



**ORDER NUMBER**  
**G-32-23**

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

and

1358037 B.C. Ltd.  
Application for Exemption Under  
Section 88(3) of the Utilities Commission Act

**BEFORE:**

C. M. Brewer, Panel Chair  
E. B. Lockhart, Commissioner  
B. A. Magnan, Commissioner

on February 16, 2023

**ORDER**

**WHEREAS:**

- A. On September 20, 2022, pursuant to section 88(3) of the *Utilities Commission Act* (UCA), 1358037 B.C. Ltd. (135BC) applied to the British Columbia Utilities Commission (BCUC) seeking approval for exemption from section 71 and Part 3 of the UCA, excluding sections 25, 38, 42 and 43, with respect to 135BC's resale of electricity, supplied by British Columbia Hydro and Power Authority (BC Hydro) to the Netherlands Overseas Substation (NOS Substation) located at 8546 Willow Cale Road in Prince George, British Columbia to purchasers whose facilities are connected to the NOS Substation (Application);
- B. 135BC is a wholly owned subsidiary of 437218 B.C. Ltd. (437BC), both of which are companies within the Dakus Group of companies;
- C. On August 27, 2015, by Order G-141-15, the BCUC, with advance approval from the Lieutenant Governor in Council, ordered that Canfor Forest Products Ltd. (Canfor) was exempt from the requirements of Part 3 of the UCA except for sections 25, 38, 42, and 43 for its NOS Substation distribution facilities used to supply electric service to its customers. The order also exempted both Canfor and any person that receives energy from Canfor's NOS Substation distribution facilities, from section 71 of the UCA, provided the person is not re-selling energy to others;
- D. In the Application, 135BC states that the NOS Substation is currently owned by Canfor and that Canfor, 135BC, and 437BC have entered into a Purchase Agreement, dated June 11, 2022, with respect to the purchase and sale of, among other things, the NOS Substation by Canfor to 135BC;
- E. 135BC states that four parties with industrial facilities in the vicinity of the NOS Substation receive electricity service via the NOS Substation distribution facilities, and that 135BC will continue to provide such service upon completion of the purchase of the NOS Substation;

- F. In accordance with section 1 of the UCA, 135BC will fall within the definition of “public utility” by reselling energy to others for compensation;
- G. Section 88(3) of the UCA states: “the commission may, on conditions it considers advisable, with the advance approval of the minister responsible for the administration of the Hydro and Power Authority Act, exempt a person, equipment or facilities from the application of all or any of the provisions of this Act or may limit or vary the application of this Act”;
- H. On November 08, 2022, by Order G-321-22, the BCUC established a public proceeding and regulatory timetable for review of the Application, which included stakeholder notification, one round of BCUC information requests (IR No. 1), 135BC response to BCUC IR No. 1, and letters of comment from stakeholders;
- I. On November 30, 2022, the BCUC issued IR No. 1 to 135BC and 135BC responded to BCUC IR No. 1 on December 7, 2022;
- J. The BCUC did not receive any letters of comment; and
- K. By Ministerial Order M42 dated February 11, 2023, and attached as Appendix A to this order, the Minister responsible for the administration of the *Hydro and Power Authority Act* granted advance approval to the BCUC to exempt 135BC from the requirements of section 71 and Part 3 of the UCA, except for certain sections as noted below; and
- L. The BCUC has reviewed the Application and considers that 135BC’s request for exemption is in the public interest.

**NOW THEREFORE** the BCUC orders as follows:

1. Pursuant to section 88(3) of the UCA, the BCUC, having been granted advance approval by the Minister responsible for the administration of the *Hydro and Power Authority Act*:
  - a. Exempts 135BC from the requirements of Part 3 of the UCA except for sections 25, 38, 42 and 43 for its NOS Substation distribution facilities used to supply electric service to its customers, and
  - b. Exempts 135BC and its customers referred to in Directive 1(a) of the herein Order from section 71 of the UCA with respect to the resale of electricity provided that 135BC customers are not reselling electricity to third parties.
2. This order becomes effective on the effective date of the Purchase Agreement by which 135BC will acquire the NOS Substation.
3. The exemptions referred to in Directive 1 of this order remain in effect until the BCUC, after conducting a hearing, orders that the exemption no longer applies.
4. Pursuant to section 43 of the UCA, 135BC is directed to file an annual report within 90 days after its fiscal year end, regarding the NOS Substation and containing the information set out in Appendix A or as the BCUC may order otherwise.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 16<sup>th</sup> day of February 2023.

BY ORDER

*Original signed by:*

C. M. Brewer  
Commissioner

Attachment

**APPENDIX A  
ANNUAL REPORTING REQUIREMENTS**

A report is required for 1358037 B.C. Ltd. Resale of Electricity  
(Reports are to be filed within 90 days after fiscal year-end)

Requirements for Annual Reports

1. Current contact information;
2. Customer information;
  - i. Total number of customers; and
  - ii. Customer names and addresses;
3. Complaints received from 135BC Customers in the preceding fiscal year and how those complaints were resolved;
4. Major corporate organizational changes of 135BC, if any;
5. Capital expansions in the preceding fiscal year, if any;
6. Safety incidents in the preceding fiscal year, if any;
7. Summary of annual maintenance work completed in the preceding fiscal year including who performed the maintenance work; and
8. Update of any changes to 135BC NOS Substation Single Line Diagram and Map.

PROVINCE OF BRITISH COLUMBIA  
ORDER OF THE MINISTER OF ENERGY, MINES  
AND LOW CARBON INNOVATION

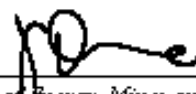
*Utilities Commission Act*

Ministerial Order No. M42

I, Josie Osborne, Minister of Energy, Mines and Low Carbon Innovation, order that pursuant to section 88(3) of the *Utilities Commission Act*, approval is given to the British Columbia Utilities Commission to make the exemptions from the indicated provisions of the *Utilities Commission Act* (related to 1358037 B.C. Ltd.) as set out in the attached draft order of the British Columbia Utilities Commission.

February 11, 2023

Date

  
Minister of Energy, Mines and  
Low Carbon Innovation

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*(This part is for administrative purposes only and is not part of the Order.)*

**Authority under which Order is made:**

Act and section: *Utilities Commission Act*, R.S.B.C. 1996, s. 88(3)

Other: \_\_\_\_\_



**bcuc**

British Columbia  
Utilities Commission

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**ORDER NUMBER**

**G-xx-xx**

**IN THE MATTER OF**

the *Utilities Commission Act*, RSBC 1996, Chapter 473

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1358037 B.C. Ltd.

Application for Exemption Under  
Section 88(3) of the *Utilities Commission Act*

**BEFORE:**

C. M. Brewer, Panel Chair  
E. B. Lockhart, Commissioner  
B. A. Magnan, Commissioner

on January XX, 2023

**ORDER**

**WHEREAS:**

- A. On September 20, 2022, pursuant to section 88(3) of the *Utilities Commission Act* (UCA), 1358037 B.C. Ltd. (135BC) applied to the British Columbia Utilities Commission (BCUC) seeking approval for exemption from section 71 and Part 3 of the UCA, excluding sections 25, 38, 42 and 43, with respect to 135BC's resale of electricity, supplied by British Columbia Hydro and Power Authority (BC Hydro) to the Netherlands Overseas Substation (NOS Substation) located at 8546 Willow Cale Road in Prince George, British Columbia to purchasers whose facilities are connected to the NOS Substation (Application);
- B. 135BC is a wholly owned subsidiary of 437218 B.C. Ltd. (437BC), both of which are companies within the Dakus Group of companies;
- C. On August 27, 2015, by Order G-141-15, the BCUC, with advance approval from the Lieutenant Governor in Council, ordered that Canfor Forest Products Ltd. (Canfor) was exempt from the requirements of Part 3 of the UCA except for sections 25, 38, 42, and 43 for its NOS Substation distribution facilities used to supply electric service to its customers. The order also exempted both Canfor and any person that receives energy from Canfor's NOS Substation distribution facilities, from section 71 of the UCA, provided the person is not reselling energy to others;
- D. In the Application, 135BC states that the NOS Substation is currently owned by Canfor and that Canfor, 135BC, and 437BC have entered into a Purchase Agreement, dated June 11, 2022, with respect to the purchase and sale of, among other things, the NOS Substation by Canfor to 135BC;
- E. 135BC states that four parties with industrial facilities in the vicinity of the NOS Substation receive electricity service via the NOS Substation distribution facilities, and that 135BC will continue to provide such service upon completion of the purchase of the NOS Substation;

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- F. In accordance with section 1 of the UCA, 135BC will fall within the definition of “public utility” by reselling energy to others for compensation;
- G. Section 88(3) of the UCA states: “the commission may, on conditions it considers advisable, with the advance approval of the minister responsible for the administration of the Hydro and Power Authority Act, exempt a person, equipment or facilities from the application of all or any of the provisions of this Act or may limit or vary the application of this Act”;
- H. On November 08, 2022, by Order G-321-22, the BCUC established a public proceeding and regulatory timetable for review of the Application, which included stakeholder notification, one round of BCUC information requests (IR No. 1), 135BC response to BCUC IR No. 1, and letters of comment from stakeholders;
- I. On November 30, 2022, the BCUC issued IR No. 1 to 135BC and 135BC responded to BCUC IR No. 1 on December 7, 2022;
- J. The BCUC did not receive any letters of comment;
- K. By Ministerial Order XXXX dated MMDDYY, and attached as Appendix A to this order, the Minister responsible for the administration of the *Hydro and Power Authority Act* granted advance approval to the BCUC to exempt 135BC from the requirements of section 71 and Part 3 of the UCA, except for certain sections as noted below; and
- L. The BCUC has reviewed the Application and considers that 135BC’s request for exemption is in the public interest.

**NOW THEREFORE** the BCUC orders as follows:

1. Pursuant to section 88(3) of the UCA, the BCUC, having been granted advance approval by the Minister responsible for the administration of the *Hydro and Power Authority Act*:
  - a. Exempts 135BC from the requirements of Part 3 of the UCA except for sections 25, 38, 42 and 43 for its NOS Substation distribution facilities used to supply electric service to its customers, and
  - b. Exempts 135BC and its customers referred to in Directive 1(a) of the herein Order from section 71 of the UCA with respect to the resale of electricity provided that 135BC customers are not reselling electricity to third parties.
2. This order becomes effective on the effective date of the Purchase Agreement by which 135BC will acquire the NOS Substation.
3. The exemptions referred to in Directive 1 of this order remain in effect until the BCUC, after conducting a hearing, orders that the exemption no longer applies.
4. Pursuant to section 43 of the UCA, 135BC is directed to file an annual report within 90 days after its fiscal year end, regarding the NOS Substation and containing the information set out in Appendix A or as the BCUC may otherwise order.

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**DATED** at the City of Vancouver, in the Province of British Columbia, this (XX) day of (Month Year).

BY ORDER

(X. X. last name)  
Commissioner

Attachment

Draft



**APPENDIX A**  
to Order G-xx-xx

**APPENDIX A ANNUAL REPORTING REQUIREMENTS**

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4. Major corporate organizational changes of 135BC , if any;
5. Capital expansions in the preceding fiscal year, if any;
6. Safety incidents in the preceding fiscal year, if any;
7. Summary of annual maintenance work completed in the preceding fiscal year including who performed the maintenance work; and
8. Update of any changes to 135BC NOS Substation Single Line Diagram and Map.