



**ORDER NUMBER
G-129-21**

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

and

Kyuquot Power Ltd.
Investigation into the Safety and Reliability of the KPL System

BEFORE:

D. M. Morton, Panel Chair
C. Brewer, Commissioner
T. A. Loski, Commissioner

on April 28, 2021

ORDER

WHEREAS:

- A. On May 15, 2020, by Order G-115-20, the British Columbia Utilities Commission (BCUC) established a hearing to review the safety and reliability of the Kyuquot Power Ltd. (KPL) system, following a complaint by a representative of the Ka:'yu:'k't'h' / Che:k'tles7et'h' First Nations (KCFN);
- B. The KPL power distribution system (KPL System) is interconnected to the British Columbia Hydro and Power Authority (BC Hydro) electric system and supplies customers, including KCFN, the Village of Houpsitas and others on the outer coast of Kyuquot Sound, with electricity;
- C. By Orders G-115-20, G-182-20, G-211-20, G-296-20, G-29-21, and G-39-21 the BCUC established, amended, and furthered a regulatory timetable to review the safety and reliability of the KPL System;
- D. In January 2020, KCFN installed a gang-operated load break Switch S3 (GOLB S3) on a KCFN-owned structure to respond to safety concerns;
- E. On March 1, 2021, KPL submitted its Final Argument, on March 8, 2021, KCFN submitted its Final Argument and on March 15, 2021, KPL submitted its Reply Argument;
- F. On March 8, 2021, the BCUC issued Order G-65-21, which, among other things, directed KPL, as soon as reasonably possible, but no later than March 12, 2021, to request the dispute regarding the locking arrangement and terms of a joint operating order GOLB S3 be referred to mediation, pursuant to Section 11 of the Right of Way Agreement;
- G. On March 12, 2021, KCFN submitted an application with the BCUC for reconsideration and variance of Directives 3 and 4 of Order G-65-21 (Reconsideration Application);

- H. On March 17, 2021, by Order G-79-21, the BCUC established a regulatory timetable seeking submissions from parties on the Reconsideration Application;
- I. On March 22, 2021, KPL submitted its response on the Reconsideration Application, on April 6, 2021, KCFN submitted its reply submission, and on April 12, 2021, KPL requested the BCUC provide KPL with the right to sur-reply to address the matters raised by KCFN;
- J. After reviewing the submissions, the BCUC established an Oral Hearing on April 21, 2021 to receive further submissions from both parties;
- K. Crown Corridor is defined in Chapter 7 of the Maa-nulth First Nations Final Agreement;
- L. After considering the evidence and submissions made at the Oral Hearing, and because the GOLB S3 is on land that is within the Crown Corridor, the BCUC, on April 28, 2021, issued Order G-126-21 which rescinded Order G-65-21;
- M. At the Oral Hearing, KPL submitted that in the case of an emergency such as a short circuit, the fuses within the KPL system or the KCFN system would operate to de-energize the downstream line and that neither KPL nor KCFN would require emergency access to the GOLB S3. Both parties expressed the need for a joint operating agreement for GOLB S3;
- N. Section 1 of the *Utilities Commission Act* (UCA) defines a public utility as a person who, among other things, owns in British Columbia equipment or facilities for the transmission or provision of electricity for compensation; and
- O. The BCUC, after considering the evidence and submissions made at the Oral Hearing, finds that a further regulatory timetable is warranted.

NOW THEREFORE the BCUC orders as follows:

- 1. A further regulatory timetable is established as set out in Appendix A
- 2. Parties are requested to make submissions on the following, in accordance with the regulatory timetable as set out in Appendix A to this order:
 - a. Submissions from KCFN on the need for access to GOLB S3 and KPL's reply;
 - b. Submissions on whether, with respect to the portion of the line on the Crown Corridor, KCFN meets the definition of a public utility. If so, is it appropriate that the BCUC recommend an exemption for KCFN from all or portions of Part 3 the *Utilities Commission Act*, pursuant to section 88(3) of the *Utilities Commission Act*?
 - c. Submissions on the applicability of Section 27 of the *Utilities Commission Act* on shared KCFN infrastructure.

DATED at the City of Vancouver, in the Province of British Columbia, this 28th day of April 2021.

BY ORDER

Original signed by:

D. M. Morton
Commissioner

Attachment

Kyuquot Power Ltd.
Investigation into the Safety and Reliability of the KPL System

REGULATORY TIMETABLE

Action	Date (2021)
KCFN submission on the need for access to GOLB S3	Friday, April 30
KPL's reply to KCFN's submission on the need for access to GOLB S3 (if required)	Friday, May 14
Submissions on whether, with respect to the portion of the line on the Crown Corridor, KCFN meets the definition of a public utility. If so, is it appropriate that the BCUC recommend an exemption for KCFN from all or portions of Part 3 the <i>Utilities Commission Act</i> , pursuant to section 88(3) of the <i>Utilities Commission Act</i> ?	Friday, May 28
Submissions on the applicability of Section 27 of the <i>Utilities Commission Act</i> on shared KCFN infrastructure	Friday, May 28
Further process	To be determined