

ORDER NUMBER
G-51-17

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

and

Pingston Power Inc.
Application for an Exemption from Part 3
of the *Utilities Commission Act*

BEFORE:

D. M. Morton

on March 31, 2017

ORDER

WHEREAS:

- A. On March 10, 2017, Pingston Power Inc. (Pingston) filed an application dated March 8, 2017 for an exemption pursuant to section 88(3) from Part 3 of the *Utilities Commission Act* (the Act), in respect of the transmission of electricity generated by Fosthall Creek Hydro Project (Fosthall) to the British Columbia Hydro and Power Authority (BC Hydro) electrical system (Application). Fosthall will deliver electricity to Pingston's substation and utilize capacity on Pingston's existing transmission line which interconnects to the BC Hydro electric system;
- B. The Pingston Creek Hydro Project, owned by Pingston, is a 45 MW hydroelectric project on Pingston Creek and supplies electricity to BC Hydro pursuant to an Energy Purchase Agreement dated May 10, 2002, between BC Hydro and Pingston's two shareholders, Canadian Hydro Developers, Inc. and GLP Pingston Creek Limited Partnership (Pingston EPA);
- C. Pursuant to Minister's Order M202-M022-0205 dated June 12, 2002, the Pingston Creek Hydro Project is exempt from Part 3 of the Act, except section 22, with respect to the generation and sale of electricity to BC Hydro;
- D. By Order E-10-03 dated December 18, 2003, as amended and extended by Orders E-3-05 and E-37-10, the British Columbia Utilities Commission (Commission) accepted the Pingston EPA pursuant to section 71 of the Act;
- E. Fosthall Creek Power Ltd. and Sargent & Eddy Hydro Canada Corporation (collectively, Fosthall's Shareholders) are constructing the Fosthall project, which is a 15 MW hydroelectric project on Fosthall Creek. Fosthall has an Energy Purchase Agreement with BC Hydro (Fosthall EPA), which is exempt from Commission approval under section 71 of the Act;
- F. On April 19, 2016, the Pingston and Fosthall's Shareholders entered into an interconnection agreement to utilize Pingston's existing transmission capacity to allow Fosthall to transmit electricity to BC Hydro in accordance with the Fosthall EPA;

- G. In a letter March 22, 2017, BC Hydro stated it supports Pingston's Application;
- H. Section 88(3) of the Act provides that 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 the Act;
- I. The Commission considered the Application and is satisfied that an order, under section 88(3) of the Act, granting the exemption set out in this order is in the public interest; and
- J. By Ministerial Order 148 dated March 30, 2017, and attached as Appendix A to this order, the Minister responsible for the administration of the *Hydro and Power Authority Act* granted advanced approval to the Commission to grant the exemptions set out in this order.

NOW THEREFORE the British Columbia Utilities Commission orders as follows:

- 1. Pursuant to section 88(3) of the *Utilities Commission Act*, the Commission, having been granted advance approval by the Minister responsible for the administration of the *Hydro and Power Authority Act*, effective the date of this order:
 - a. Exempts Pingston Power Inc. (Pingston) from the requirements of Part 3 of the *Utilities Commission Act* except for sections 25, 38, 42, and 43 for its transmission and interconnection facilities used to deliver the Fosthall Creek Hydro Project electricity to the British Columbia Hydro and Power Authority electrical system.
 - b. The exemptions are subject to the conditions contained in directive 2.
- 2. The exemption referred to in Directive 1 of this order remains in effect until the Commission, after conducting a hearing, orders that the exemption no longer applies.
- 3. Pursuant to section 117(2) of the *Utilities Commission Act*, the Commission orders that the costs of the Commission, incidental to this proceeding and any future proceeding before it, are to be paid by Pingston in such amounts and proportions as the Commission may determine.

DATED at the City of Vancouver, in the Province of British Columbia, this 31st day of March 2017.

BY ORDER

Original signed by:

D. M. Morton
Commissioner

Attachments


PROVINCE OF BRITISH COLUMBIA
ORDER OF THE MINISTER OF ENERGY AND MINES AND
MINISTER RESPONSIBLE FOR CORE REVIEW

Utilities Commission Act

Ministerial Order No. M 148

I, Bill Bennett, Minister responsible for the *Hydro and Power Authority Act*, 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 Pingston Power Inc.) as set out in the attached draft order of the British Columbia Utilities Commission.

March 30, 2017
Date


Minister of Energy and Mines and
Minister Responsible for Core Review

(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: _____



APPENDIX A

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BEFORE:

Commissioner
Commissioner
Commissioner

on Date

DRAFT ORDER

WHEREAS:

- A. On March 10, 2017, Pingston Power Inc. (Pingston) filed an application dated March 8, 2017 for an exemption pursuant to section 88(3) from Part 3 of the *Utilities Commission Act* (the Act), in respect of the transmission of electricity generated by Fosthall Creek Hydro Project (Fosthall) to the British Columbia Hydro and Power Authority (BC Hydro) electrical system (Application). Fosthall will deliver electricity to Pingston's substation and utilize capacity on Pingston's existing transmission line which interconnects to the BC Hydro electric system;
- B. The Pingston Creek Hydro Project, owned by Pingston, is a 45 MW hydroelectric project on Pingston Creek and supplies electricity to BC Hydro pursuant to an Energy Purchase Agreement dated May 10, 2002, between BC Hydro and Pingston's two shareholders, Canadian Hydro Developers, Inc. and GLP Pingston Creek Limited Partnership (Pingston EPA);
- C. Pursuant to Minister's Order M202-M022-0205 dated June 12, 2002, the Pingston Creek Hydro Project is exempt from Part 3 of the Act, except section 22, with respect to the generation and sale of electricity to BC Hydro;
- D. By Order E-10-03 dated December 18, 2003, as amended and extended by Orders E-3-05 and E-37-10, the British Columbia Utilities Commission (Commission) accepted the Pingston EPA pursuant to section 71 of the Act;
- E. Fosthall Creek Power Ltd. and Sargent & Lundy Hydro Canada Corporation (collectively, Fosthall's Shareholders) are constructing the Fosthall project, which is a 15 MW hydroelectric project on Fosthall Creek. Fosthall has an Energy Purchase Agreement with BC Hydro (Fosthall EPA), which is exempt from Commission approval under section 71 of the Act;

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- F. On April 19, 2016, the Pingston and Fosthall's Shareholders entered into an interconnection agreement to utilize Pingston's existing transmission capacity to allow Fosthall to transmit electricity to BC Hydro in accordance with the Fosthall EPA;
- G. In a letter March 22, 2017, BC Hydro stated it supports Pingston's Application;
- H. Section 88(3) of the Act provides that 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 the Act;
- I. The Commission considered the Application and is satisfied that an order, under section 88(3) of the Act, granting the exemption set out in this order is in the public interest; and
- J. By Ministerial Order XX dated XX, and attached as Appendix A to this order, the Minister responsible for the administration of the *Hydro and Power Authority Act* granted advanced approval to the Commission to grant the exemptions set out in this order.

NOW THEREFORE the British Columbia Utilities Commission orders as follows:

- 1. Pursuant to section 88(3) of the *Utilities Commission Act*, the Commission, having been granted advance approval by the Minister responsible for the administration of the *Hydro and Power Authority Act*, effective the date of this order:
 - a. Exempts Pingston Power Inc. (Pingston) from the requirements of Part 3 of the *Utilities Commission Act* except for sections 25, 38, 42, and 43 for its transmission and interconnection facilities used to deliver the Fosthall Creek Hydro Project electricity to the British Columbia Hydro and Power Authority electrical system.
 - b. The exemptions are subject to the conditions contained in directive 2.
- 2. The exemption referred to in Directive 1 of this order remains in effect until the Commission, after conducting a hearing, orders that the exemption no longer applies.
- 3. Pursuant to section 117(2) of the *Utilities Commission Act*, the Commission orders that the costs of the Commission, incidental to this proceeding and any future proceeding before it, are to be paid by Pingston in such amounts and proportions as the Commission may determine.

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

Attachments

APPENDIX A
to Order G-xx-xx
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Insert Ministerial Order when issued

DRAFT