



ORDER NUMBER
G-385-21

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

and

British Columbia Power and Hydro Authority
Complaint Filed by E.C.

BEFORE:

B. A. Magnan, Commissioner

on December 21, 2021

ORDER

WHEREAS:

- A. By email, dated September 21, 2020, E.C. (Complainant) filed a complaint with the British Columbia Utilities Commission (BCUC) against British Columbia Hydro and Power Authority (BC Hydro), regarding the installation of a Low-Profile Transformer (LPT) for the power source related to the redevelopment of their property. According to the Complainant, BC Hydro specified that the current power source was to be replaced with an LPT and an additional easement on their property would now be required (Complaint);
- B. On October 10, 2020, BC Hydro responded to the complaint and explained that the existing infrastructure, located on a City of Vancouver easement, was not considered viable due to concerns regarding vegetation and access;
- C. Between September 2020 to March 2021, BCUC staff proceeded with the complaint process according to the BCUC's Customer Complaint Guide. Both the Complainant and BC Hydro issued responses during this process. On February 25, 2021, the BCUC issued staff questions to BC Hydro regarding the Complaint. On March 4, 2021, BC Hydro filed its responses to the BCUC staff questions;
- D. On March 23, 2021, the Complainant commented on BC Hydro's responses to staff questions;
- E. On June 9, 2021, the BCUC determined further process was warranted and by Order G-181-21, established a regulatory timetable to review the Complaint;
- F. On June 21, 2021, the BCUC issued Information Requests (IRs) to both the Complainant and BC Hydro; both parties filed their responses on July 6, 2021;
- G. Between July 2021 and September 2021, BC Hydro and the Complainant filed their rebuttals and subsequent final arguments to the BCUC; and
- H. The BCUC has reviewed the Complaint and subsequent correspondence and finds the following determinations are warranted.

NOW THEREFORE pursuant to section 83 of the *Utilities Commission Act*, and the reasons attached as Appendix A to this Order, the BCUC orders the following:

1. BC Hydro is not responsible for the costs associated with the sewer and gas line relocation.
2. The Complaint is dismissed.

DATED at the City of Vancouver, in the Province of British Columbia, this 21st day of December 2021.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner

British Columbia Hydro and Power Authority
Complaint filed by E.C.

REASONS FOR DECISION

1.0 Background

1.1. Infrastructure

BC Hydro serves [REDACTED] (Property) in Vancouver (along with three neighbouring properties) from a pole line on a City of Vancouver easement. This line runs west from [REDACTED] along the back of the Property. There is an overhead transformer located on this line situated in the [REDACTED] east of Property.¹

1.2. Complaint

On September 21, 2020, the British Columbia Utilities Commission (BCUC) received a complaint from E.C. (Complainant) about British Columbia Hydro and Power Authority (BC Hydro) regarding the installation of a Low-Profile Transformer (LPT) at their Property.²

The Complainant stated that as part of a redevelopment project, they had requested a 200-amp connection from BC Hydro. In response to the request, BC Hydro required that the current power source at the property be replaced with an LPT along with an additional easement on the Complainant's property.³

Further, the Complainant was required to relocate underground gas and sewer utilities as BC Hydro required the same location as the utilities in order to install the LPT.⁴

On October 10, 2020, BC Hydro responded to the initial complaint, providing information regarding the reasons an LPT would need to be installed. BC Hydro stated that the current infrastructure was not able to support the 200-amp service requested by the Complainant, there were vegetation and access concerns and, further, it had predetermined an accessible location with the Complainant. BC Hydro also stated that an overhead line was not possible, as the City of Vancouver Utilities Design and Construction Manual states that the City of Vancouver does not permit any utility to install new pole lines or extension to existing pole lines.⁵

Further, BC Hydro stated that they would not cover the costs of the utility relocations but would pay the additional costs of an arborist report, as required by the City of Vancouver, and only charge the standard connection charges to the Complainant for the upgraded hardware.⁶

Between September 2020 to March 2021, BCUC staff proceeded with the complaint process according to the BCUC's Customer Complaint Guide. Both the Complainant and BC Hydro issued responses during this process.

¹ BC Hydro Final Argument dated September 7, 2021.

² E.C. Complaint email dated September 21, 2020, p.1.

³ Ibid.

⁴ Ibid.

⁵ BC Hydro email response to the Complaint dated October 10, 2020.

⁶ Ibid.

Included within the complaint correspondence were past emails, showing the timeline of events that took place prior to the complaint being filed. Some of this background includes the following. On April 30, 2018, the Complainant first contacted BC Hydro regarding temporary service during the construction phase of Complainant's renovation. In an email dated May 16, 2018, BC Hydro stated that an LPT would be required, and included a marked site plan showing a possible location for the LPT. In an email dated September 17, 2018, BC Hydro stated, "you will need to relocate the *proposed* gas and sewer service to the property...no other utilities should be under the...space for the LPT" [Emphasis Added]. In a letter dated April 27, 2020, the Complainant stated that if BC Hydro removes the original easement on their property, the Complainant would allow for the LPT installation. In an email dated May 5, 2020, BC Hydro stated they would be responsible for the cost of the installation of the LPT and the Complainant would be responsible for the standard connection charges of approximately \$1,451.00.

On February 25, 2021, as part of the complaints process, BCUC staff requested additional information regarding reasons an LPT was deemed necessary by BC Hydro.

On August 18, 2021, the Complaint was escalated to a Panel for review and determination on the following matters requested by the Complainant:

- I. Whether the complainant could utilize the original overhead service connection located at the back of the complainant's property rather than the LPT; and
- II. If an LPT is installed, whether BC Hydro be responsible for the cost related to the relocation of sewage and gas utility lines.

1.3. Initial Complaint Process

In reviewing BC Hydro's responses, under the BCUC Customer Complaints Guide,⁷ the BCUC has, amongst other things, referred to BC Hydro's approved Electric Tariff (Tariff), which contains the terms and conditions of service between BC Hydro and its customers to ensure BC Hydro's actions were in accordance with the approved Tariff.

The current version of the Tariff was approved by Order G-215-20 and came into effect September 18, 2020. The Tariff is set through a formal BCUC proceeding. In the Tariff, rates for each class or type of customer (residential, commercial, industrial) and terms and conditions are designed through a public consultation process to cover the cost of supplying customers in that class with electricity.

1.4. Legislative Framework

Under section 83 of the *Utilities Commission Act (UCA)*, if a complaint is made to the BCUC, it has powers to determine whether a hearing or inquiry is to be had, and generally whether any action on its part is or is not to be taken.

1.5. Regulatory Process

By Order G-181-21 dated June 9, 2021, the BCUC established a regulatory timetable to further review the complaint which included further information requests to both parties.

On June 21, 2021, the BCUC issued Information Requests (IRs) to the Complainant and BC Hydro. Following that, by letter dated August 23, 2021, the BCUC amended the timetable to include Final Arguments from both parties by September 7, 2021.

⁷ [BCUC Customer Complaints Guide](#)

On request from the Complainant, the BCUC amended the timetable to extend the deadline for final argument to September 20, 2021 because the Complainant missed the deadline to file the Final Argument.

2.0 Installation of an LPT

2.1 Position of the Parties

Complainant

The Complainant seeks to maintain the existing infrastructure located on his property without the installation of an LPT. The Complainant states that he disagrees with BC Hydro's assessment of the upgraded service connection requiring an LPT, as the existing power source had served the property and the neighbouring properties for years. Further, the Complainant states BC Hydro has the option to upgrade the existing pole and provide service without an LPT. The Complaint also states that as a single residential property owner, he should not be responsible for BC Hydro's costs of serving future multi-residence properties, which would be done through the installation of the LPT.⁸

Further the Complainant cites concerns about the cost of the LPT, which was initially quoted as \$150, 000; the requirement for an additional easement for the LPT; and ongoing access by BC Hydro on the easement for the existing power source that will continue to serve his neighbours. The Complainant submits his expectation was that the existing electricity infrastructure should be used to supply power after the renovations were completed.⁹

BC Hydro

BC Hydro states the only way the Complainant's property can acquire a permanent connection is through an LPT. BC Hydro submits that the current infrastructure at the Property is not able to support the 200-amp service as requested by the Complainant.¹⁰ BC Hydro explains the existing transformer's capacity is hampered, by amongst other things, voltage drop, which is the decrease in electrical potential as a current travels along the wire. The distance of the transformer is located approximately 100 meters away from the Complainant's point of delivery and additional load would cause excessive voltage drop on the line. BC Hydro explains it uses a Distribution Analysis and Design (DAD) calculator to measure voltage and is unable to provide service when there is a voltage drop greater than 3 percent. This maximum allowable voltage drop is determined by the Canadian Standards Association and is in place to ensure acceptable voltage levels are provided in order to allow for the proper operation of electrical equipment and household appliances. For a typical 200 AMP service, the voltage drop for this distance would be approximately 4.2 percent.¹¹

With regard to upgrading the existing pole, BC Hydro explains¹² that it provides new or upgraded service to its customers following sections 3.1 (New and Replacement Service Connections) and 8.2 (Types of Distribution Extensions) of its Tariff. BC Hydro's current design practices require new infrastructure to be constructed along public roads or along BC Hydro rights-of-way that are cleared of trees and are accessible by its crews and equipment. BC Hydro states the reason for this requirement is that past construction practices have resulted in certain cases where overhead distribution infrastructure was constructed at the back of residential lots instead of on public property along property frontages. It notes that over time, access to these overhead corridors were

⁸ E. C. Final Argument , pp.1-2.

⁹ Ibid, p.2.

¹⁰ BC Hydro Responses to IRs, dated July 6, 2021, p. 2.

¹¹ Ibid.

¹² Submission dated September 7, 2021.

impacted by, among other things, the growth of trees and installation of fences. This has resulted in BC Hydro being unable to reasonably access its infrastructure without significant impacts to property owners.¹³

BC Hydro points out that the location of the existing pole in the Complainant's property has vegetation and access issues due to the pole being installed at the rear of the Property as well as it being located on a City of Vancouver (COV) easement.¹⁴ BC Hydro concludes that upgrading the existing overhead pole line is not an option because it would not be in accordance with BC Hydro's current design practices and section 3.1 the Tariff.¹⁵

BC Hydro also addresses whether the existing transformer could be upgraded instead of the pole. BC Hydro submits that this will require upgrading all of the conductors within the (COV) utility easement to address the voltage drop on the line to the Complainant's property. An increase in conductor size would further necessitate the installation of additional pole anchors and down guys (support wires) to support the increased horizontal tensions caused by the larger conductors.¹⁶

Further, BC Hydro offers that when it reviewed options for service of the property, it did consider overhead service through the installation of poles at the front of the property. However, it notes that the (COV)¹⁷ does not allow utilities to install new pole lines or extensions to an existing pole line.¹⁸

Finally, with regards to the cost of installation, BC Hydro states the Complainant is required to pay only the standard connection charges of approximately \$1,451 instead of the originally quoted estimate of \$150,000.¹⁹

2.2 Panel Discussion

In reviewing such matters, the Panel refers to both the UCA and the utility's Tariff, which contains the terms and conditions of service to its customers. The Panel notes that section 3.1 of the Tariff states BC Hydro will provide an overhead or underground Service Connection for a Premises, subject to and in accordance with BC Hydro's current distribution system development plans, distribution standards and applicable laws and regulations. Premises is defined in the Tariff as "A building, a separate unit of a building, a Dwelling or machinery, together with the surrounding land."²⁰

As well, in terms of extensions and associated costs, the Panel highlights section 3.3 of the Tariff:

If a Premises is connected to BC Hydro's distribution system at the time when the application for Service is made, and no new Service Connection will be required, the applicant will pay an Account Charge as set out in section 6.5 (Account Charge). For any additional Service Connections or any modification or alteration to a Service Connection, the Customer will pay the applicable Service Connection charge for each Service Connection as set out in section 3.14

¹³ BC Hydro Final Argument dated September 7, 2021, p. 3.

¹⁴ BC Hydro's response to the Complaint dated March 4, 2021.

¹⁵ BC Hydro Final Argument dated September 7, 2021, p. 3.

¹⁶ BC Hydro Responses to IRs, dated July 6, 2021, p. 2.

¹⁷ Section 3.9 of the Utilities Design and Construction Manual:
<https://vancouver.ca/files/cov/UtilitiesDesignConstructionManual.pdf>

¹⁸ BC Hydro Responses to IRs, dated July 6, 2021, p. 3.

¹⁹ BC Hydro email to the Complainant dated May 5, 2020.

²⁰ BC Hydro Electric Tariff, Definitions pp.1-6.

(Service Connection Charges) and, where applicable, the Extension Fee, provided that no Metering Equipment will be required in cases where BC Hydro permits unmetered Service.

The Panel considers these two sections of the Tariff as being relevant to determining the costs and requirements of LPT installations.

2.3 Panel Determination

The Panel considered the reasons why an LPT was the only solution suggested by BC Hydro to provide power to the Complainant's redeveloped property. It recognises that BC Hydro, upon finding that the existing pole and transformer was not able to support a 200-amp connection, considered other solutions such as upgrading the existing pole, upgrading the transformer and installation of a new pole on the front of the Complainant's property. However, these solutions were rejected, as upgrading the existing pole did not align with BC Hydro's design practices, and subsequently section 3.1 of the Tariff; upgrading the transformer would require excessive upgrades which are unreasonable for just one customer; and the COV did not allow new poles to be installed in front of the property. Accordingly, the Panel is satisfied that installing an LPT is a reasonable way to supply power to the Complainant's redeveloped property.

The Panel finds that BC Hydro has acted in accordance with the Tariff when requiring an LPT to be installed to provide power to the Complainant's redeveloped property.

The Panel acknowledges the concerns raised by the Complainant regarding the requirements of an LPT and its cost. The Panel explains that in order to acquire a connection, customers must agree to the terms and conditions contained in the Tariff, and as such, provide the utility with the easement(s) it requires and pay costs associated with it. **The Panel finds the fee associated with the installation of the LPT, or the Standard Connection Fee, to be appropriate as per section 3.3 of the Tariff.** The Panel also notes that in such cases when an upgraded service connection requires new infrastructure to supply the upgraded service, section 3.3 of the Tariff allows for extension fees, such as the initial \$150,000 quoted by BC Hydro, to be charged.

3.0 Fees Associated with Relocating Gas and Sewer Lines

The installation of an LPT requires the gas and sewer lines previously installed to be relocated, because they are in the exact location that was identified by BC Hydro for the LPT and cannot be located under the LPT. The relocation of these utilities will incur a cost and both BC Hydro and the Complainant claim they are not responsible for the relocation fee.

3.1 Position of the Parties

Complainant

The Complainant submits that BC Hydro should pay for the relocation of the gas and sewer line.²¹

The Complainant states BC Hydro did not properly communicate that there was only one specific location in which the LPT could be installed, and that BC Hydro did not inform the COV (its Engineering Department) about the possible location of the LPT. The Complainant also submits that as he had not entered into an agreement with BC Hydro until April 2020, the prior communication by BC Hydro about the location of the LPT in 2018 should not be taken into account. In addition, the gas and sewer line installations had occurred in November

²¹ E.C. Final Argument dated September 20, 2021, p. 3.

2019, before his agreement with BC Hydro and thus it was BC Hydro's responsibility to relocate the lines if it wants to install the LPT in the same location.²²

Additionally, the Complainant states BC Hydro has been un-cooperative in helping relocate the gas and sewer line to a different location and has not engaged in discussions with the COV as required.²³

Lastly, the Complainant explains that BC Hydro's unreasonableness and poor communication during its LPT discussions, and its lack of cooperation in relocating utilities has caused them distress. As such BC Hydro should pay for the gas and sewer line to be relocated.²⁴

BC Hydro

BC Hydro submits the Complainant should incur the relocation costs as the Complainant had proceeded with the installation of the gas and sewer line even though it had been aware of the conflict in the location.²⁵

BC Hydro states it informed the Complainant about the possible location of the LPT and provided a map showing the location on May 16, 2018, and that when it viewed the site plan provided by the Complainant in September 2018, BC Hydro emailed the Complainant on September 17, 2018 stating the following²⁶:

1. There was a conflict with the proposed location of the gas and sewer service for the Property;
2. No utilities could be located beneath the LPT; and
3. Therefore, the Complainant had to identify an alternate location for the gas and sewer service.

BC Hydro outlines its responsibility as working with the customer to install the necessary equipment in a mutually acceptable location in accordance with the applicable standards and regulations. Finding a location that does not conflict with other underground utilities or paying for the relocation of such underground services is the responsibility of the customer.²⁷

Finally, BC Hydro submits it would be unfair to its other customers if BC Hydro paid the relocation costs for the Complainant's property as this is not its normal practice.²⁸

3.2 Panel Discussion

In addition to the evidence submitted by the parties, the Panel considers section 3.7 of the Tariff to be relevant, which relates to Civil work and structures on private property:

A Customer will provide, own and maintain, at the cost of the Customer, all civil work and structures required for underground Service Connections on private property including ducts, foundations, pads and switch gear and other equipment rooms, all as required for compliance with BC Hydro distribution and environmental standards.

²² Ibid.

²³ Ibid.

²⁴ Ibid.

²⁵ BC Hydro Final argument dated September 7, 2021, pp. 4-7.

²⁶ BC Hydro response to the Complaint, dated October 15, 2020.

²⁷ BC Hydro Final argument dated September 7, 2021, pp. 4-7.

²⁸ Ibid.

3.3 Panel Determination

The Panel has reviewed the timeline of the events that occurred from the time the Complainant contacted BC Hydro with a request for a 200-amp connection. The Panel notes that communication submitted within the Complaint process show correspondence between the Complainant and BC Hydro regarding the potential location of the LPT. The correspondence begins in May 2018, prior to the installation of the sewer and gas utilities, and BC Hydro clearly states the requirement of the LPT to be free of other utilities such as gas and sewer. Further, the Panel notes, in September 2018, when the Complainant provided his site plan with the locations of where the gas and sewer lines were to be installed by BC Hydro, he was informed by BC Hydro that there was a conflict in the location. Despite this, the Complainant proceeded with the installation of the gas and sewer line in November 2019.

As such, the Panel disagrees with Complainant's assertion that since it did not have an agreement with BC Hydro until April 2020, the Complainant should not have been required to consider if the location of the gas and sewer lines installed in 2019 were in conflict with the yet approved or installed LPT. The Panel finds that regardless of whether or not an agreement existed between the Complainant and BC Hydro, the Complainant was aware that his only source of power would be an LPT and where it was to be located. The Panel considers the Complainant should have found a suitable location for the gas and sewer line that did not conflict with the LPT.

Further, the Panel finds the Tariff does not require BC Hydro to pay the costs related to work done on a private property for the customer's benefit. The Panel also agrees that it would be unfair to its other customers if BC Hydro paid the relocation costs for this customer, given that this is not normal practice.

The Panel also notes that section 3.7 of the Tariff outlines that it is the customer's responsibility to provide and maintain all Civil work required for underground service connections on private property.

Therefore, the Panel finds that BC Hydro is not responsible for the costs associated with the Complainant's sewer and gas line relocation. Accordingly, pursuant to section 83 of the *Utilities Commission Act*, the Complaint against BC Hydro is dismissed.