RATE FTS
FORT NELSON DEMAND TRANSMISSION SERVICE

Applicability

1 Rate FTS applies to **system access service** provided at the **point of delivery** to BC Hydro at Fort Nelson, British Columbia:

Rate

2 The charge under Rate FTS in a **settlement period** will be determined in accordance with subsections 3 through 6 below as the sum of the connection charge, the operating reserve charge, the voltage control charge and the other system support services charge.

Connection Charge

3(1) The connection charge equals the sum, over all rows, of the products calculated by multiplying the volume and charge in each row (a) through (d) of the table below.

Volume in **Settlement Period**	Charge
Bulk System Charge	
(a) Coincident **metered demand**	$2,257.00/MW/month
(b) **Metered energy**	$0.82/MWh
Local System Charge	
(c) **Billing capacity**	$996.00/MW/month
(d) **Metered energy**	$0.60/MWh

(2) Coincident **metered demand** is the **metered demand** at the **point of delivery** averaged over the 15-minute interval in which the sum of the **metered demands** for all Rate DTS and Rate FTS **market participants** is greatest in the **settlement period**.

(3) After completion of phase 1 of the northwest Alberta transmission development as approved in Approvals U2006-205, U2006-275, U2007-348, U2008-318 and others if applicable, the rate for the local system charge in subsections 3(1)(c) and 3(1)(d) above will be determined as the greater of:

(a) the rate for the local system charge in subsections 3(1)(c) and 3(1)(d) of Rate DTS; or

(b) a specific Fort Nelson rate based on:

(i) the levelized cost of the original ATCO Electric line providing service to Fort Nelson; plus

(ii) if a future northwest Alberta transmission development is constructed, a levelized charge, determined using the applicable capital structure, return on equity, cost of debt and income tax rate, based on the cost of the future transmission development multiplied by the ratio of Fort Nelson forecast load in excess of 25 MW to the sum of Fort Nelson forecast load in excess of 25 MW and northwest Alberta area forecast load (excluding Fort Nelson load) in excess of

1 285 MW, where the forecast loads are those provided in the **needs identification document** approved for the transmission development.

Operating Reserve Charge

4(1) The operating reserve charge equals the sum, over all hours in the **settlement period**, of the amount calculated in each hour as the product of:

(a) **metered energy** for the Rate FTS **market participant** in the hour; and

(b) the total cost of operating reserves in the hour divided by the total **metered energy** for all Rate DTS and Rate FTS **market participants** in the hour.

(2) If the operating reserve charge is unable to be calculated for a **settlement period** in accordance with subsection 4(1) above, the operating reserve charge will be estimated as the sum, over all hours in the **settlement period**, of the amount calculated in each hour as the product of:

(a) **metered energy** for the Rate FTS **market participant** in the hour; and

(b) **pool price** in the hour multiplied by 3.12%.

Voltage Control Charge

5(1) The voltage control charge equals **metered energy** in the **settlement period** multiplied by $0.40/MWh.

(2) Prior to completion of phase 1 of the northwest Alberta transmission development as approved in Approvals U2006-205, U2006-275, U2007-348, U2008-318 and others if applicable, the voltage control charge will also include the sum, over all hours in the **settlement period** in which the **ISO** issues a dispatch to a fourth **generating unit** for transmission must-run service in the Rainbow area, of the cost associated with the dispatch issued for that **generating unit** in an hour multiplied by the ratio in the hour of:

(a) Fort Nelson load in excess of 25 MW; to

(b) the sum of Fort Nelson load in excess of 25 MW and Alberta Rainbow area load (excluding Fort Nelson load) in excess of 105 MW.

(3) After completion of phase 1 of the northwest Alberta transmission development as approved in Approvals U2006-205, U2006-275, U2007-348, U2008-318 and others if applicable, the voltage control charge will also include the sum, over all hours in the **settlement period** in which Rainbow area load exceeds 130 MW and transmission must-run generation is required in the Rainbow area, of the cost associated with transmission must-run generation in the Rainbow area in an hour multiplied by the ratio in the hour of:

(a) Fort Nelson load in excess of 25 MW; to

(b) the sum of Fort Nelson load in excess of 25 MW and Alberta Rainbow area load (excluding Fort Nelson load) in excess of 105 MW.

Other System Support Services Charge

6 The other system support services charge equals the sum of:

(a) the highest **metered demand** in the **settlement period** multiplied by $59.00/MW/month; and

(b) when **power factor** is less than 90% during the interval of highest **metered demand** in the **settlement period**, $400.00/MVA multiplied by the apparent power difference calculated during the interval of highest **metered demand** in the **settlement period** as the difference between the metered apparent power and 111% of **metered demand**.

(2) Metered apparent power, in MVA, comprises both real power and reactive power and is the product of metered voltage and metered current**.**

Terms

7(1) In addition to any obligations under section 9 of the **ISO tariff**, if BC Hydro terminates the **system access service** provided under this rate prior to the full payment of:

(a) the levelized cost of the original ATCO Electric line providing service to Fort Nelson under subsection 3(3)(b)(i) above;

(b) the levelized cost allocated to Fort Nelson for a future northwest Alberta transmission development under subsection 3(3)(b)(ii) above; or

(c) both,

the **ISO** will determine the amount of the remaining unpaid balance of those costs and BC Hydro will pay that amount to the **owner** of the **transmission facilities**.

(2) Deferral Account Adjustment Rider C applies to **system access service** provided under this rate.

(3) The terms and conditions of the **ISO tariff** form part of this rate.

Revision History

2010-05-27 Applied for (revised) as part of 2010 **ISO tariff** application.