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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-124-15**

TELEPHONE: (604) 660-4700
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IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

FortisBC Inc.
Application for a Certificate of Public Convenience and Necessity
for Construction of the Kootenay Operations Centre

BEFORE: C. A. Brown, Panel Chair/Commissioner
I. F. MacPhail, Commissioner
R. D. Revel, Commissioner
July 23, 2015

O R D E R

WHEREAS:

- A. On July 9, 2015, FortisBC Inc. (FBC) applied to the British Columbia Utilities Commission (the Commission), pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA), for a Certificate of Public Convenience and Necessity (the Application) for the construction of a new operations centre located in the Castlegar area (the Kootenay Operations Centre or KOC) (the Project);
- B. FBC outlines that the Project will:
- Provide new facilities for the Generation Administration Office and the Warehouse currently located at the South Slokan Generation Site;
 - Provide a centralized and dedicated Emergency Operations Centre for the Kootenay region;
 - Address functional and security concerns related to the System Control Centre (SCC) and Back-Up Control Centre (BCC);
 - Provide new facilities for the Kootenay Station Services group currently located in the Warfield Complex;
 - Provide a fleet wash bay and covered parking for utility vehicles currently stored at the Castlegar District Office; and
 - Provide storage for poles and pole trailers currently housed at the South Slokan Generation Site for Network Operations dispatched out of the Castlegar District Office;

- C. FBC filed the Application in two parts: the Primary Application which contains all of the information related to the Project, and the Confidential Application which contains detailed information related to the SCC and BCC;
- D. FBC proposes to start construction of the Project in late Spring 2016 and be in-service by 2017;
- E. FBC estimates the capital cost of the Project in As-Spent dollars to be approximately \$20.651 million including Allowance for Funds Used During Construction (AFUDC) and abandonment/demolition costs which will result in a 2018 rate increase of up to 0.7 percent;
- F. FBC also requests approval pursuant to section 56 of the UCA for a depreciation rate of 1.9 percent that would be applicable to the new facility;
- G. FBC requests that the Confidential Application containing detailed information related to the SCC and BCC, Confidential Appendices and Information Requests (IRs), Responses and Submissions related to the Confidential Information be treated as confidential during and after the hearing of the Application, in order to maintain public safety and reliability and protect FBC's critical assets and business interests. FBC further requests that, if necessary and granted by the Commission, access to and treatment of certain highly sensitive Restricted Information related to critical infrastructure be subject to a process, such as that outlined in the FBC Restricted Information Proposed Protocol, included as Appendix A to the Application; and
- H. The Commission has determined that a public hearing is necessary for the review of the Application.

NOW THEREFORE the Commission orders as follows:

1. The Application will be examined through a public hearing process and the preliminary Regulatory Timetable, attached as Appendix A to his order, has been established.
2. The Commission considers FBC's request for confidentiality is reasonably necessary to maintain public safety and reliability and protect FBC's critical assets and business interests. The Commission will hold detailed information related to the SCC and BCC and Project cost estimates for material and construction work confidential. Interveners may obtain access to this information by executing standard form undertakings of confidentiality. Further, access to certain Restricted Information, if necessary and granted by the Commission, will be subject to a protocol for handling and management of Restricted Information as will be confirmed by the Commission.
3. FBC must publish, as soon as possible, a Public Notice of the Hearing Process, attached as Appendix B to this order, in local and community newspapers to provide reasonable notice to people in the affected service area and surrounding communities.

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4. Persons wishing to participate as interveners or as interested parties should register with the Commission in writing or electronic submission by Wednesday, August 5, 2015. Intervenors should specifically state the nature of their interest in the Application and identify generally the nature of the issues that they may intend to pursue during the proceeding, and the nature and extent of their anticipated involvement in the review process.

DATED at the City of Vancouver, in the Province of British Columbia, this 23rd day of July 2015.

BY ORDER

Original signed by:

C. A. Brown
Panel Chair/Commissioner

Attachments

FortisBC Inc.
Application for a Certificate of Public Convenience and Necessity
for Construction of the Kootenay Operations Centre

REGULATORY TIMETABLE

ACTION		DATE (2015)
Intervener and Interested Party Registration		Wednesday, August 5
Participant Assistance/Cost Award Budget Deadline		Wednesday, August 12
Commission Information Request No. 1		Friday, August 21
Intervener Information Request No. 1		Friday, August 28
FBC Responses to Commission and Intervener Information Requests No. 1		Friday, September 25
Procedural Conference, if needed		Friday, October 2
Commission and Intervener Information Request No. 2		Thursday, October 15
FBC Responses to Information Requests No. 2		Friday, November 6
FBC Final Written Submission		Friday, November 20
Intervener Final Written Submissions		Wednesday, December 2
FBC Written Reply Submission		Friday, December 11

PUBLIC NOTICE

BRITISH COLUMBIA UTILITIES COMMISSION



FORTISBC INC. APPLICATION FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR CONSTRUCTION OF THE KOOTENAY OPERATIONS CENTRE

On July 9, 2015, FortisBC Inc. (FBC) applied to the British Columbia Utilities Commission (Commission) for a Certificate of Public Convenience and Necessity (CPCN), pursuant to sections 45 and 46 of the *Utilities Commission Act*, to construct a new operations centre located in the Castlegar area (the Kootenay Operations Centre or KOC) (the Project). The Project will replace the Generation Administration Office and the Warehouse (Generation Facilities) which are at end of life, address concerns related to the System Control Centre (SCC) and Back-up Control Centre (BCC), provide a central and dedicated Emergency Operations Centre for the Kootenay region, provide a central location to house the Kootenay Station Services group, and provide storage for poles and pole trailers.

The proposed Project is intended to address the age, condition and potential code compliance issues of the existing Generation Facilities, and to address their proximity to certain hazards, which could limit FBC's timely and efficient response to emergencies, as well as address the following operational requirements:

- Address space constraints, functional challenges and hazards associated with the SCC and BCC facilities;
- Provide a centralized and dedicated Emergency Operations Centre for generation and transmission & distribution operations;
- Centralize the Kootenay Station Services group for efficiency; and
- Address yard space limitations for efficiency and cost savings.

FBC proposes to start construction of the project in late Spring 2016 and be in-service by 2017. FBC estimates the capital cost of the Project in As-Spent dollars to be approximately \$20.651 million including Allowance for Funds Used During Construction (AFUDC) and abandonment/demolition costs which will result in a 2018 rate increase of up to 0.7 percent.

HOW TO GET INVOLVED

Persons wishing to actively participate in the proceeding must register as an intervener through the Commission's website at www.bccuc.com or in writing by Wednesday, August 5, 2015. In their registration, interveners must identify the issues they intend to pursue and indicate the extent of their anticipated involvement in the review process. Interveners will each receive a copy of all non-confidential correspondence and filed documentation, and must provide an email address if available.

Persons not expecting to actively participate, but who have an interest in the proceeding, should register as an interested party through the Commission's website or in writing, by Wednesday, August 5, 2015, identifying their interest in the proceeding. Interested parties receive a copy of the Decision when it is released.

Letters of comment may also be submitted. All submissions and/or correspondence received relating to the application are provided to the panel and all participants in the proceeding. Submissions are placed on the public record and posted to the Commission's website. By participating and/or providing comment on the application, you agree that all submissions will be placed on the public record and posted on the Commission's website.

If you wish to attend the Procedural Conference please register with the Commission Secretary using the contact information provided at the end of this notice.

	Procedural Conference, if needed to consider the process to review the Application.
Date:	Friday, October 2, 2015
Time:	9:00 a.m.
Location:	Commission Hearing Room 12 th Floor, 1125 Howe Street Vancouver, BC

VIEW THE APPLICATION

The Application and all supporting documentation are available on the Commission's website on the "Current Applications" page. If you would like to review the material in hard copy, it is available to be viewed at the locations below:

British Columbia Utilities Commission Sixth Floor, 900 Howe Street Vancouver, BC V6Z 2N3 Commission.Secretary@bcuc.com Phone: 604-660-4700 Toll Free: 1-800-663-1385	FortisBC Suite 100, 1975 Springfield Road Kelowna, BC V1Y 7V7 Or 16705 Fraser Highway Surrey, BC V4N 0E8
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FOR MORE INFORMATION OR TO REGISTER

For more information or to register please contact Ms. Erica Hamilton, Commission Secretary using the contact information above.