

**UNITED STATES OF AMERICA
U.S. DEPARTMENT OF ENERGY
BEFORE THE
BONNEVILLE POWER ADMINISTRATION**

**RECOVERY OF OVERSUPPLY
MANAGEMENT PROTOCOL COSTS**

BPA Docket No. OS-14

**TO: Hearing Clerk – L-7
Bonneville Power Administration
905 NE 11th Ave.
Portland, Oregon 97232
rateclerk@bpa.gov**

PETITION TO INTERVENE OF POWEREX CORP.

Pursuant to Section 1010.4 of the Bonneville Power Administration (“BPA”) Rules of Procedure Governing Rate Hearings and BPA’s November 8, 2012 Notice, 77 Fed. Reg. 66,963, Powerex Corp. (“Powerex”) hereby petitions the Hearing Officer for leave to intervene in BPA’s proceeding in the above-referenced docket to recover the costs associated with its Oversupply Management Protocol. In support of this petition, Powerex respectfully shows the following:

**I.
SERVICE OF DOCUMENTS**

All correspondence and communications in this proceeding should be addressed to the following persons:

*Ms. Karen McDonald
Senior Trade Policy Analyst
Powerex Corp.
13th Floor, 666 Burrard Street
Vancouver, British Columbia
Canada V6C 2X8
Phone: (604) 891-5000
Fax: (604) 891-5006
karen.mcdonald@powerex.com

Mr. Paul W. Fox
*Ms. Tracy C. Davis
Bracewell & Giuliani LLP
701 Fifth Avenue, Suite 6200
Seattle, WA 98104
Phone: (206) 204-6200
Fax: (206) 204-6262
paul.fox@bgllp.com
tracy.davis@bgllp.com

*Ms. Tracey L. Bradley
Energy Regulatory Consultant
Bracewell & Giuliani LLP
2000 K Street, N.W., Suite 500
Washington, D.C. 20006
Phone: (202) 828-5848
Fax: (202) 857-2133
tracey.bradley@bgllp.com

*Ms. Carol C. Opatrny
Opatrny Consulting, Inc.
18509 N.E. Cedar Drive
Battle Ground, WA 98604
Phone: (360) 666-8510
Fax: (360) 666-8509
ccopat@e-z.net

Asterisks indicate representatives upon whom service should be made.

II. NATURE OF PROCEEDING

BPA has commenced a proceeding to address proposed power rate adjustments for the recovery of costs associated with the Oversupply Management Protocol, OS-14, which includes proposed rates to recover the costs already incurred under the Oversupply Management Protocol and any future costs incurred up to September 30, 2015, in the event the Oversupply Management Protocol is renewed after its expiration on March 30, 2013. BPA is proposing to adopt a power rate to collect 50 percent of the costs from power customers and a new control area services rate to collect the other 50 percent of costs from those generators that elected to be compensated for displacement.

BPA states it will commence a separate proceeding, designated as BP-14, to address BPA's proposed rates for power, transmission, and certain control area and ancillary services. BPA indicates that these rates will become effective on October 1, 2013.

III. INTEREST OF POWEREX AND PETITION TO INTERVENE

Powerex is a corporation organized under the *Business Corporations Act* of British Columbia, with its principal place of business at Vancouver, British Columbia, Canada. As the wholly-owned marketing subsidiary of the British Columbia Hydro and Power Authority ("BC Hydro"), a provincial Crown Corporation owned by the Government of British Columbia,

Powerex is an instrumentality of a foreign state under the Foreign Sovereign Immunities Act.¹ Powerex sells power at wholesale in the United States, pursuant to market-based rate authority originally granted by the Commission on September 24, 1997.²

Powerex sells power from a portfolio of resources, including the Canadian Entitlement resources made available under the Columbia River Treaty, BC Hydro system resources, and various other power resources acquired from other sellers within the United States. Powerex also markets power in Canadian provinces other than British Columbia. Powerex is a transmission customer of BPA and takes service under BPA's OATT, contracting with BPA for both firm and non-firm transmission service. Powerex is dependent upon BPA for a significant portion of its transmission access to U.S. wholesale markets.

As a large transmission customer of BPA and a participant in Northwest power markets, Powerex has a direct and vital interest in the outcome of this proceeding. Therefore, Powerex respectfully requests that the Hearing Officer grant Powerex leave to intervene as a party to this rate proceeding.

Respectfully submitted,

/s/ Paul W. Fox

Paul W. Fox
Tracy C. Davis
Bracewell & Giuliani LLP

Attorneys for Powerex Corp.

November 15, 2012

¹ 28 U.S.C. §§ 1602, *et seq.* (2006 Supp.).

² See *British Columbia Power Exchange Corp.*, 80 FERC ¶ 61,343 (1997); *British Columbia Power Exchange Corp.*, Docket No. ER97-4024-012 (Sept. 12, 2000) (unpublished letter order); *Powerex Corp.*, Docket No. ER01-48-002 (Oct. 30, 2003) (unpublished letter order); *Powerex Corp.*, Docket No. ER01-48-007 (July 26, 2007) (unpublished letter order); *Powerex Corp.*, Docket No. ER01-48-018 (Oct. 29, 2010) (unpublished letter order).

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CERTIFICATE OF SERVICE

Pursuant to Section 1010.4 of the Bonneville Power Administration (“BPA”) Rules of Procedure Governing Rate Hearings and BPA’s November 8, 2012 Notice, 77 Fed. Reg. 66,963, I hereby certify that I have this day served via email a copy of the foregoing on:

Mr. Allen Chan, LT-7
Office of General Counsel
905 NE 11th Ave.
Portland, Oregon 97232
acchan@bpa.gov

Dated Seattle, WA this 15th day of November, 2012.

/s/ Tyler S. Johnson
Tyler S. Johnson