



ORDER NUMBER
G-310-23

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

and

British Columbia Hydro and Power Authority
Request to Amend Major Capital Project Filing Guidelines

BEFORE:

A. K. Fung, KC, Panel Chair
A. C. Dennier, Commissioner
W. M. Everett, KC, Commissioner

on November 14, 2023

ORDER

WHEREAS:

- A. On March 17, 2023, British Columbia Hydro and Power Authority (BC Hydro) filed an application with the British Columbia Utilities Commission (BCUC) seeking to amend the major capital project filing guidelines (Application);
- B. On December 2, 2019, by Order G-313-19, the BCUC approved the 2018 Major Capital Project Filing Guidelines (2018 Guidelines), including BC Hydro's commitment to submit applications to the BCUC for major capital projects with authorized cost estimates that exceed the following thresholds:
 - 1. \$100 million for Power System projects;
 - 2. \$50 million for Buildings projects; and
 - 3. \$20 million for Information Technology projects.
- C. In the Application, BC Hydro seeks approval of:
 - i. An increase to the major capital filing thresholds, escalated annually by their respective price indices for the previously completed calendar year, starting from fiscal 2019; and
 - ii. BCUC confirmation that a Certificate of Public Convenience and Necessity is not required for Customer IPID 901943 Project.
- D. By Order G-113-23, dated May 9, 2023, the BCUC established a regulatory timetable for review of the Application. By Orders G-118-23, dated May 17, 2023, G-132-23, dated June 7, 2023, and G-184-23, dated July 13, 2023, respectively, the BCUC amended the regulatory timetable;
- E. On May 25, 2023, BC Hydro filed its responses to the BCUC request for further information, including amending the approvals sought as follows:

- a. Amending the escalation price index for Power System projects to the non-residential building construction price index, from the BC consumer price index;
 - b. Notifying the BCUC that BC Hydro will file a section 44.2 application for the Mica Units 1 to 4 Circuit Breakers and Iso Phase Bus Replacement Project;
 - c. An update to the 2018 Guidelines and to the applicable directives for the John Hart Dam Seismic Upgrade Project, Bridge River 1 Units 1 to 4 Generator Replacement Project, Peace to Kelly Lake Stations Sustainment Project and Mainwaring Substation Upgrade Project to move to annual progress reports, from semi-annual progress reports, in instances where Material Change Reports are a separate reporting requirement; and
 - d. Adjustments to the timing of filing Final Reports for the John Hart Dam Seismic Upgrade Project, Bridge River 1 Units 1 to 4 Generator Replacement Project, Peace to Kelly Lake Stations Sustainment Project and Mainwaring Substation Upgrade Project so that the Final Reports are due three months after review by BC Hydro's Board of Directors rather than three months after substantial completion of the project, consistent with the requirements in the 2018 Guidelines and to seek an amendment to the 2018 Guidelines to clarify that the BC Hydro Board of Directors reviews, rather than approves, the Final Reports.
- F. By letter dated July 18, 2023, BC Hydro requested that the BCUC hold in abeyance BC Hydro's request for BCUC approval in relation to the Customer IPID 901943 Project. By letter dated July 25, 2023, the BCUC granted BC Hydro's abeyance request;
- G. In its response to BCUC and Intervener IR No. 1, dated September 22, 2023, BC Hydro requested that its previous submission to increase the capital project thresholds be placed in abeyance pending a further filing by BC Hydro in February, 2024 following the conclusion of its 10-year capital planning process. BC Hydro also requested an amendment to its approvals sought to modify the directives to project reporting requirements for the Energy Management System project;
- H. On September 28, 2023, BC Hydro and interveners filed submissions on further process;
- I. On October 31, 2023, by Order G-206-23, the BCUC established a further regulatory timetable including a Streamlined Review Process on November 23, 2023. By letter dated November 10, 2023, the BCUC issued further information regarding the SRP; and
- J. The BCUC has considered the evidence and submissions on further process and determines that an amendment to the regulatory timetable is warranted.

NOW THEREFORE the BCUC orders that the regulatory timetable is amended as set out in Appendix A to this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 14th day of November 2023.

BY ORDER

Original signed by:

A.K. Fung, KC
Commissioner

Attachment

British Columbia Hydro and Power Authority
Request to Amend Major Capital Project Filing Guidelines

REGULATORY TIMETABLE

Action	Date (2023)
Streamlined Review Process (SRP) on requested changes to project reporting in the 2018 Capital Filing Guidelines, including BC Hydro oral argument on project reporting*	Thursday, November 23
Intervener written final argument on project reporting	Monday, December 4
BC Hydro written reply argument on project reporting	Monday, December 11
Action	Date (2024)
BC Hydro submission on Updated Capital Plan and further proposed amendments to 2018 Capital Filing Guidelines	Friday, February 23

* To be held in-person, commencing at 8:30 am and concluding by 2:00 pm. No virtual attendees will be permitted. Active participation in the SRP, which will be transcribed, will be limited to BC Hydro, the BCUC and those registered interveners who have registered to attend the SRP in person. Any party may access the live broadcast. Further details regarding the SRP can be found in Exhibit A-10.