro's electrical system, as amended or replaced from time to time.
- 1.2 All capitalized terms not otherwise defined in this Tariff Agreement shall have the meaning set out in Electric Tariff Supplement No. 5.
- 1.3 This Tariff Agreement is intended as a supplement to and should be read in conjunction with the Customer's Electricity Supply Agreement. If there is any conflict between the provisions of this Tariff Agreement and the Customer's Electricity Supply Agreement, the provisions of this Tariff Agreement shall prevail.

ACCEPTED: March 6, 2023

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ORDER NO. G-24-23

ACTING COMMISSION SECRETARY

BC Hydro Electric Tariff Supplement No. 108 Page 4 of 14 Dawson Creek Area Interim Service Agreement

2.0 ADDITIONAL CONTRACT DEMAND

- 2.1 In addition to the Contract Demand set out in section 6 of the Customer's Electricity Supply Agreement, BC Hydro will supply kVA of Additional Contract Demand to the Customer contingent on the additional curtailment right set out in section 3.1 of this Tariff Agreement.
- 2.2 The Contract Demand under the Customer's Electricity Supply Agreement plus the Additional Contract Demand under this Tariff Agreement will be the Customer's total Contract Demand for the purpose of billing under the applicable Transmission Service rate schedule.

3.0 LOAD SHEDDING

3.1 If the conductor temperature on the transmission line serving the Customer exceeds 90° Celsius, BC Hydro may suspend or reduce the supply of Electricity to the Customer for as long as BC Hydro determines is necessary to maintain safe and reliable service in the Dawson Creek Area, in accordance with the procedures set out in the Local Operating Order.

For greater certainty, BC Hydro's power to suspend or reduce the supply of Electricity to the Customer applies to all Electricity supplied to the Customer, including the Contract Demand under the Customer's Electricity Supply Agreement.

3.2 The Customer is responsible for any costs BC Hydro incurs to give effect to section 3.1 of this Tariff Agreement from and after [Effective Date]. If any such costs are incurred, BC Hydro will issue the Customer an invoice, consistent with BC Hydro's standard billing practices.

ACCEPTED: March 6, 2023

ORDER NO. G-24-23

adyun

ACTING COMMISSION SECRETARY

BC Hydro Electric Tariff Supplement No. 108 Page 5 of 14 Dawson Creek Area Interim Service Agreement

4.0 TERM AND TERMINATION

- 4.1 The term of this Tariff Agreement shall commence on [Effective Date] and continue in force until:
 - (a) BC Hydro and the Customer execute an Electricity Supply Agreement with Contract Demand other than **KVA**; or
 - (b) The Customer's Electricity Supply Agreement is terminated without replacement.
- 4.2 Either party may also terminate this Tariff Agreement for any reason by providing not less than three months notice to the other party. In BC Hydro's case, this may include if BC Hydro determines that the Customer is not progressing through the load interconnection process in a timely manner.

5.0 COUNTERPARTS

5.1 This Tariff Agreement may be executed in any number of counterparts, each of which when executed and delivered (by facsimile, .pdf or otherwise) will be deemed to be an original, and all of which together shall constitute one and the same document.

ACCEPTED: March 6, 2023

Mara yu

ORDER NO. G-24-23

ACTING COMMISSION SECRETARY

BC Hydro Electric Tariff Supplement No. 108 Page 6 of 14 Dawson Creek Area Interim Service Agreement

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BC Hydro
PUBLIC
Electric Tariff Supplement No. 104
Sunrise Gas Plant
Effective: February 1, 2023
Original of Page 7

IN WITNESS WHEREOF the duly authorized representative of each party has executed

this Agreement.

BRITISH COLUMBIA HYDRO AND ARC RESOURCES LTD. **POWER AUTHORITY**

By:	L.	By:	H
	(signature)		(signature)
Printed Name:		Printed Name:	Tejay Haugen
Title:		Title:	VP Operations Planning

ACCEPTED: March 6, 2023

ORDER NO. G-24-23

Sland yun

ACTING COMMISSION SECRETARY

BC Hydro Electric Tariff Supplement No. 108 Page 7 of 14 **Dawson Creek Area Interim Service Agreement**

BC Hydro PUBLIC Electric Tariff Supplement No. 105 Kiskatinaw River Natural Gas Facilities Effective: February 1, 2023 Original of Page 1

KISKATINAW RIVER NATURAL GAS FACILITIES

THIS TARIFF AGREEMENT is made as of

the <u>01</u> day of <u>February</u>, 2023.

BETWEEN:

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY,

a Crown corporation continued under the laws of British Columbia having its head office at

333 Dunsmuir Street, Vancouver, British Columbia V6B 5R3

(herein called "**BC Hydro**")

OF THE FIRST PART

AND:

CUTBANK RIDGE PARTNERSHIP

having an office at 4400 – 500 Centre St. S.E., Calgary, AB, T2P 2S5 (herein called the "**Customer**")

OF THE SECOND PART

ACCEPTED: March 6, 2023

ORDER NO. G-24-23

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ACTING COMMISSION SECRETARY

BC Hydro Electric Tariff Supplement No. 108 Page 8 of 14 Dawson Creek Area Interim Service Agreement

WHEREAS:

- A. The Customer owns two transmission lines and three substations that supply electricity to the Customer's natural gas processing and compressor facilities, collectively referred to as the Kiskatinaw River Natural Gas Facilities, in northeastern B.C. and is an existing BC Hydro customer.
- B. The Customer has requested that it be provided with an additional kVA of Contract Demand.
- C. BC Hydro has the capacity and ability to serve the Customer's requested additional load under most system normal operating conditions. However, BC Hydro has identified a potential constraint on supplying the requested additional load in conditions of high ambient temperature. The permanent solution to this issue is expected to be the construction of a new transmission line, which is expected to be completed in two to three years.
- D. In the interim, BC Hydro is willing to increase the Customer's load as requested so that the Customer's planned operations can proceed prior a permanent solution being implemented, on the condition that BC Hydro may curtail the Customer's load if necessary to maintain safe and reliable service in the Dawson Creek Area.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT BC Hydro and the Customer agree as follows:

ACCEPTED: March 6, 2023

ORDER NO. G-24-23

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ACTING COMMISSION SECRETARY

BC Hydro Electric Tariff Supplement No. 108 Page 9 of 14 Dawson Creek Area Interim Service Agreement

BC Hydro

PUBLIC Electric Tariff Supplement No. 105 Kiskatinaw River Natural Gas Facilities Effective: February 1, 2023 Original of Page 3

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ACCEPTED: March 6, 2023

ORDER NO. G-24-23

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ACTING COMMISSION SECRETARY

BC Hydro Electric Tariff Supplement No. 108 Page 10 of 14 Dawson Creek Area Interim Service Agreement

1.0 DEFINITIONS AND INTERPRETATION

- 1.1 In this Tariff Agreement, the following terms shall have the following meanings:
 - (a) "Additional Contract Demand" means the kVA demand specified in section 2.1 of this Tariff Agreement;
 - (b) "**Dawson Creek Area**" means BC Hydro's service area downstream of the Bear Mountain Terminal substation; and
 - (c) "Local Operating Order" means the operating order entered into by BC Hydro and the Customer, through its managing partner and transmission operator Ovintiv Canada ULC, that outlines the procedures, including safety isolation procedures, necessary to facilitate the interconnected operation of the Customer's Kiskatinaw River Natural Gas Facilities and the BC Hydro electrical system, as amended or replaced from time to time.
- 1.2 All capitalized terms not otherwise defined in this Tariff Agreement shall have the meaning set out in Electric Tariff Supplement No. 5.
- 1.3 This Tariff Agreement is intended as a supplement to and should be read in conjunction with the Customer's Electricity Supply Agreement. If there is any conflict between the provisions of this Tariff Agreement and the Customer's Electricity Supply Agreement, the provisions of this Tariff Agreement shall prevail.

ACCEPTED: March 6, 2023

ORDER NO. G-24-23

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ACTING COMMISSION SECRETARY

BC Hydro Electric Tariff Supplement No. 108 Page 11 of 14 Dawson Creek Area Interim Service Agreement

2.0 ADDITIONAL CONTRACT DEMAND

- 2.1 In addition to the Contract Demand set out in section 6 of the Customer's Electricity Supply Agreement, BC Hydro will supply kVA of Additional Contract Demand to the Customer contingent on the additional curtailment right set out in section 3.1 of this Tariff Agreement.
- 2.2 The Contract Demand under the Customer's Electricity Supply Agreement plus the Additional Contract Demand under this Tariff Agreement will be the Customer's total Contract Demand for the purpose of billing under the applicable Transmission Service rate schedule.

3.0 LOAD SHEDDING

3.1 If the conductor temperature on the transmission line serving the Customer exceeds 90° Celsius, BC Hydro may suspend or reduce the supply of Electricity to the Customer for as long as BC Hydro determines is necessary to maintain safe and reliable service in the Dawson Creek Area, in accordance with the procedures set out in the Local Operating Order.

For greater certainty, BC Hydro's power to suspend or reduce the supply of Electricity to the Customer applies to all Electricity supplied to the Customer, including the Contract Demand under the Customer's Electricity Supply Agreement.

3.2 The Customer is responsible for any costs BC Hydro incurs to give effect to section 3.1 of this Tariff Agreement from and after [Effective Date]. If any such costs are incurred, BC Hydro will issue the Customer an invoice, consistent with BC Hydro's standard billing practices.

ACCEPTED: March 6, 2023

ORDER NO. G-24-23

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ACTING COMMISSION SECRETARY

BC Hydro Electric Tariff Supplement No. 108 Page 12 of 14 Dawson Creek Area Interim Service Agreement

4.0 TERM AND TERMINATION

- 4.1 The term of this Tariff Agreement shall commence on [Effective Date] and continue in force until:
 - (a) BC Hydro and the Customer execute an Electricity Supply Agreement with Contract Demand other than **KVA**; or
 - (b) The Customer's Electricity Supply Agreement is terminated without replacement.
- 4.2 Either party may also terminate this Tariff Agreement for any reason by providing not less than three months notice to the other party. In BC Hydro's case, this may include if BC Hydro determines that the Customer is not progressing through the load interconnection process in a timely manner.

5.0 COUNTERPARTS

5.1 This Tariff Agreement may be executed in any number of counterparts, each of which when executed and delivered (by facsimile, .pdf or otherwise) will be deemed to be an original, and all of which together shall constitute one and the same document.

ACCEPTED: March 6, 2023

Mara yuu

ORDER NO. <u>G-24-23</u>

ACTING COMMISSION SECRETARY

BC Hydro Electric Tariff Supplement No. 108 Page 13 of 14 Dawson Creek Area Interim Service Agreement

BC Hydro PUBLIC Electric Tariff Supplement No. 105 Kiskatinaw River Natural Gas Facilities Effective: February 1, 2023 Original of Page 7

IN WITNESS WHEREOF the duly authorized representative of each party has executed

this Agreement.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY

CUTBANK RIDGE PARTNERSHIP

R. Brausse

By:

1-	
	/
1.4.1	

/

By:

(signature)

(signature)

Printed Name: Keith Anderson Printed Name:

Title:

Title: VP of Customer Service

Manager, Canadian Infrastructure & Water

R. Brausse (Feb 27, 2023 09:04 MST)

ACCEPTED: March 6, 2023

ORDER NO. <u>G-24-23</u>

Sllard yu

ACTING COMMISSION SECRETARY

BC Hydro Electric Tariff Supplement No. 108 Page 14 of 14 Dawson Creek Area Interim Service Agreement

BC Hydro PUBLIC

PUBLIC Electric Tariff Supplement No. 104 Sunrise Gas Plant Effective: First Revision of Page 1

SUNRISE GAS PLANT

Electric Tariff Supplement No. 104 is rescinded.

ACCEPTED:		
ORDER NO.		

BC Hydro

PUBLIC Electric Tariff Supplement No. 105 Kiskatinaw River Natural Gas Facilities Effective: First Revision of Page 1

KISKATINAW RIVER NATURAL GAS FACILITIES

Electric Tariff Supplement No. 105 is rescinded.

ACCEPTED:_____

ORDER NO._____

BC Hydro Electric Tariff Supplement No. 108 Dawson Creek Area Interim Service Agreement

Attachment 3

Customer Support Letters





Ovintiv Canada ULC 500 Centre Street SE, PO Box 2850 Calgary, AB, Canada T2P 2S5 T 403 645 2000

December 7, 2024

Chris Sandve Chief Regulatory Officer BC Hydro 333 Dunsmuir St, 16th Floor Vancouver, BC V6B 5R3

chris.sandve@bchydro.com

Dear Mr. Sandve,

Re: CUTBANK RIDGE PARTNERSHIP Application for Electric Tariff Supplement No. 108

Ovintiv Canada ULC (**Ovintiv**), in its capacity as the managing partner of the Cutbank Ridge Partnership (**CRP**), writes this letter in support of British Columbia Hydro and Power Authority's (**BC Hydro**) application for approval of Electric Tariff Supplement No. 108 (**TS 108**) for the Dawson Creek Area (**Application**). Ovintiv understands that BC Hydro will submit the Application, including this letter, to the British Columbia Utilities Commission.

Please note, while CRP supports the Application and the approval of TS 108 as submitted, this letter does not constitute a commitment by CRP to sign a TS 108 Agreement for each of its sites. That decision will be made on a site-specific basis once, and if, TS 108 is approved.

If you have any questions about this letter, please contact me via email at tyler.fischer@ovintiv.com or telephone at 403 645 3622.

Yours truly,

Tyler Fischer, P.Eng. Sr. Facilities Engineer, Key Projects

Cc: Varun Bhatt; Alison Wilson



December 10, 2024

Chris Sandve Chief Regulatory Officer BC Hydro 333 Dunsmuir St, 16th Floor Vancouver, BC V6B 5R3

chris.sandve@bchydro.com

Dear Mr. Sandve,

Re: NorthRiver Midstream Operations LP Application for Electric Tariff Supplement No. 108

NorthRiver Midstream Operations LP (**NorthRiver**) writes this letter in support of British Columbia Hydro and Power Authority's (**BC Hydro**) application for approval of Electric Tariff Supplement No. 108 (**TS 108**) for the Dawson Creek Area (**Application**). NorthRiver understands that BC Hydro will submit the Application, including this letter, to the British Columbia Utilities Commission.

Please note, while NorthRiver supports the Application and the approval of TS 108 as submitted, this letter does not constitute a commitment by NorthRiver to sign a TS 108 Agreement for each of its sites. That decision will be made on a site-specific basis once, and if, TS 108 is approved.

NorthRiver also understands that these additional curtailment provisions do not apply to our existing sites with existing ESA until such time as we execute a TS 108 with BC Hydro for our additional requested contract demand.

If you have any questions about this letter, please contact me via email at <u>cam.anderson@nrm.ca</u> or telephone at (587) 747-6387.

Yours truly,

Cam Anderson Senior Vice President, Commercial & Corporate Development NorthRiver Midstream Operations LP

www.nrm.ca 1400, 888 – 3rd Street SW, Calgary, Alberta, Canada T2P 5C5

> BC Hydro Electric Tariff Supplement No. 108 Dawson Creek Area Interim Service Agreement

Page 2 of 4



2900, 250 - 6th Avenue SW Calgary, AB T2P 3H7 PH: (403) 266-5992 FAX: (403) 266-5952

December 12, 2024

BC Hydro 333 Dunsmuir St, 16th Floor Vancouver, BC V6B 5R3

Attention: Chris Sandve, Chief Regulatory Officer

chris.sandve@bchydro.com

Dear Mr. Sandve,

Re: TOURMALINE OIL CORP. Application for Electric Tariff Supplement No. 108

Tourmaline Oil Corp. ("**Tourmaline**") submits this letter in support of the British Columbia Hydro and Power Authority's (**BC Hydro**) application for approval of Electric Tariff Supplement No. 108 (**Tariff Agreement**) for the Dawson Creek Area (**Application**). We understand that BC Hydro will submit the Application, including this letter, to the British Columbia Utilities Commission.

If you have any questions about this letter of support, please contact me via email at joel.everitt@tourmalineoil.com or telephone at 403-669-2618

Yours truly,

N

Joel Everitt

ARC RESOURCES LTD.

Attachment 3

Main Office

1500, 308-4th Avenue SW Calgary, Alberta, Canada T2P 0H7 Tel: 403-503-8600 Fax:403-509-6427 www.arcresources.com

December 16, 2024

Chris Sandve Chief Regulatory Officer BC Hydro 333 Dunsmuir St, 16th Floor Vancouver, BC V6B 5R3

chris.sandve@bchydro.com

Dear Mr. Sandve,

Re: ARC Resources Ltd. Application for Electric Tariff Supplement No. 108

ARC Resources Ltd. (**ARC**) submits this letter in support of the British Columbia Hydro and Power Authority's (**BC Hydro**) application for approval of Electric Tariff Supplement No. 108 (**Tariff Agreement**) for the Dawson Creek Area (**Application**). We understand that BC Hydro will submit the Application, including this letter, to the British Columbia Utilities Commission.

We recognize the necessity of the Application and accept the terms and conditions as set out in the Tariff Agreement. We hope that the installation and commissioning of the fourth transformer at the Bear Mountain Terminal substation will move forward as expeditiously as possible so that the Tariff Agreement will only be required for a relatively short period.

If you have any questions about this letter of support, please contact me via email at <u>thaugen@arcresources.com</u> or telephone at (403) 509-7279.

Yours truly,

ARC RESOURCES LTD.

Signed by: TYAY HAUSEN DA576C748D1F478...

Tejay Haugen Vice President, Operations Planning