



ORDER NUMBER
G-295-22

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

and

British Columbia Hydro and Power Authority
Application for Orders Regarding the Peace to Kelly Lake Stations Sustainment Project

BEFORE:

E. B. Lockhart, Panel Chair
T. A. Loski, Commissioner
A. Pape-Salmon, Commissioner

October 21, 2022

ORDER

WHEREAS:

- A. On January 25, 2022, the British Columbia Hydro and Power Authority (BC Hydro) filed an application with the British Columbia Utilities Commission (BCUC), pursuant to section 44.2(1)(b) of the *Utilities Commission Act* (UCA), for acceptance of a schedule of capital expenditures that BC Hydro anticipates making in respect of the Peace to Kelly Lake Stations Sustainment Project (Project) and seeking, pursuant to section 44.2(3) of the UCA, BCUC acceptance of the expenditure schedule as being in the public interest (Application);
- B. The Project consists of the replacement of equipment and buildings at existing stations on the Peace to Kelly Lake portion of BC Hydro's transmission system;
- C. By Order G-60-22A dated March 14, 2022, the BCUC established the regulatory timetable for the review of the Application, which included one round of information requests (IRs) to BC Hydro from the BCUC and interveners;
- D. By Order G-174-22 dated June 27, 2022, the BCUC further established the regulatory timetable for final and reply arguments;
- E. On July 11, 2022, the BCUC received a letter from BC Hydro which stated that BC Hydro has been engaged in preparing an updated cost estimate for the Project. By Order G-190-22 dated July 13, 2022, the BCUC amended the regulatory timetable to allow BC Hydro to file its updated cost estimate, which it did on August 15, 2022 (Exhibit B-8 and Exhibit B-8-1);
- F. By Order G-236-22 dated August 18, 2022, the BCUC established a regulatory timetable to include a second round of IRs (IR2). By letter dated September 8, 2022, the BCUC limited the scope of IR2 to a review of the updated cost estimate and matters raised in Exhibit B-8 and Exhibit B-8-1 in response to a request from BC Hydro;

- G. By letter dated September 16, 2022, British Columbia Old Age Pensioners' Organization et al. (BCOAPO) requested an additional round of IRs to clarify and follow-up on BC Hydro responses to IR 1;
- H. On September 23, 2022, the BCUC requested that BCOAPO identify the IR responses which it considers are unsatisfactory and provide reasons to support its request for additional IRs. The BCUC also requested that BC Hydro respond to BCOAPO's request. BCOAPO and BC Hydro made their submissions on September 29 and October 6, 2022, respectively;
- I. On October 5, 2022, BC Hydro filed responses to BCUC and intervener IR2; and
- J. The BCUC determines that a further regulatory timetable is warranted.

NOW THEREFORE for the reasons set out in Appendix B to this order, the BCUC orders that a further regulatory timetable is established, as outlined in Appendix A to this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 21st day of October 2022.

BY ORDER

Original signed by:

E. B. Lockhart
Commissioner

Attachment

British Columbia Hydro and Power Authority
Application for Orders Regarding the Peace to Kelly Lake Stations Sustainment Project

REGULATORY TIMETABLE

Action	Date (2022)
BC Hydro written final argument	Tuesday, November 15
Intervener written final argument	Tuesday, December 6
BC Hydro written reply argument	Tuesday, December 20

British Columbia Hydro and Power Authority
Application for Orders Regarding the Peace to Kelly Lake Stations Sustainment Project

REASONS FOR DECISION

1.0 Introduction

On January 25, 2022, the British Columbia Hydro and Power Authority (BC Hydro) filed an application with the British Columbia Utilities Commission (BCUC), pursuant to section 44.2(1)(b) of the *Utilities Commission Act* (UCA), for acceptance of a schedule of capital expenditures that BC Hydro anticipates making in respect of the Peace to Kelly Lake Stations Sustainment Project (Project)(Application).

By Order G-60-22A, dated March 14, 2022, the BCUC established the regulatory timetable for the review of the Application, which included one round of information requests (IRs) to BC Hydro from the BCUC and interveners. By Order G-174-22, dated June 27, 2022, the BCUC amended the regulatory timetable to include written final and reply arguments.

On July 11, 2022, the BCUC received a letter from BC Hydro stating that BC Hydro has been engaged in preparing an updated cost estimate for the Project. By Order G-190-22 dated July 13, 2022, the BCUC amended the regulatory timetable to allow BC Hydro to file its updated cost estimate, which it did on August 15, 2022 (Exhibit B-8 and Exhibit B-8-1).

By Order G-236-22 dated August 18, 2022, the BCUC established a further regulatory timetable to include a second round of IRs to BC Hydro. By letter dated September 8, 2022, the BCUC limited the scope of IR2 to a review of the updated cost estimate and matters raised within Exhibit B-8 and B-8-1 in response to a request from BC Hydro.

By letter dated September 16, 2022, British Columbia Old Age Pensioners' Organization et al. (BCOAPO) requested an additional round of IRs. BCOAPO stated that while preparing materials for IR2, BCOAPO's expert consultant identified over 30 of BC Hydro's responses from the first round of IRs (IR1) that required clarifications or follow ups.

By letter dated September 23, 2022, the BCUC requested BCOAPO identify all IR responses which it considers are unsatisfactory and provide reasons to support its request for additional IRs. The BCUC also requested that BC Hydro respond to BCOAPO's request for additional IRs. BCOAPO provided its submission on September 29, 2022 and BC Hydro replied on October 6, 2022.

In these reasons for decision, the Panel summarizes the submissions made by BCOAPO and BC Hydro regarding the request for additional IRs, and sets out its determinations.

2.0 Parties' Submissions

2.1 BCOAPO

BCOAPO submits that additional information from BC Hydro is necessary to clarify documentary evidence filed by BC Hydro and to facilitate a better understanding of the issues relevant to the proceeding.¹ BCOAPO provides the IRs that it seeks to ask. As the scope of IR2 was limited to a review of the matters raised within Exhibit B-8 and B-8-1, BCOAPO states that it has not had the opportunity to request this additional information.²

2.1 BC Hydro

BC Hydro submits that the general statements made by BCOAPO do not provide sufficient reasons to support a request for additional IRs; that the BCUC's current regulatory process has allowed for a robust review of the Application and that an additional round of information requests is not warranted.³ BC Hydro submits that any concern with IR responses should have been raised sooner, noting that BC Hydro IR1 responses were provided on June 7, 2022 and that the BCUC determined on June 27, 2022 (by Order G-174-22) that the review of the Application was ready to move to final argument.⁴

BC Hydro notes that BCOAPO has not specifically explained how its proposed IRs are material to BCOAPO's final argument and how the additional information would be helpful to the BCUC in making its decision on the Application.⁵ Further, BC Hydro states that some of the IRs BCOAPO has provided in its September 29, 2022 submission could have been asked during IR1, and that some have already been answered.⁶

Panel Determination

The Panel determines that further IRs to BC Hydro's IR1 responses are not warranted and accordingly denies BCOAPO's request. The Panel finds that BCOAPO has not demonstrated how the additional information it seeks to obtain would better inform the Panel's decision making with respect to this Application. The Panel notes that it had originally issued a regulatory timetable for the submission of final and reply arguments on June 27, 2022, and that a significant length of time has passed since this determination was made. In future proceedings, BCOAPO is encouraged to submit its concerns with any IR responses as soon as is practicable.

¹ Exhibit C3-5, p. 1

² Exhibit C3-5, p. 1

³ Exhibit B-14, p. 1

⁴ Exhibit b-14, p. 1

⁵ Exhibit B-14, p. 2

⁶ Exhibit B-14, p. 2