



ORDER NUMBER
G-161-18

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

and

British Columbia Hydro and Power Authority
Application for a Temporary Suspension of Generation Interconnection
Procedure Timelines and Associated Studies for Standing Offer Program Participants

BEFORE:

B. A. Magnan, Panel Chair/Commissioner

on August 28, 2018

ORDER

WHEREAS:

- A. On August 14, 2018, British Columbia Hydro and Power Authority (BC Hydro) filed an application with the British Columbia Utilities Commission (BCUC), pursuant to Section 63 of the *Utilities Commission Act* (UCA), seeking temporary relief to BC Hydro and certain Standard Offer Program (SOP) participants from the application of interconnection obligations contained in Attachment M-1 of the Standard Generation Interconnection Procedures (SGIP) under the Open Access Transmission Tariff (OATT) or BC Hydro's distribution interconnection business practices (Application);
- B. The SOP is currently on hold and applications that have been accepted are placed in an SOP queue. The SOP is being reviewed as part of the Comprehensive Review of BC Hydro, which is expected to be completed in the fall of 2018;
- C. BC Hydro requests in the Application that the SGIP and the distribution generator interconnection process and associated agreements be temporarily suspended as they relate to SOP projects. This request excludes (i) SOP projects with a fully executed Energy Purchase Agreement (EPA), and (ii) four First Nations clean energy projects which BC Hydro announced plans on March 14, 2018 to pursue negotiations for EPAs but do not yet have fully executed EPAs:
 - i. Siwash Creek – 500kW
 - ii. Sarita River – 5MW
 - iii. Sukunka Wind - 15MW
 - iv. Zonnebeke Wind – 15MW

(the SOP projects subject to the suspension are collectively defined as the SOP Projects);

- D. BC Hydro requests that it apply for further direction regarding the temporary relief within 60 days of the government issuing its report on the Comprehensive Review of BC Hydro;
- E. On August 21, 2018, BC Hydro replied to BCUC Staff Questions providing additional details related to the Application and the approvals sought; and
- F. The BCUC has reviewed the Application and the response to Staff Questions and considers that approval is warranted.

NOW THEREFORE pursuant to section 63 of the UCA and for the reasons attached as Appendix A to this order, the BCUC orders as follows:

- 1. Until further order of the BCUC, the SGIP and the distribution generator interconnection process and associated agreements are temporarily suspended as they relate to SOP Projects;
- 2. Until further order of the BCUC:
 - a. the SOP Projects will maintain their current queue position under the SGIP and the distribution generator interconnection processes; and
 - b. new interconnection requests relating to projects accepted into or with pending applications under the SOP, will not be accepted into the interconnection queue;
- 3. BC Hydro must file an application with the BCUC for further direction within 60 days of the Provincial Government issuing its report on the Comprehensive Review of BC Hydro.

DATED at the City of Vancouver, in the Province of British Columbia, this 28th day of August 2018.

BY ORDER

Original Signed by:

B. A. Magnan
Commissioner

Attachment

British Columbia Hydro and Power Authority
Application for a Temporary Suspension of Generation Interconnection
Procedure Timelines and Associated Studies for Standing Offer Program (SOP) Participants

REASONS FOR DECISION

On August 14, 2018, British Columbia Hydro and Power Authority (BC Hydro) filed an application with the British Columbia Utilities Commission (BCUC), pursuant to Section 63 of the *Utilities Commission Act* (UCA), seeking temporary relief to BC Hydro and certain Standard Offer Program (SOP) participants from the application of interconnection obligations contained in Attachment M-1 of the Standard Generation Interconnection Procedures (SGIP) under the Open Access Transmission Tariff (OATT) or BC Hydro's distribution interconnection business practices (Application).

The interconnection process for new SOP applications requires a system impact study and facilities study to be conducted at the cost of the applicant, in accordance to the SGIP or BC Hydro's distribution interconnection business practices. SOP participants must proceed through the interconnection process on a timely basis in order to remain in the interconnection queue.

The SOP is currently on hold and applications that have been accepted are placed in a SOP queue. The SOP is being reviewed as part of the Comprehensive Review of BC Hydro, which is expected to be completed in the fall of 2018.

BC Hydro states that SOP participants have expressed concerns with making investments in interconnection studies while the outcome of the Comprehensive Review of BC Hydro, as it relates to the SOP, remains uncertain. BC Hydro requests in the Application that the SGIP and the distribution generator interconnection process and associated agreements be temporarily suspended as they relate to SOP projects. This request excludes (i) SOP projects with a fully executed Energy Purchase Agreement (EPA), and (ii) four First Nations clean energy projects, which BC Hydro announced plans on March 14, 2018 to pursue negotiations for EPAs but do not yet have fully executed EPAs:

- i. Siwash Creek – 500kW
- ii. Sarita River – 5MW
- iii. Sukunka Wind - 15MW
- iv. Zonnebeke Wind – 15MW

(the SOP projects subject to the suspension are collectively defined as the SOP Projects);

The requested temporary relief will result in SOP Projects not being required to make additional investments in interconnection studies in order to maintain their position in the interconnection queue. BC Hydro submits that, because non-SOP Projects in the interconnection queues are not competing with SOP Projects, the requested temporary relief will not adversely affect other proponents not subject to the requested suspension.

Further, the requested temporary relief will result in BC Hydro not being required to undertake interconnection studies, as they relate to SOP Projects, or accept new interconnection requests relating to projects accepted into or with pending applications under the SOP into the interconnection queue. BC Hydro submits that it is not in the interest of SOP proponents, or BC Hydro, to incur the additional expenses associated with the existing interconnection procedure for SOP Projects while the SOP is under review.

BC Hydro requests that it apply for further direction regarding the temporary relief within 60 days of the Provincial Government issuing its report on the Comprehensive Review of BC Hydro.

On August 21, 2018, BC Hydro replied to BCUC Staff Questions providing additional details related to the Application and the approvals sought.

The Panel agrees that it is not in the interest of BC Hydro or SOP participants to incur additional expenses as it relates to interconnection procedures while the SOP is under review.

Therefore, the Panel approves the temporary suspension of the SGIP and the distribution generator interconnection process and associated agreements for SOP projects, as requested in the Application.