

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-81-07

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

**IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473**

and

**An Application by British Columbia Hydro and Power Authority
For Decommissioning of the Lytton Diesel Generating Station**

BEFORE: L.F. Kelsey, Commissioner
L.A. Zaozirny, Commissioner July 13, 2007

O R D E R

WHEREAS:

- A. The Commission, by Order No. G-6-07, granted permission to British Columbia Hydro and Power Authority ("BC Hydro") to decommission Lytton Diesel Generating Station and directed BC Hydro to submit certain filings in respect thereof, including a detailed environmental assessment, a site reclamation estimate and schedule by April 30, 2007 and an accounting of the realized salvage value of the Lytton Generating Station diesel generators, station buildings and other equipment by June 30, 2007; and
- B. The Commission, by Order No. G-16-07, granted permission, as a result of the need to deploy BC Hydro line crews to repair winter 2006/07 storm damage, to BC Hydro to delay the Spence Bridge to Lytton Powerline Upgrade Project with the result that completion of SBR25F51 and the corresponding start of the decommissioning of the Lytton Generating Station was delayed; and
- C. The Commission, by Order No. G-16-07, granted BC Hydro a reconsideration and variance of paragraph 3 of Commission Order No. G-6-07 and directed BC Hydro to file the detailed environmental assessment and a site reclamation estimate and schedule for the Lytton Diesel Generating Station site by June 30, 2007; and
- D. By letter dated June 27, 2007, BC Hydro advised the Commission that the corresponding start of the decommissioning of the Lytton Generating Station is delayed as a result of (1) the need to redesign a section of line from overhead to underground as required by the Ministry of Transportation, (2) the delay in construction resulting in the recent landslide on Highway No. 1 and (3) delays in receiving approval for the installation of SBR 25F51 on CP Rail right-of-ways as a result of CP Rail's recent labour dispute; and
- E. By letter dated June 27, 2007, BC Hydro has applied for a reconsideration and variance of Commission Orders No. G-6-07 and G-16-07 and requested an Order directing BC Hydro to file the detailed environmental assessment and a site reclamation estimate and schedule for the Lytton Diesel Generating Station site along with an accounting of the realized salvage value of the Lytton Generating Station Diesel generators, station buildings and other equipment by December 31, 2007; and
- F. The Commission has reviewed the BC Hydro filing and finds that it should be approved.

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2

NOW THEREFORE the Commission orders as follows:

1. The direction in paragraph 2 of Order No. G-6-07 that BC Hydro file by June 30, 2007, an accounting of the realized salvage value of the Lytton Station Diesel generators, station buildings and other equipment, is delayed and shall be filed by December 31, 2007.
2. The direction in Order No. G-16-07 that BC Hydro file by June 30, 2007, the detailed environmental assessment site reclamation estimate and schedule for the Lytton Generating Station, is delayed and shall be filed by December 31, 2007.
3. BC Hydro shall file quarterly, commencing with a report for the period ending September 30, 2007, an accounting of the monies spent as per the table in Appendix A and an updated schedule as per the table in Appendix B. Such report shall be filed within 30 calendar days following the period ending.
4. BC Hydro shall file by one month after the end date of the reclamation of the Lytton Diesel Generating Station site, a project completion report with a comparison from the estimated costs and schedule from the application with the actual cost and schedule with an explanation of the variances including the reasons for the undergrounding of the 25kV line, SBR 25F51, and its associated incremental costs.

DATED at the City of Vancouver, in the Province of British Columbia, this 13th day of July 2007.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner

Lytton Generating Station - Plant Decommissioning Project Budget (Oct 2006)

Description	Original Budget \$(000's)	Actual Spent to Date \$(000's)	Variance to Date \$(000's)	Explanation
Project Management	10.1			
Engineering	5.0			
Decommissioning	237.9			
Hazardous Materials Assessment	5.0			
Soil Testing	50.6			
Field Operations Support	7.1			
Properties	2.0			
Public Affairs	5.0			
Environmental Services	10.1			
Aboriginal Relations	2.0			
Subtotal	334.8			
Plus Contingency (10%)	33.5			
Total (including Contingency)	368.3			
Total Variance \$(000's)				

Assumptions:

1. Fuel is removed; no value included.
2. No salvage value for plant equipment included.
3. Hydrocarbon cleanup cost equals provisional sum.

SCHEDULE – Decommissioning of Lytton Diesel GS

Item	Original Planned Completion Date	Revised Planned Completion Date	Actual Start Date	Actual Completion Date	Variance (man- weeks)	Explanation of Schedule Variance
Construction of 5BR 25F51	2007-01-12	2007-06-28				
Decommissioning of Lytton Diesel GS	2007-02-09	2007-09-28				
Environmental Assessment	2007-03-31	2007-12-31				
Total Variance in man-weeks from revised completion date						