



ORDER NUMBER

R-37-17

IN THE MATTER OF

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

and

Teck Metals Ltd.

Application for Acceptance of a Mitigation Plan (Version 4) required for
Compliance with Mandatory Reliability Standard:
PRC-005-1 Requirement 2 - Violation ID: BCUC2014000533

BEFORE:

W. M. Everett, QC, Commissioner

on June 28, 2017

ORDER

WHEREAS:

- A. On June 8, 2017, the Western Electricity Coordinating Council (WECC) recommended that the British Columbia Utilities Commission (Commission) accept Mitigation Plan (MP) (Version 4) submitted by Teck Metals Ltd. (TECK), to bring TECK into compliance with Reliability Standard PRC-005-1 Requirement 2, assigned Violation ID: BCUC2014000533;
- B. Section 125.2 of the *Utilities Commission Act* (UCA) assigns exclusive jurisdiction to the Commission to determine whether a “reliability standard,” as defined in the UCA, is in the public interest and should be adopted in British Columbia. By Order G-123-09, the Commission approved the Compliance Monitoring Program (CMP) for monitoring and enforcement of adopted reliability standards and appointed the WECC as its Administrator for registration and monitoring compliance as per section 8 of the UCA. WECC’s role as Administrator for the BC Mandatory Reliability Standards (MRS) Program was renewed in the first amended Administration Agreement, dated August 21, 2014 and the CMP was revised and updated by Commission Order R-12-17;
- C. Pursuant to section 5 of the CMP, an entity subject to approved Mandatory Reliability Standards found in Confirmed Violation of a reliability standard must prepare an MP to correct the Confirmed Violation or prepare a description of how the Confirmed Violation has been mitigated. An MP with respect to a Confirmed Violation must be submitted to the Administrator within ten days following confirmation by the Commission;
- D. An MP with respect to an Alleged Violation may be submitted at any time and the Commission encourages entities to mitigate all perceived instances of noncompliance upon detection. An MP is to include milestones no more than 90 days apart if the expected completion date of the MP is more than 90 days from the submittal date;

- E. During TECK's November 2011 Compliance Audit, WECC observed that TECK failed to have a Protection System maintenance and testing program for Protection Systems that affect the reliability of the Bulk Electric System (BES). TECK was found in violation of PRC-005-1 R2 and the violation was deemed to exist beginning November 10, 2010; the effective date of PRC-005-1 R2. During a subsequent Compliance Audit taking place August 11, 2014 through August 15, 2014, WECC observed that TECK remained in violation of PRC-005-1 R2 for failing to provide sufficient information that all Protection System devices were maintained and tested within the defined intervals;
- F. On July 8, 2015, WECC issued a Notice of Alleged Violation to TECK for Alleged Violation PRC-005-1 R2 and the Commission confirmed this Alleged Violation as shown below:

Alleged Violation	Violation ID	Date WECC Issued Notice of Alleged Violation	Commission Order Confirming Alleged Violation	Date Commission Confirmed Alleged Violation
PRC-005-1 R2	BCUC2014000533	July 8, 2015	R-59-15	December 10, 2015

- G. On August 7, 2015, TECK submitted the first of several MPs and the Commission accepted MP (Version 2) and MP (Version 3) as shown below:

MP Version	Date TECK Submitted MP to WECC	Date MP Accepted by WECC	Date WECC Recommended BCUC Accept MP	BCUC Order Accepting MP	Proposed Completion Date
MP (Version 1)	August 7, 2015	Rejected Oct. 23, 2015	---	---	April 15, 2016
MP (Version 2)	December 1, 2015	April 1, 2016	April 8, 2016	R-13-16	October 14, 2016
MP (Version 3)	May 17, 2016	June 8, 2016	June 10, 2016	R-27-16	December 30, 2016

- H. On December 21, 2016, TECK submitted an extension request for MP (Version 3) requesting the new completion date to be extended to February 15, 2017 and this extension request was granted by Commission letter dated December 29, 2016;
- I. On February 14, 2017, TECK submitted an Attestation of Mitigation Plan Completion (Attestation) for MP (Version 3) which was rejected by WECC and TECK was required to submit a further revised MP;
- J. On March 30, 2017, TECK submitted MP (Version 4) to bring TECK into compliance with PRC-005-1 R2, which WECC recommends the Commission accept:

Reliability Standard	BCUC Violation ID	Date MP (Version 4) Submitted to WECC	Proposed Completion Date
PRC-005-1 R2	BCUC2014000533	March 30, 2017	December 1, 2017

- K. The Commission reviewed WECC's recommendation including TECK's mitigation history for PRC-005-1 R2 and considers acceptance of MP (Version 4) is warranted providing TECK requests written confirmation from FortisBC that the scheduled maintenance and testing of TECK equipment will take place as agreed to by both parties and that TECK will submit such documented confirmation to the Commission 90 days in advance of the proposed completion date specified in MP (Version 4).

NOW THEREFORE pursuant to section 125.2(10) of the UCA and in accordance with the CMP, the Commission accepts TECK's MP (Version 4) for PRC-005-1 R2 with the proposed completion date of December 1, 2017 and orders that TECK must provide the following by September 1, 2017:

- a) Documented confirmation from FortisBC that TECK's maintenance and testing will be performed as required for compliance with PRC-005-1;
- b) Confirmation from FortisBC of the schedule for the maintenance and testing of TECK's equipment; and
- c) Confirmation from FortisBC that it will provide the documentation of the scheduled maintenance and testing of TECK's equipment to TECK demonstrating compliance with PRC-005-1.

If TECK cannot provide the documentation noted above, TECK shall provide an explanation by September 1, 2017, satisfactory to the Commission, as to why this documentation is not available.

DATED at the City of Vancouver, in the Province of British Columbia, this 28th day of June 2017.

BY ORDER

Original Signed By:

W. M. Everett, QC
Commissioner