



ORDER NUMBER
G-59-24

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 March 6, 2024

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. 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;
- D. 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;
- E. In its response to BCUC and intervener IR No. 1 dated September 22, 2023, BC Hydro requested that its submission in the Application seeking 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;

- F. On October 31, 2023, by Order G-296-23, the BCUC established a further regulatory timetable which included a Streamlined Review Process set for November 23, 2023 regarding the proposed amendments to project reporting guidelines, and the participants' final and reply arguments regarding same;
- G. By Order G-27-24A, dated January 31, 2024, the BCUC issued its decision on amended guidelines for project reporting;
- H. On February 23, 2024, in accordance with the regulatory timetable, BC Hydro filed its revised application (Revised Application). In the Revised Application, BC Hydro seeks the following approvals:
- An increase to the major project expenditure thresholds to:
 - \$250 million for power system projects;
 - \$125 million for building projects; and
 - \$50 million for information technology projects.
 - To clarify the definition of "extension;"
 - To update the annual reporting requirements in the 2018 Guidelines to reflect the BCUC's direction in letter L-46-23;
 - To withdraw the following applications that had previously been held in abeyance:
 - To escalate the capital expenditure thresholds in accordance with an applicable price index; and
 - That the BCUC confirm that an application for a certificate of public convenience and necessity (CPCN) is not required for the Customer IPID – 901943 Project; and
- I. The BCUC has commenced its review of the Revised Application and finds that the following determinations are warranted.

NOW THEREFORE the BCUC orders as follows:

1. As soon as practicable, but no later than Friday, March 8, 2024, BC Hydro must publish the Public Notice, attached as Appendix B to this order, on its website and social media platforms. It must also publish weekly reminder notices on each platform until the conclusion of the intervener registration period on Tuesday, April 9, 2024.
2. BC Hydro is directed to provide an electronic copy of the Revised Application and this order on or before Friday, March 8, 2024, to all known affected or potentially affected parties, including registered interveners in the BC Hydro F2023 – F2025 Revenue Requirements proceeding and potentially affected Indigenous groups.
3. BC Hydro is directed to provide to the BCUC, by Wednesday, March 13, 2024, confirmation of when the Public Notice has been posted, including a list of the platforms on which the Public Notice was posted.

4. BC Hydro is directed to provide to the BCUC, by Wednesday, March 13, 2024, a list of all parties directly notified of the Revised Application and this order, including the method and date of notification.
5. BC Hydro is directed to file the further information as requested in Appendix C to this order, by Wednesday, March 13, 2024.
6. Persons who wish to register as an intervener must do so by Tuesday, April 9, 2024.
7. BC Hydro's previous applications for BCUC approval of the following requests are dismissed:
 - To escalate the capital expenditure thresholds in accordance with an applicable price index; and
 - That the BCUC confirm that an application for a CPCN is not required for the Customer IPID – 901943 Project.

DATED at the City of Vancouver, in the Province of British Columbia, this 6th day of March, 2024.

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 (2024)
BC Hydro provides public notice	Friday, March 8
BC Hydro provides list of notified parties	Wednesday, March 13
BC Hydro response to BCUC request for additional information	Wednesday, March 13
Deadline to register as an intervener ¹	Tuesday, April 9
BCUC information request (IR) No. 1 to BC Hydro	Tuesday, April 9
Intervener IR No. 1. to BC Hydro	Tuesday, April 16
BC Hydro reply to BCUC and intervener IR No. 1; and deadline for filing of letters of comment	Thursday, May 16
BC Hydro final argument	Thursday, May 30
Intervener final argument	Thursday, June 6
BC Hydro reply argument	Thursday, June 13

¹ Please note that previously registered interveners are not required to re-register.



We want to hear from you

BC HYDRO'S REQUEST TO AMEND MAJOR CAPITAL PROJECT FILING GUIDELINES

On February 23, 2024, BC Hydro requested an increase in the expenditure thresholds above which BC Hydro must file an application for BCUC approval of major capital projects. As a result, projects with capital budgets above the existing thresholds, but below the proposed thresholds, would no longer be reviewed separately by the BCUC. The interests of certain parties may be affected. The expenditure thresholds BC Hydro proposes are:

- \$250 million for power system projects (increased from \$100 million);
- \$125 million for building projects (increased from \$50 million); and
- \$50 million for information technology projects (increased from \$20 million).

Please visit the [Proceeding webpage](#) on bcuc.com under "Our Work" to learn more.

To participate in the proceeding, visit www.bcuc.com/get-involved.

GET INVOLVED

- Register as an Intervener
- Submit a letter of comment

IMPORTANT DATES

1. **Thursday, April 9, 2024** – Deadline to register as an intervener with the BCUC.
2. **Thursday, April 16, 2024** – Deadline for interveners to submit a request for information to BC Hydro.
3. **Thursday, May 16, 2024** – Deadline to submit a letter of comment.

Subscribe to a Proceeding on bcuc.com under "Get Involved" to receive email notifications when public documents are added to the proceeding.

CONTACT INFORMATION

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

Request for Further Information

1.0 Request for Further Information

The BCUC requests further information from BC Hydro as follows:

- 1) Please provide a summary document(s) describing BC Hydro's F2025 – F2034 10 year capital plan, similar to that included as Appendix H of Exhibit B-2-1 of BC Hydro's F2023 to F2025 Revenue Requirements Application (and submitted to the Quarterly Meeting of the Capital Project Committee). Please provide a similar level of detail to that document which includes:
 - Background;
 - Financial and strategic directions for the capital plan process;
 - Main investment drivers;
 - Capital plan composition;
 - Graphs of capital expenditures and additions, broken down by investment classification;
 - Uncertainties to monitor;
 - A discussion of investments in each subsector including power system (dam safety, generation stations, substations, transmission, distribution, protection & control and telecom), technology, properties, fleet services;
 - Resources and execution of the plan; and
 - Appendices containing tables of expenditures and additions by year, list of projects greater than \$50M with forecast in service dates and latest forecast cost amounts.
- 2) Please update the list of projects provided in Appendix C to Exhibit B-14 to include all projects with an estimated cost range greater than \$50M and all exempt projects.
- 3) Using the proposed major project thresholds and the information in Table 8 on page 11 of Exhibit B-14, please complete the following table, for each year of the BC Hydro 10 year capital forecast. Please duplicate the table to provide a response under each of i) the proposed expenditure thresholds; and ii) the existing expenditure thresholds.

i) Proposed Expenditure Thresholds	F2025	F2026	F2027	F2028	F2029	F2030	F2031	F2032	F2033	F2034	TOTAL
Subtotal Exempt Capital Expenditures (\$M)											
Subtotal Non-Exempt Capital Expenditures (\$M)											
a) major capital projects filed with BCUC (\$M)											
b) Projects reviewed in RRA (\$M)											
Total Capital Expenditures (\$M)											
Number of Major Project Applications Submitted to BCUC											
Major Project Applications / Total Capital Expenditures (%)											
Major Project Applications / Non-Exempt Capital Expenditures (%)											

- 4) Please update and expand upon the table of major capital project filings provided in Exhibit B-4 in response to BCUC Request for Further Information 1.1.2. Please add all additional projects listed in Exhibit B-14, Appendix C in BC Hydro's F2025-F2034 10 year capital plan, as well as any exempt projects in BC Hydro's F2025-2034 10 year capital plan. Please highlight projects added or accelerated as part of BC Hydro's F2025-F2034 10 year capital plan. Please include in the response, all columns in the table reproduced below from Exhibit B-4 BCUC Request for Further Information 1.1.2. Please explain whether the definition of "extension" used to determine the regulatory filing type is as per the 2018 Guidelines, or as per BC Hydro's proposal in the Revised Application.

Project Name	IPID	Forecast Cost or Cost Range	Accuracy of Forecast Cost	Regulatory Filing Type	Actual or Anticipated Filing Date

- 5) Please confirm which definition of "extension" was used to classify the projects listed in Appendix E of Exhibit B-14 as "potential CPCN or Section 44.2." In the response, please explain how the classification of projects would change, if at all, if the alternative definition of "extension" were used instead (either that proposed by BC Hydro in the Revised Application or that from the 2018 Guidelines, as applicable).