



ROBERT J. PELLATT
COMMISSION SECRETARY

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VIA FACSIMILE

July 16, 1997

Mr. G.M. Bramhill
Business Manager and Financial Secretary,
International Brotherhood of Electrical Workers
7535 6th Street
Burnaby, B.C.
V3N 3M2

Dear Mr. Bramhill:

Re: British Columbia Hydro and Power Authority
IBEW Complaint - Planned Facility Closure

This is in reply to your letter to the Commission of June 18, 1997 regarding B.C. Hydro's planned closure of the East Kootenay Control Center ("EKCC"). A copy of B.C. Hydro's June 30, 1997 response is attached for your information and reference.

In response to the issue of safety and reliability B.C. Hydro has indicated that there will be no reduction in worker or public safety or customer reliability as a result of the relocation of the EKCC operation to the Southern Interior Control Center ("SIC"). Further, B.C. Hydro has assured the Commission that they will monitor the adequacy of radio communications in the EKCC area and will add new radio trunks as necessary to ensure adequate communications are maintained. The Commission is satisfied that B.C. Hydro has addressed this issue of reliability, and safety in the relocation of its Control Centre operation. As with all issues affecting the reliability and safety of the delivery of power, the Commission will continue to monitor any changes that could affect reliability or safety.

With respect to your query regarding the possible violation of Section 41 of the Utilities Commission Act, the Commission views the move of the Control Centre operation from the EKCC to SIC as a relocation of the operation. As the Commission does not consider this to result in the cessation of the operation, or a part of it, an order under this section of the Act is not required.

Yours truly,

A handwritten signature in cursive script that reads "Alison Cormack".

for: Alison Cormack
Robert J. Pellatt

RWR/ssc

Attachment

cc: Ms. Darlene M. Barnett
Senior Vice-President
Marketing and Customer Services
British Columbia Hydro and Power Authority

Darlene M. Barnett
Senior Vice-President
Marketing and Customer Services
Phone: (604) 623-3602
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B.C. UTILITIES COMMISSION
RECEIVED & ACKNOWLEDGED

JUL 02 1997

30 June 1997

☒ FOR STAFF REVIEW AND RESPONSE
☐ FOR RESOURCE ROOM
☐ INFO. TO BE FILED

Mr. R.J. Pellatt
Commission Secretary
British Columbia Utilities Commission
P.O. Box 250
600 - 900 Howe Street
Vancouver, B.C.
V6Z 2N3

Dear Mr. Pellatt:

Re: British Columbia Hydro and Power Authority ("B.C. Hydro")
Customer Complaint - International Brotherhood of Electrical Workers ("IBEW")

As requested in your letter of 19 June 1997, we provide the following detailed response to the complaint of the IBEW concerning the planned closure of B.C. Hydro's East Kootenay Control Centre ("EKCC").

Background

The EKCC handles the remote control of substations and generating stations in the East Kootenay and Lower Columbia areas. It was established when B.C. Hydro purchased East Kootenay Power in 1968. At that time, due to the lack of adequate telecommunications facilities in the area, it was impractical to establish remote control from the existing B.C. Hydro South Interior Control Centre ("SIC") in Vernon and the EKCC was therefore necessary.

The control equipment at EKCC is now reaching end-of-life and must be replaced with an alternate means of control. A review of alternatives concluded that Hydro's best option is to consolidate the EKCC operations with SIC. The availability of telecommunications and new control technology now allow this option as an alternative.

The capital cost of the consolidation project is \$1.3 million and the payback period is estimated at less than 3 years. Benefits include reduced operating costs and avoidance of operator recruitment and training costs to address a current shortage of operator/area dispatchers. In comparison, redevelopment of EKCC to address the obsolescence issues would cost approximately \$4.3 million.

Public and Worker Safety and Reliability Issues

Pursuant to sections 23 and 24 of the Utilities Commission Act (the "Act"), the IBEW cites the following specific concerns about the consolidation of EKCC with SIC:

1. Reduced numbers of dispatchers working in Vernon to cover all of the South Interior and eastern portion of the province will cause delays in response and reduced attention to the workers in the field, affecting worker and public safety.
2. Risk to system reliability and public safety, if outages and faults cannot be addressed quickly.
3. Effect on crew safety if the radio system is inadequate to maintain contact between the Control Centre and remote crews at all times.

In answer to these concerns, we advise that B.C. Hydro will staff SIC to handle the additional workload resulting from the incorporation of the East Kootenay and Lower Columbia facilities into SIC's control area. This will ensure that there are no delays in response or reduced attention to workers in the field which may affect public and worker safety. Current plans are to add three operator/area dispatcher positions at SIC. Also, as was noted in the IBEW letter, we will retain the current complement of service providers in the local area to meet all needs (Powerline and Telecontrol Technicians, Protection and Control Technologists, Electricians, Customer Services staff, etc.).

In 1994 an advanced computer control technology was installed at SIC and it is fully capable of controlling additional substations and generating stations over a wide area. As a result, customers will continue to receive the same level of service and reliability that Hydro currently provides.

With respect to the adequacy of the radio system, B.C. Hydro will ensure that the radio system operates as well from Vernon as it currently does from Cranbrook. We will review the communications needs early in the consolidation project and have included funds in the project budget to add additional radio trunks should they be required.

We believe the additional operator positions at SIC, coupled with any required communications improvements, will ensure that there is no reduction in the level of safety afforded to Hydro crews, contractors and the public. B.C. Hydro will continue to adhere strictly to the requirements of its Safety Practice Regulations, Power System Safety Protection Procedures and Workers Compensation Board Industrial Health and Safety Regulations. In the mid 1980's, we transferred control of the North Coast system from Terrace to Prince George. This consolidation of remote control has not affected the overall level of service, reliability and safety in the North Coast system.

Electricity Market Reform Task Force

The IBEW further states that it is inappropriate for B.C. Hydro to make such a "major change" to the B.C. Hydro system until the Government has responded to the Electricity Market Reform Task Force. As with the transfer of the North Coast system control to Prince George, we do not consider the consolidation of EKCC and SIC to be a major change to our system since it only involves the consolidation of remote control facilities.

Furthermore, this consolidation project is a prudent investment regardless of any market structure change that might impact generation, transmission or distribution systems in the province. It will improve the efficiency and effectiveness of power system operations in the East Kootenay and Lower Columbia areas and is consistent with the practice of other utilities in North America to reduce the number of control centres, thereby maximizing the effectiveness of highly specialized operators.

Application of Section 41, Utilities Commission Act

The IBEW questions whether B.C. Hydro should have applied to the Commission under section 41 of the Act before proceeding with the closure of the EKCC.

By simply relocating a control centre we are not ceasing the operation of any portion of our electrical system. We believe that our customers and local crews will see no impact as a result of the closure of the EKCC and this change will provide a more efficient operation of our system. This type of change in the structure of our business activities is considered as part of the day-to-day management for the system. Customers in the East Kootenay and Lower Columbia areas will continue to be provided with the same level of electricity service with respect to reliability, safety and response time. For these reasons we submit that no order is required of the Commission for the consolidation of the EKCC operations with SIC.

Please contact us if you require further information on this matter.

Yours very truly,


for Darlene M. Barnett
Senior Vice President
Marketing & Customer Services

c: R.J. Threlkeld