



ORDER NUMBER
G-172-21

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

and

Pacific BioEnergy Prince George Limited Partnership
Application for Exemption Under
Section 88 of the *Utilities Commission Act*

BEFORE:

A. K. Fung, QC, Panel Chair
E. B. Lockhart, Commissioner

on June 2, 2021

ORDER

WHEREAS:

- A. On December 15, 2020, pursuant to section 88(3) of the *Utilities Commission Act* (UCA), Pacific BioEnergy Prince George Limited Partnership (PBLP) filed an application with the British Columbia Utilities Commission (BCUC) seeking exemption from section 71 and partial exemption from Part 3 of the UCA, with respect to PBLP's resale of electricity, supplied by British Columbia Hydro and Power Authority (BC Hydro) to the NOS Substation located at 8546 Willow Cale Road in Prince George, British Columbia, to purchasers whose facilities are connected to the NOS Substation (Application);
- B. On August 27, 2015, by Order G-141-15, the BCUC, with advance approval from the Lieutenant Governor in Council, ordered that Canfor Forest Products Ltd. (Canfor) was exempt from the requirements of Part 3 of the UCA except for sections 25, 38, 42, and 43 for its NOS Substation distribution facilities used to supply electric service to its customers. The order also exempted both Canfor and any person that receives energy from Canfor's NOS Substation distribution facilities, from section 71 of the UCA provided the person is not re-selling energy to others;
- C. In the Application, PBLP states that the NOS Substation is currently owned by Canfor and Canfor and PBLP have entered into a purchase agreement, dated November 24, 2020, with respect to the purchase and sale of, among other things, the NOS Substation (Purchase Agreement);
- D. PBLP states that PBLP and three other parties with industrial facilities in the vicinity of the NOS Substation receive electricity service via the NOS Substation, and PBLP will continue to provide such service upon completion of the purchase of the NOS Substation;
- E. By reselling energy to others for compensation, PBLP falls within the definition of "public utility" in section 1 of the UCA;
- F. Section 88(3) of the UCA states: "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 this Act or may limit or vary the application of this Act”;

- G. On January 27, 2021, by Order G-27-21, the BCUC established a public proceeding and regulatory timetable for review of the Application, which included stakeholder notification, one round of BCUC information requests (IRs), PBLP response to BCUC IRs, letters of comment from stakeholders, and PBLP response to letters of comment;
- H. On February 12, 2021, the BCUC issued BCUC IR No. 1 to PBLP. PBLP’s responses followed on March 2, 2021;
- I. On March 5, 2021, BC Hydro submitted a letter of comment confirming that it does not object to the BCUC granting an exemption to PBLP on the same terms as granted to Canfor by BCUC Order G-141-15;
- J. On March 17, 2021, PBLP filed its final submission;
- K. By Ministerial Order M217 dated May 27, 2021, and attached as Appendix A to this order, the Minister responsible for the administration of the *Hydro and Power Authority Act* granted advance approval to the BCUC to exempt PBLP from the requirements of Part 3 of the UCA, except for certain sections as noted below; and
- L. The BCUC has reviewed the Application and considers that PBLP’s request for exemption is in the public interest.

NOW THEREFORE the BCUC orders as follows:

- 1. Pursuant to section 88(3) of the UCA, the BCUC, having been granted advance approval by the Minister responsible for the administration of the *Hydro and Power Authority Act*:
 - a. Exempts PBLP from the requirements of Part 3 of the UCA except for sections 25, 38, 42 and 43 for its NOS Substation used to supply electric service to its customers.
 - b. Exempts PBLP and any person that receives energy from PBLP’s NOS Substation from section 71 of the UCA provided the person is not re-selling energy to others.
- 2. This order becomes effective on the effective date of the Purchase Agreement by which PBLP will acquire the NOS Substation.
- 3. The exemptions referred to in Directive 1 of this order remain in effect until the BCUC, after conducting a hearing, orders that the exemption no longer applies.
- 4. Pursuant to section 43 of the UCA, PBLP is directed to file an annual report within 90 days after fiscal year-end, regarding the NOS Substation and containing the information set out in Appendix I or as the BCUC may otherwise order.

DATED at the City of Vancouver, in the Province of British Columbia, this 2nd day of June 2021.

BY ORDER

Original signed by:

A. K. Fung, QC
Commissioner

APPENDIX I
ANNUAL REPORTING REQUIREMENTS

A Report is required for the PBLP NOS Substation
Distribution Lines supplying BC customers

(Reports are to be filed within 90 days after fiscal year-end)

1.1 Annual Submissions

- Update of any changes to PBLP's NOS Substation Single Line Diagram and Map
- Customer names and addresses
- A copy of any permits received or obtained.

PROVINCE OF BRITISH COLUMBIA
ORDER OF THE MINISTER OF ENERGY, MINES
AND LOW CARBON INNOVATION

Utilities Commission Act

Ministerial Order No. M217

I, Bruce Ralston, Minister of Energy, Mines and Low Carbon Innovation, 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 Pacific BioEnergy Prince George Limited Partnership) as set out in the attached draft order of the British Columbia Utilities Commission.

May 27, 2021

Date



Minister of Energy, Mines and
Low Carbon Innovation

(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: _____



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Utilities Commission

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- D. PBLP states that PBLP and three other parties with industrial facilities in the vicinity of the NOS Substation receive electricity service via the NOS Substation, and PBLP will continue to provide such service upon completion of the purchase of the NOS Substation;
- E. By reselling energy to others for compensation, PBLP falls within the definition of "public utility" in section 1 of the UCA;
- F. Section 88(3) of the UCA states: "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*,

Final Order

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- I. On March 5, 2021, BC Hydro submitted a letter of comment confirming that it does not object to the BCUC granting an exemption to PBLP on the same terms as granted to Canfor by BCUC Order G-141-15;
- J. On March 17, 2021, PBLP filed its final submission;
- K. By Ministerial Order x dated [Date], and attached as Appendix A to this order, the Minister responsible for the administration of the *Hydro and Power Authority Act* granted advance approval to the BCUC to exempt PBLP from the requirements of Part 3 of the UCA, except for certain sections as noted below; and
- L. The BCUC has reviewed the Application and considers that PBLP’s request for exemption is in the public interest.

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- 3. The exemptions referred to in Directive 1 of this order remain in effect until the BCUC, after conducting a hearing, orders that the exemption no longer applies.
- 4. Pursuant to section 43 of the UCA, PBLP is directed to file an annual report within 90 days after fiscal year-end, regarding the NOS Substation and containing the information set out in Appendix I or as the BCUC may otherwise order.

DATED at the City of Vancouver, in the Province of British Columbia, this (XX) day of (Month Year).

BY ORDER

A. K. Fung, QC
Commissioner

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to Order G-xx-xx
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