



**ORDER NUMBER**  
**R-38-22**

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

and

British Columbia Hydro and Power Authority  
Request for Extension for Filing  
Mandatory Reliability Standards Assessment Report No. 16

**BEFORE:**

W. M. Everett, KC, Panel Chair  
E. B. Lockhart, Commissioner  
B. A. Magnan, Commissioner

on December 2, 2022

**ORDER**

**WHEREAS:**

- A. On October 28, 2022 and in compliance with section 3(2) of the Mandatory Reliability Standards Regulation, BC Regulation 32/2009 (MRS Regulation), the British Columbia Hydro and Power Authority (BC Hydro) submitted an application to the British Columbia Utilities Commission (BCUC) seeking an extension to the time by which it must file its Annual Assessment Report No. 16 with the BCUC to May 31, 2023 (Extension Request);
- B. In addition to the Extension Request, BC Hydro submitted an application seeking extensions to the time by which it must file each of its future Assessment Reports No. 17, No. 18, No. 19 and No. 20, to be within five months of the end of the respective relevant annual assessment period between December 1 and November 30 (Additional Extension Requests).
- C. Pursuant to section 125.2(2) of the *Utilities Commission Act* (UCA), the BCUC has exclusive jurisdiction to determine whether a “reliability standard,” as defined in the UCA, is in the public interest and should be adopted in British Columbia (BC);
- D. In order to facilitate the BCUC’s consideration of reliability standards, BC Hydro is required under section 125.2(3) of the UCA to review each reliability standard established by a standard-making body, such as the North American Electric Reliability Corporation, the Western Electricity Coordinating Council, and prescribed standard-making body, and provide the BCUC with a report (MRS Assessment Report) assessing:
  - (a) any adverse impact of the reliability standard on the reliability of electricity transmission in BC if the reliability standard were adopted;
  - (b) the suitability of the reliability standard for BC;
  - (c) the potential cost of the reliability standard if it were adopted;
    - (c.1) the application of the reliability standard to persons or persons in respect of specified equipment if the reliability standard were adopted; and

- (d) any other matter prescribed by regulation or identified by order of the BCUC;
- E. Subsection 3(1)(a) of the MRS Regulation requires BC Hydro to report on a reliability standard, in accordance with section 125.2(3) of the UCA, within one year of the date the reliability standard is adopted by the regulatory body with jurisdiction over the standard-making body that established the reliability standard. This regulatory body is the Federal Energy Regulatory Commission (FERC);
- F. Pursuant to subsection 3(2) of the MRS Regulation, upon application by BC Hydro, the BCUC may extend the time by which BC Hydro must provide a report on a reliability standard;
- G. BC Hydro's approach for assessing reliability standards, both new and revised, has been to consolidate and assess reliability standards adopted by FERC within BC Hydro's annual assessment period (December 1 to November 30). As a result, certain reliability standards included in BC Hydro's Assessment Report No. 16 Assessment Period (December 1, 2021 to November 30, 2022) will have been adopted by FERC more than one year prior to the filing date of Assessment Report No. 16; and
- H. The BCUC has reviewed BC Hydro's Extension Request for Assessment Report No. 16 and determines that an extension to May 1, 2023 is warranted.

**NOW THEREFORE** pursuant to section 3(2) of the MRS Regulation, BC Regulation 32/2009 and section 125.2(4) of the UCA, the BCUC orders as follows:

1. The BCUC grants BC Hydro's Extension Request to provide Assessment Report No. 16 to the BCUC on the reliability standards adopted by FERC between December 1, 2021 and November 30, 2022.
2. BC Hydro must file Mandatory Reliability Standards Assessment Report No. 16 with the BCUC by May 1, 2023.
3. The BCUC dismisses BC Hydro's application for the Additional Extension Requests to extend the times for filing each of its future Assessment Reports No.17, No. 18, No. 19, and No. 20 for the reasons provided in Appendix A.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 2<sup>nd</sup> day of December 2022.

BY ORDER

*Original signed by:*

W. M. Everett, KC  
Commissioner

Attachment

British Columbia Hydro and Power Authority  
Request for Extension for Filing  
Mandatory Reliability Standards Assessment Report No. 16

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**REASONS FOR DECISION**

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**1.0 Application**

On October 28, 2022, the British Columbia Hydro and Power Authority (BC Hydro), in compliance with section 3(2) of the Mandatory Reliability Standards Regulation, BC Regulation 32/2009 (MRS Regulation), filed an application with the British Columbia Utilities Commission (BCUC) seeking an extension for filing Assessment Report No. 16 (Application). That extension has been granted by the Order accompanying this decision.

In the Application, BC Hydro is also seeking extensions to the time by which it must file each of its future Assessment Reports No. 17, No. 18, No. 19 and No. 20, each to be filed within five months of the end of their respective relevant annual assessment period between December 1 and November 30 (Additional Extension Requests).

**1.1 Legislation**

Section 3 of the MRS Regulation provides:

- (1) Subject to subsection (2), a report on a reliability standard, prepared by the [BC Hydro] in accordance with section 125.2 (3) of the [*Utilities Commission Act*], must be provided to the commission within one year of the later of the following dates:
  - (a) the date the reliability standard is adopted by the regulatory body with jurisdiction over the standard-making body that established the reliability standard;
  - (b) the date this regulation comes into force.
- (2) On application by [BC Hydro], the commission may extend the time by which [BC Hydro] must provide a report under subsection (1).

**1.2 Background**

Pursuant to section 3 of the MRS Regulation, BC Hydro is required to provide the BCUC with an assessment report within one year of the date that a reliability standard is adopted by the Federal Energy Regulatory Commission (FERC).

For efficiency, rather than submitting a separate assessment report to the BCUC for each reliability standard, BC Hydro batches reliability standards adopted by FERC within BC Hydro's annual assessment period of December 1 to November 30 (Assessment Period) and files one assessment report with the BCUC each year. BC Hydro states that, as a result, certain reliability standards included in its Assessment Period (for example, December 1, 2021 to November 30, 2022, in the case of Assessment Report No. 16), will have been adopted by FERC more than one year prior to May 1, 2023, the filing date of Assessment Report No. 16. Accordingly, BC Hydro has adopted the practice, (as it has done in the case of Assessment Report No. 16) of seeking an extension of time each year to allow it to include its assessment for those reliability standards adopted by FERC between December 1, 2021 and April 30, 2022 to go beyond the one year that is outlined in the MRS Regulation.<sup>1</sup>

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<sup>1</sup> Application, p. 1.

BC Hydro submits that it has annually applied for, and the BCUC has approved, an extension of the deadline for filing each assessment report over the past decade to accommodate the current assessment process, which practice has proven to be efficient and effective.<sup>2</sup>

## 2.0 Application for Extensions for Time for Filing Assessment Reports No. 17 to No. 20

BC Hydro notes similar extensions to the time for filing Assessment Reports under the MRS Regulation will be required each year the current assessment process is followed. BC Hydro therefore seeks an extension of time for filing future Assessment Reports No. 17, No. 18, No. 19, and No. 20; each to be filed within five months of the end of the relevant Assessment Period. BC Hydro submits it is seeking these extensions now in order to reduce the administrative burden on BC Hydro and the BCUC.<sup>3</sup>

BC Hydro notes that there could be a scenario where it may need to file an additional Assessment Report, for example, where BC Hydro needs to work in parallel with interconnected entities to secure the real-time reliability of the system (e.g., for the Balancing Authority and Reliability Coordinator functions). BC Hydro further states, as set out in its Assessment Report No. 15, should BC Hydro or the BCUC determine that a particular reliability standard is sufficiently critical to reliability that it warrants immediate implementation, BC Hydro confirms that it would file a reliability standard-specific assessment report and not wait until its next 'batch' assessment report.<sup>4</sup>

### *Panel Determination*

The Panel acknowledges that the current practice of BC Hydro seeking and the BCUC granting an annual extension for filing each Assessment Report has been efficient and effective

BC Hydro also seeks similar extensions of time for the future filing of each of Assessment Reports No. 17 to No. 20, inclusive, on the basis that it will reduce the administrative burden on BC Hydro and the BCUC.

The Panel notes that the current practice of seeking an annual extension of time, while being efficient and working well, only requires the filing of a short application letter from BC Hydro each year and an order by the BCUC without any further regulatory process. The Panel does not accept BC Hydro's submission that granting upfront extensions for future assessment reports will result in any significant time-savings for either BC Hydro or the BCUC. Nor does the Panel, at this time, see any significant benefit in granting such upfront extensions.

In addition, the Panel notes that BC Hydro has indicated that there may be circumstances where it may need to file an additional Assessment Report, such as a reliability standard-specific Assessment Report for standards that warrant immediate implementation. BC Hydro confirms that, in those circumstances, it would file a reliability standard-specific assessment report and not wait until its next 'batch' assessment report. Given those possibilities, the Panel finds that granting extensions now for the filing of Assessment Reports No. 17 – 20 could create uncertainty and confusion. Nor is the Panel convinced that future assessment periods will be as consistent as historical assessment reports and can envision the possibility of assessment periods being shortened or adjusted to accommodate specific circumstances presented at that time.

**For the foregoing reasons, the Panel dismisses BC Hydro's application for the Additional Extension Request to extend the times for filing each of its future Assessment Reports No. 17, No. 18, No. 19, and No. 20.**

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<sup>2</sup> Application, p. 2.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.