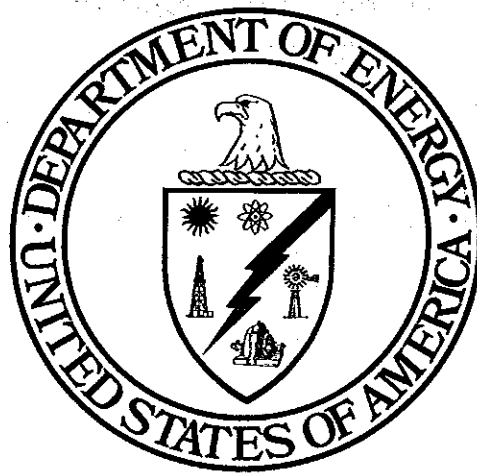

United States
Department of Energy

Office of Electricity Delivery and Energy Reliability

British Columbia Hydro and Power Authority

OE Docket No. PP-369



Presidential Permit
No. PP-369

December 7, 2012

PRESIDENTIAL PERMIT
British Columbia Hydro and Power Authority
Order No. PP-369

I. BACKGROUND

The Office of Electricity Delivery and Energy Reliability (OE) of the Department of Energy (DOE) has responsibility for implementing Executive Order (EO) 10485, as amended by EO 12038, which requires the issuance of a Presidential permit for the construction, operation, maintenance, and connection of electric transmission facilities at the international borders of the United States.¹ DOE may issue such a permit if, after obtaining favorable recommendations from the Secretary of State and the Secretary of Defense, it determines that the issuance of the permit is in the public interest.

On March 10, 1955, the Federal Power Commission (FPC), in Docket No. E-6588 (now Presidential Permit No. 22) authorized British Columbia Electric Company, LTD to construct submarine cables that connect Canada's Province of British Columbia and Vancouver Island, passing through approximately 7.5 miles of U.S. territorial waters in the Strait of Georgia. The facilities do not interconnect with the electricity delivery system of the United States. That Presidential permit has been amended several times to add or replace conductors and/or to change the name of the permittee. The holder of the most current Presidential permit is British Columbia Transmission Corporation (BCTC). In Presidential Permit No. 22-4, issued September 5, 2007, BCTC was authorized to construct, operate, maintain and connect seven single-conductor 132,000-volt (132-kV) submarine cables and three, single-conductor, 260-kV direct current submarine cables.

On June 23, 2010, BCTC and British Columbia Hydro and Power Authority (BC Hydro), each provincial Crown corporations and owned by the Province of British Columbia², jointly filed an application with DOE requesting that Presidential Permit No. PP-22, as amended, issued to BCTC be rescinded and that a new Presidential permit be issued simultaneously to BC Hydro for the same international transmission facilities. The currently authorized facilities are four 132-kV submarine cables, three 230-kV submarine cables, and three 260-kV submarine cables. Each of the 10 cables is a single-circuit direct current cable. No physical changes to the authorized facilities will occur as a result of the proposed transfer of ownership.

¹ The authority to grant Presidential permits for electric transmission lines at the U.S. international border pursuant to EO 10485 was transferred from the Federal Power Commission to DOE by EO 12038, dated February 3, 1978, and made effective as of October 1, 1977, the effective date of the Department of Energy Organization Act (42 U.S.C. 7101 *et seq.*). The authority to administer the International Electricity Regulatory Program through the regulation of electricity exports and the issuance of Presidential permits has been delegated to the Director of the Office of Electricity Delivery and Energy Reliability in Redelegation Order No. 00-002.10A issued on January 30, 2007.

² Pursuant to Part 7 of British Columbia's Clean Energy Act, BCTC will be integrated into BC Hydro effective July 5, 2010 to provide a single entity to deliver electricity across the province. BCTC will continue to exist as a wholly owned subsidiary of BC Hydro but BCTC will cease being an operating entity.

Notice of joint BCTC and BC Hydro application was placed in the *Federal Register* on August 6, 2010 (75 FR 47583) requesting that comments, protests, or petitions to intervene be submitted to DOE by September 7, 2010. None were received.

II. DISCUSSION

The authorized facilities constitute a radial connection between the British Columbia transmission system and Vancouver Island and do not connect to any portion of the U.S. electric power grid. Therefore, electric transmission over the permitted facilities could have no effect on the operation or reliability of the U.S. electric system.

The Secretary of State has concurred on in the issuance of this Presidential Permit. The Secretary of Defense has also concurred, provided inclusion of certain notification and coordination provisions with the Department of the Navy. DOE has agreed to include the requested provisions as conditions in this permit.

III. FINDING AND DECISION

DOE has determined that this action is among those classes of actions not normally requiring preparation of an environmental assessment or an environmental impact statement and, therefore, is eligible for categorical exclusion (CX) under Appendix B to Subpart D; paragraph B4.6 of the revised DOE Regulations implementing NEPA. Specifically, this CX is for the addition or modifications to electric power transmission facilities that would not affect the environment beyond the previously developed facility area. Documentation of the use of this CX has been placed in this Docket.

Based upon the above, DOE has determined that issuing Presidential Permit No. PP-369, and simultaneously rescinding Presidential Permit No. PP-22, as amended, is consistent with the public interest.

IV. ORDER

Pursuant to the provisions of EO 10485, as amended by EO 12038, and the Rules and Regulations issued thereunder (Title 10, Code of Federal Regulations, section 205.320 et. seq.), permission is granted to BC Hydro to construct, operate and maintain, and connect electric transmission facilities at the international border of the United States and Canada, as further described in Article 2 below, upon the following conditions:

Article 1. The facilities herein described shall be subject to all conditions, provisions and requirements of this Permit. This Permit may be modified or revoked by the President of the United States without notice, or by DOE after public notice, and may be amended by DOE after proper application thereto.

Article 2. The facilities covered by and subject to this Permit shall include the following facilities within the right-of-way occupied by such facilities:

Four 132-kV submarine cables;
Three 230-kV submarine cables;
Three 260-kV submarine cables. Each of the 10 cables is a single-circuit direct current cable located in the territorial waters of the United States in the Strait of Georgia and do not constitute a connection with the electricity delivery system of the United States.

Article 3. The facilities described in Article 2 shall be designed and operated with all policies and standards of the North American Electric Reliability Corporation, Regional Councils, independent system operators or their successors.

Article 4. No change shall be made in the facilities covered by this Permit or in the authorized operation or connection of these facilities unless such change has been approved by DOE.

Article 5. BC Hydro shall at all times maintain the facilities covered by this Permit in a satisfactory condition so that all requirements of the National Electric Safety Code.

Article 6. The operation and maintenance of the facilities covered by this Permit shall be subject to the inspection and approval of a properly designated representative of DOE, who shall be an authorized representative of the United States for such purposes. BC Hydro shall allow officers or employees of the United States, with written authorization, free and unrestricted access into, through, and across any lands or waters occupied by these facilities in the performance of their duties.

Article 7. The United States shall not be responsible or liable: for damages to or loss of the property of, or injuries to, persons; for damages to, or loss of the facilities covered by this Permit; or for damages to, or loss of the property of, or injuries to the person of BC Hydro officers, agents, servants or employees or of others who may be on said premises; any of which may arise from or be incident to the exercise of the privileges granted herein; and BC Hydro shall hold the United States harmless from any and all such claims.

Article 8. Neither this Permit nor the facilities covered by this Permit, or any part thereof, shall be transferable or assignable, except in the event of the involuntary transfer of the facilities by the operation of law. In the case of such an involuntary transfer, this Permit shall continue in effect for a period of 60 days and then shall terminate unless an application for a new permit pursuant to Title 10, Code of Federal Regulations, section 205.323, has been received by DOE. Upon receipt by DOE of such an application, this existing Permit shall continue in effect pending a decision on the new application. During this decision period, the facilities authorized herein shall remain substantially the same as before the transfer.

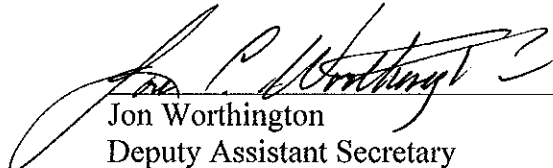
In the event of a proposed voluntary transfer of the facilities, the existing permit holder and the party to whom the transfer would be made shall file a joint application with DOE for a Presidential permit together with a statement of the reasons for the transfer.

Article 9. The Permittee shall notify U.S. Naval Seafloor Cable Protection Office (NSCPO) prior to any repair or recovery of the marine cables. In no case shall such notification be less than 24 hours prior to seabed activity. The Permittee shall coordinate crossing procedures of any U.S. military cables with NSCPO, and shall not cross any U.S. military cables until authorized to do so by NSCPO.

Article 10. Upon the termination, revocation or surrender of this Permit, the permitted facilities which are owned, operated, maintained, and connected by BC Hydro and described in Article 2 of this Permit, shall be removed and the land restored to its original condition within such time as DOE may specify and at the expense of BC Hydro. If BC Hydro fails to remove such facilities and/or any portion thereof authorized by this Permit, DOE may direct that such actions be taken for the removal of the facilities or the restoration of the land associated with the facilities at the expense of BC Hydro. BC Hydro shall have no claim for damages by reason of such possession, removal or repair. However, if certain facilities authorized herein are useful for other utility operations within the bounds of the United States, DOE will not require that those facilities be removed and the land restored to its original condition upon termination of the international interconnection.

Article 11. Presidential Permit No. PP-22, as amended, is hereby rescinded.

Issued in Washington, D.C., on December 7, 2012


Jon Worthington
Deputy Assistant Secretary
Office of Electricity Delivery and
Energy Reliability

