

ORDER NUMBER
G-49-17

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

British Columbia Hydro and Power Authority
Salmon River Diversion Ceasing of Operations Application

BEFORE:

W. M. Everett, QC, Chair/Commissioner
B. A. Magnan, Commissioner
R.D. Revel, Commissioner

on March 28, 2017

ORDER

WHEREAS:

- A. On March 7, 2017, British Columbia Hydro and Power Authority (BC Hydro) filed an application (Application) with the British Columbia Utilities Commission (Commission) under section 41 of the *Utilities Commission Act*, for permission to permanently cease operation at the Salmon River Diversion facility located on Vancouver Island (Salmon River Diversion or Diversion). The proposed scope of the project includes removal of the timber-crib diversion dam, all mechanical equipment at the headworks, mechanical equipment at the downstream fish screen, the Patterson Creek flume portion of the canal and restoration and remediation work all as set out in the Application;
- B. The Salmon River Diversion was built in 1957–1958 and is located in central Vancouver Island about 30 km west of Campbell River. The Diversion begins approximately at the point where the Salmon River changes from a north-easterly to north-westerly direction. The Diversion redirects a portion of the water flow from the Salmon River through an approximately 3 km long concrete-lined canal to an unnamed pond. The diverted water flow continues through an improved natural channel that leads from the pond to Brewster Lake. From Brewster Lake the water flow enters the Lower Campbell Reservoir where it is used to augment generation at the Ladore and John Hart generating stations;
- C. BC Hydro estimates the total costs for the cease operation and removal to be approximately \$14.214 million. The estimate is based on feasibility-design information, and the total costs are considered to be subject to an estimating range of +50 percent to -15 percent, or \$21.3 million to \$12.1 million;
- D. BC Hydro also requests permission to transfer the costs incurred to cease operations into the Dismantling Cost Regulatory Account, which is a regulatory account that BC Hydro has requested approval for in its Fiscal 2017-Fiscal 2019 Revenue Requirements Application. If BC Hydro's request for the Dismantling Cost Regulatory Account is not approved, then BC Hydro requests permission to transfer these costs to the Heritage Deferral Account; and
- E. The Commission has determined that a written public hearing is necessary for the review of the Application.

NOW THEREFORE the British Columbia Utilities Commission orders as follows:

1. A written public hearing process and a regulatory timetable, attached as Appendix A to this order, are established for the review of the Salmon River Diversion Ceasing of Operations Application (Application).
2. BC Hydro must publish, as soon as practicable but no later than Monday, April 3, 2017, in display-ad format, the Public Notice attached as Appendix B to this order. Publication should be in such appropriate news publications as may properly provide adequate notice to the public near the project area on Vancouver Island, and the Times Columnist.
3. BC Hydro is to provide a copy of this order on its website by Monday, April 3, 2017, and electronically where possible, to registered interveners in the current BC Hydro F2017-2019 Revenue Requirements proceeding and to those regulatory, stakeholders and First Nations groups who were consulted in developing this Application.
4. Intervenors who wish to participate in the regulatory proceeding are to register with the Commission by completing a Request to Intervene Form, available on the Commission's website at <http://www.bcuc.com/Registration-Intervener-1.aspx>, by Friday, April 7, 2017 in accordance with the Commission's Rules of Practice and Procedure.
5. The Application and supporting material must be made available for inspection at the head office of BC Hydro located at 16th floor-333 Dunsmuir Street, Vancouver, BC, and at the Commission's offices located on the 6th Floor- 900 Howe Street, Vancouver, BC.

DATED at the City of Vancouver, in the Province of British Columbia, this 28th day of March 2017.

BY ORDER

Original signed by:

W. M. Everett
Commissioner

Attachments

British Columbia Hydro and Power Authority
Salmon River Diversion Ceasing of Operations Application

REGULATORY TIMETABLE

ACTION	DATE (2017)
Intervener Registration	Friday, April 7
Commission Information Request No. 1	Monday, April 10
PACA Budget	Wednesday, April 12
Intervener Information Request No. 1	Wednesday, April 19
BC Hydro Responses to Information Request No. 1	Wednesday, May 3
BC Hydro Final Argument	Friday, May 12
Intervener Final Argument	Friday, May 19
BC Hydro Reply Argument	Friday, May 26

PUBLIC NOTICE

British Columbia Hydro and Power Authority - Salmon River Diversion Ceasing of Operations

On March 7, 2017, British Columbia Hydro and Power Authority filed an application for permission to permanently cease operation at the Salmon River Dam Diversion facility located on Vancouver Island (Salmon River Diversion or Diversion). The proposed scope of the project includes removal of the timber-crib diversion dam, all mechanical equipment at the headworks, mechanical equipment at the downstream fish screen, the Patterson Creek flume portion of the canal and restoration and remediation work all as set out in the Application. The Salmon River Diversion was built in 1957–1958 and is located in central Vancouver Island approximately 30 km west of Campbell River. The Diversion begins approximately at the point where the Salmon River changes from a north-easterly to north-westerly direction. The Diversion redirects a portion of the water flow from the Salmon River through an approximately 3 km long concrete-lined canal to an unnamed pond. The water flow continues through an improved natural channel that leads from the pond to Brewster Lake. From Brewster Lake the water flow enters the Lower Campbell Reservoir where it is used to augment generation at the Ladore and John Hart generating stations.

HOW TO PARTICIPATE

There are a number of ways to participate in a matter before the Commission:

- [Submit a letter of comment](#)

- [Register as an interested party](#)

- [Request intervenor status](#)

For more information, or to find the forms for any of the options above, please visit our website or contact us at the information below.



www.bcuc.com/RegisterIndex.aspx

All submissions received, including letters of comment, are placed on the public record, posted on the Commission's website and provided to the Panel and all participants in the proceeding.

NEXT STEPS

1. **Intervenor registration** Persons who are directly or sufficiently affected by the Commission's decision or have relevant information or expertise and that wish to actively participate in the proceeding can request intervenor status by submitting a completed Request to Intervene Form by April 7, 2017.

GET MORE INFORMATION

All documents filed on the public record are available on the "Current Proceedings" page of the Commission's website at www.bcuc.com.

If you would like to review the material in hard copy, or if you have any other inquiries, please contact the Commission at the following contact information:

British Columbia Utilities Commission
Sixth Floor, 900 Howe Street
Vancouver, BC V6Z 2N3

Email: Commission.Secretary@bcuc.com
Phone: 604-660-4700
Toll Free: 1-800-663-1385