



**ORDER NUMBER**  
**G-218-24**

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 August 15, 2024

**ORDER**

**WHEREAS:**

- A. On March 17, 2023, British Columbia Hydro and Power Authority (BC Hydro) filed an application (Application) with the British Columbia Utilities Commission (BCUC) seeking to amend the BCUC approved 2018 Major Capital Project Filing Guidelines (2018 Guidelines);
- B. On December 2, 2019, by Order G-313-19, the BCUC approved the 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:
  - i. \$100 million for Power System projects;
  - ii. \$50 million for Buildings projects; and
  - iii. \$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, in its responses to the BCUC's request for further information, BC Hydro sought the following amendments to the approvals sought in the Application:
- i. Amending the escalation price index for Power System projects to the non-residential building construction price index, from the BC consumer price index;
  - ii. Notifying the BCUC that BC Hydro will file a section 44.2 *Utilities Commission Act* (UCA) capital expenditure application for the Mica Units 1 to 4 Circuit Breakers and Iso Phase Bus Replacement Project;
  - iii. Updating the 2018 Guidelines and 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;
  - iv. Adjusting 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 projects; and
  - v. Amending the 2018 Guidelines to clarify that the BC Hydro's Board of Directors reviews, rather than approves, 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 Information Request (IR) No. 1 dated September 22, 2023, BC Hydro requested that its request 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;
- H. On October 31, 2023, by Order G-296-23, the BCUC established a further regulatory timetable which included a Streamlined Review Process on November 23, 2023 regarding the proposed amendments to project reporting guidelines, and the participants' final and reply arguments regarding the same;
- I. By Order G-27-24A, dated January 31, 2024, the BCUC approved amendments to the 2018 Guidelines regarding project reporting;
- J. On February 23, 2024, in accordance with the regulatory timetable, BC Hydro filed its revised application (Revised Application) seeking 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 requests 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.
- K. On March 6, 2024, by Order G-59-24, the BCUC set a further regulatory timetable for review of the Revised Application and dismissed BC Hydro’s previous requests for approval of the following:
- 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.
- L. On May 17, 2024, BC Hydro filed its responses to BCUC IR No. 2, Intervener IR No. 2, and BCUC Panel IR No. 1;
- M. On May 27, 2024, the BCUC provided guidance to parties on final argument submissions. On May 30, 2024, BC Hydro filed its final argument. By June 6, 2024, the interveners submitted final arguments. On June 13, 2024, BC Hydro filed its reply argument; and
- N. The BCUC has completed its review of the Revised Application and submissions and finds that the following determinations are warranted.

**NOW THEREFORE** pursuant to section 99 of the UCA, and for the reasons outlined in the decision accompanying this order, the BCUC orders as follows:

1. BC Hydro is directed to file clean and blacklined versions of the 2018 Guidelines incorporating both the project reporting amendments directed in Order G-27-24A and the amendments approved in this Decision into a single document to be renamed as the 2024 Major Capital Project Guidelines, within 30 days.
2. BC Hydro is directed to file an annual compliance filing detailing the following statistics, within 60 days of its fiscal year end:
  - For the prior fiscal year:
    - A list of the CPCN applications submitted to the BCUC;
    - A list of the section 44.2 applications submitted to the BCUC; and
    - A table showing the non-exempt capital expenditures, exempt capital expenditures, total capital expenditures, capital expenditures in major project applications, and percentage of non-exempt capital expenditures filed in major project applications.

- For the upcoming fiscal year:
  - A list of the CPCN applications forecast to be submitted to the BCUC;
  - A list of the section 44.2 applications forecast to be submitted to the BCUC; and
  - A table showing the forecast non-exempt capital expenditures, exempt capital expenditures, total capital expenditures, capital expenditures in major project applications, and percentage of non-exempt capital expenditures filed in major project applications.
- A summary document outlining the most recent 10-year capital plan.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 15<sup>th</sup> day of August 2024.

BY ORDER

*Original signed by:*

A. K. Fung, KC  
Commissioner

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

**DECISION**

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## Executive Summary

On December 2, 2019, by Order G-313-19, the British Columbia Utilities Commission (BCUC) approved British Columbia Hydro and Power Authority's (BC Hydro) 2018 Major Capital Project Filing Guidelines (2018 Guidelines), including its commitment to submit applications to the BCUC for approval of major capital projects with authorized cost estimates that exceed certain monetary thresholds along with project specific compliance reporting requirements. The 2018 Guidelines set specific project expenditure thresholds above which BC Hydro would submit a major capital project filing to the BCUC.

On March 17, 2023, BC Hydro filed an application seeking BCUC approval of certain proposed amendments to the 2018 Guidelines including, among other things:

- An increase to the major project expenditure thresholds in the 2018 Guidelines 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" in the 2018 Guidelines; and
- To update the annual reporting requirements in the 2018 Guidelines to reflect the BCUC's direction in letter L-46-23.

Following review of the evidence and submissions in this proceeding, the Panel finds BC Hydro's proposed expenditure thresholds appropriate. The Panel acknowledges that BC Hydro's updated capital plan represents a 50 percent increase of investment compared to previous plans. In addition, the Panel recognizes that the recent inflationary environment has seen significant increases in project costs. The Panel finds that an increase in the expenditure thresholds is warranted to maintain the appropriate balance between the BCUC's detailed review of major capital projects through certificate of public convenience and necessity (CPCN) filings or section 44.2 expenditures applications, and revenue requirement applications. The Panel acknowledges BC Hydro's statement of intention to depart from the 2018 Guidelines for six Buildings and Power System projects and the *British Columbia Hydro and Power Authority Exemption Regulation* issued on July 23, 2024 exempting six priority infrastructure projects.<sup>1</sup>

The Panel determines that BC Hydro's Authorized Cost of each project should continue to be used as the appropriate comparator against the expenditure thresholds to evaluate whether a major project filing to the BCUC is required. The Panel approves the use of net cost (net of customer or government contributions) of customer interconnection projects in the application of the expenditure thresholds. The Panel finds that using the net cost of a customer interconnection project allows the BCUC to focus on the detailed review of those projects that have a significant impact on ratepayers.

To keep informed as to the efficacy of the new expenditure thresholds, the BCUC directs BC Hydro to file an annual compliance filing detailing certain capital project annual statistics, 60 days after its fiscal year end. BC Hydro is encouraged to file an application to the BCUC to review and update the expenditure thresholds in five

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<sup>1</sup> On July 23, 2024, Ministerial Order 242/2024, British Columbia Hydro and Power Authority Exemption Regulation, was deposited, exempting BC Hydro section 45(5) of the UCA for the six listed projects.

years. Alternatively, the BCUC may find it appropriate to initiate a review of the expenditure thresholds in five years' time based on the data submitted in the compliance filing.

Regarding the definition of extension in the 2018 Guidelines, the Panel does not approve BC Hydro's proposed amendments. The Panel views that there is no need to constrain the meaning of the word as used in the *Utilities Commission Act* in the absence of the legislature doing so, and that the definition of the term as used in the 2018 Guidelines provides helpful guidance to determining when a CPCN filing is required but is not binding.

BC Hydro is directed to file clean and blacklined versions of the 2018 Guidelines, in accordance with the reasons below, to be renamed as the 2024 Major Capital Project Filing Guidelines, in a compliance filing within 30 days.

## 1.0 Introduction

On December 2, 2019, by Order G-313-19, the British Columbia Utilities Commission (BCUC) approved British Columbia Hydro and Power Authority's (BC Hydro) 2018 Major Capital Project Filing Guidelines (2018 Guidelines), including BC Hydro's commitment to submit applications to the BCUC for approval of major capital projects with authorized cost estimates (Authorized Cost) that exceed certain monetary thresholds, along with project-specific compliance reporting requirements.<sup>2</sup>

The 2018 Guidelines set the following specific project cost thresholds above which BC Hydro would submit a major capital project filing to the BCUC:

- i. \$100 million for Power System projects;
- ii. \$50 million for Buildings projects; and
- iii. \$20 million for Information Technology projects.

On March 17, 2023, BC Hydro filed an application (Application) seeking BCUC approval of certain proposed amendments to the 2018 Guidelines, including approval of an increase to the various major capital filing thresholds, escalated annually by their respective price indices for the previously completed calendar year, starting from fiscal 2019, and BCUC confirmation that a Certificate of Public Convenience and Necessity (CPCN) is not required for Customer IPID 901943 Project.<sup>3</sup> On May 25, 2023, BC Hydro filed a letter amending the Application, including, among other things, seeking changes in major capital project reporting requirements both on a going-forward basis, and retroactively for major capital projects that were previously granted BCUC approval.<sup>4</sup> On September 21, 2023, BC Hydro asked that its requests to amend the expenditure thresholds for filing a major project application and for confirmation that a Certificate of Public Convenience and Necessity (CPCN) is not required for Customer IPID 901943 Project be placed in abeyance, pending a further submission by February 23, 2024.<sup>5</sup>

On January 31, 2024, by Order G-27-24A, the BCUC issued its decision on the changes to major capital project reporting requirements. In that decision, the BCUC directed BC Hydro to file a blacklined version of the 2018 Guidelines, in accordance with the reasons accompanying the order, incorporating the approved amendments to the 2018 Guidelines including the changes to the major capital project reporting, to be renamed as the 2024 Updated Major Capital Project Filing Guidelines, in a compliance filing within 30 days of the date of the conclusion of this proceeding.

The following interveners participated in this proceeding:

- British Columbia Sustainable Energy Association (BCSEA);<sup>6</sup>

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<sup>2</sup> The final version of the 2018 Guidelines was submitted by BC Hydro in a compliance filing dated January 17, 2020.

<sup>3</sup> Exhibit B-1.

<sup>4</sup> Exhibit B-1-1, p. 2, pp. 4-6.

<sup>5</sup> Exhibit B-9, cover letter, pp. 3-4; Exhibit B-1-1-1.

<sup>6</sup> Exhibit C1-1.



- British Columbia Old Age Pensioners Association et al (BCOAPO);<sup>7</sup>
- The Commercial Energy Consumers Association (the CEC);<sup>8</sup>
- Residential Consumer Intervener Association (RCIA);<sup>9</sup> and
- St’at’imc Chiefs Council (SCC).<sup>10</sup>

On February 23, 2024, BC Hydro filed its revised application (Revised Application) seeking the following approvals:

- An increase to the major project expenditure thresholds in the 2018 Guidelines 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” in the 2018 Guidelines;
- 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 requests that had previously been held in abeyance:
  - To escalate the capital expenditure thresholds in accordance with an applicable price index; and
  - For the BCUC to confirm that an application for a CPCN is not required for the Customer IPID – 901943 Project.

On March 6, 2024, the BCUC established a regulatory timetable for review of the Revised Application, which consisted of a request for further information, one round of Information Requests (IR) and final and reply arguments.<sup>11</sup> Further, the BCUC dismissed BC Hydro’s applications for approval of the following requests:

- To escalate the capital expenditure thresholds in accordance with an applicable price index; and
- For the BCUC to confirm that an application for a CPCN is not required for the Customer IPID – 901943 Project.

The BCUC received five letters of comment<sup>12</sup> on the Application and one letter of comment<sup>13</sup> on the Revised Application.

## 1.1 Scope and Structure of the Decision

As the BCUC has already issued its decision regarding BC Hydro’s request to vary its major capital project reporting requirements and dismissed certain of BC Hydro’s approvals sought as detailed above, this decision only addresses the following remaining requests by BC Hydro:

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<sup>7</sup> Exhibit C2-1.

<sup>8</sup> Exhibit C5-1.

<sup>9</sup> Exhibit C3-1.

<sup>10</sup> Exhibit C4-1.

<sup>11</sup> BCUC Order G-59-24

<sup>12</sup> Exhibit D-1; Exhibit D-2; Exhibit D-3; Exhibit D-4; Exhibit D-5.

<sup>13</sup> Exhibit D-6.

- To increase its capital project filing expenditure thresholds in the 2018 Guidelines in Section 2 below;
- To amend the definition of “extension” in the 2018 Guidelines in Section 3 below;
- To change the filing of annual lists of planned extension projects in Section 4 below;
- Other issues arising are discussed in Section 5; followed by
- A summary of the Panel’s determinations in Section 6 below.

## 2.0 Capital Project Filing Expenditure Thresholds

As already noted, BC Hydro requests approval of an increase in its major project expenditure thresholds as follows:

- \$250 million threshold for Power System projects (increased from \$100 million);
- \$125 million threshold for Buildings projects (increased from \$50 million); and
- \$50 million for Information Technology projects (increased from \$20 million) (together, Proposed Expenditure Thresholds).

BC Hydro asserts that the Proposed Expenditure Thresholds would result in approximately 30 percent of BC Hydro’s non-exempt capital expenditures being examined through major project applications to the BCUC over the 10-year period from fiscal 2025 through fiscal 2034, consistent with the balance struck in the BCUC decision establishing the 2018 Guidelines.<sup>14</sup>

BC Hydro explains that it has experienced significant cost increases on its recent major capital projects, including the following: the Mainwaring Substation Upgrade Project, the expected cost (Expected Cost)<sup>15</sup> of which rose from \$114.4 million to \$129.5 million; the Peace to Kelly Lake Station Sustainment Project, the Expected Cost of which escalated from \$222.5 million to \$286.3 million; and the John Hart Dam Seismic Upgrade Project, the Expected Cost of which increased from \$648.4 million to \$748.3 million.<sup>16</sup>

BC Hydro states that its updated 10-year capital plan for fiscal 2025 to fiscal 2034 (Updated Capital Plan) represents a 50 percent increase in capital investment compared to its recent previous capital plans. BC Hydro explains these additional capital investments will support the electrification and greenhouse gas initiatives of the CleanBC Roadmap<sup>17</sup> by supporting the buildout of power system infrastructure for capacity increases in high-growth areas and North Coast Transmission projects.<sup>18</sup> BC Hydro states that it will continue to align future capital plans with the electrification goals of the province and anticipates additional investments related to

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<sup>14</sup> Exhibit B-14, p. 6.

<sup>15</sup> The definition of Expected Cost used by BC Hydro is set out in the BC Hydro Ladore Spillway and Strathcona Discharge Upgrade Projects proceeding, Exhibit B-1, Footnote 17, p. 5-32: The Expected Cost is based on the P50 cost estimate. P50 is defined as the cost estimate that will not be exceeded 50% of the time. The Panel adopts this defined term for the purposes of this decision.

<sup>16</sup> Exhibit B-14, pp. 11-12.

<sup>17</sup> Exhibit B-16, BCUC IR 1, Attachment 1, p.1.

<sup>18</sup> Ibid., pp.3-4.

electrification initiatives in its upcoming fiscal 2026 to fiscal 2035 Capital Plan, which will be filed by February, 2025 as part of the next Revenue Requirements Application (RRA).<sup>19</sup>

In its decision on the 2018 Guidelines, the BCUC stated:<sup>20</sup>

BC Hydro expects 20 projects included in the F2020 to F2024 Capital Plan will meet the major project thresholds (though not all may be filed with the BCUC in this period), and that approximately 20-30% of BC Hydro's non-exempt capital expenditures would be reviewed by the BCUC in a major project filing in the next ten years.

From fiscal 2020 to fiscal 2024, BC Hydro submitted 10 major project applications to the BCUC. In the six proceedings which have been concluded to date, the BCUC approved five of the six projects.<sup>21</sup>

BC Hydro estimates the regulatory cost of a major project proceeding, including development of the application, to be in the range of \$1.3 to \$1.5 million.<sup>22</sup>

## 2.1 Proposed Expenditure Thresholds

Under the Proposed Expenditure Thresholds, BC Hydro anticipates the following total capital expenditures and number of major project applications over the next 10-year period:

**Table 1: Percentage of Major Project Applications under Proposed Expenditure Thresholds from Fiscal 2025 to Fiscal 2034<sup>23</sup>**

i) Proposed Expenditure Thresholds	F2025	F2026	F2027	F2028	F2029	F2030	F2031	F2032	F2033	F2034	Total
Subtotal Exempt Capital Expenditures (\$M)	1,916	629	813	601	711	667	519	389	294	45	6,584
Subtotal Non-Exempt Capital Expenditures (\$M)	2,533	2,966	3,585	3,650	3,439	3,818	4,020	4,129	3,678	3,634	35,453
a) Major capital projects filed with BCUC (\$M)	458	722	986	1,092	942	1,390	1,150	1,342	1,284	1,122	10,488
b) Projects reviewed in RRA (\$M)	2,075	2,244	2,599	2,559	2,497	2,428	2,870	2,787	2,394	2,512	24,965
Total Capital Expenditures (\$M)	4,449	3,595	4,399	4,251	4,150	4,485	4,539	4,518	3,972	3,680	42,037
Number of Major Project Applications Submitted to BCUC	9	4	4	2	3	2	0	0	1	2	27
Major Project Applications / Total Capital Expenditures (%)	10%	20%	22%	26%	23%	31%	25%	30%	32%	31%	25%
Major Project Applications / Non-Exempt Capital Expenditures (%)	18%	24%	28%	30%	27%	36%	29%	33%	35%	31%	30%

<sup>19</sup> Exhibit B-14, p.10, footnote 14.

<sup>20</sup> Decision and Order G-313-19, p. 25.

<sup>21</sup> Exhibit B-18, BCUC IR 2.7.1.1.

<sup>22</sup> Ibid., BCUC IR 2.7.2; Exhibit B-10, CEC IR 1.3.2.3.

<sup>23</sup> Ibid., cover letter p. 3.

Of the total 27<sup>24</sup> anticipated applications, none are Buildings projects, three are Information Technology projects, and the remainder are Power System projects.<sup>25</sup> The percentage of projects examined through a major project application under BC Hydro's revised proposal would be 30 percent over the 10-year period.<sup>26</sup>

BC Hydro provides the following table showing the breakdown of capital expenditures and percentage of major project applications over next 10-year period:

**Table 2: Percent of Major Applications by Project Type under Proposed Expenditure Thresholds from Fiscal 2025 to Fiscal 2034<sup>27</sup>**

Proposed Expenditure Thresholds	F2025	F2026	F2027	F2028	F2029	F2030	F2031	F2032	F2033	F2034
<b>Non-Exempt Capital Expenditures (\$M)</b>										
Power System	2,191	2,599	3,236	3,248	3,056	3,470	3,682	3,798	3,397	3,284
Buildings	96	103	115	139	131	114	102	97	56	100
Technology	136	160	130	157	145	128	128	126	117	142
<b>Total</b>	<b>2,533</b>	<b>2,966</b>	<b>3,585</b>	<b>3,650</b>	<b>3,439</b>	<b>3,818</b>	<b>4,020</b>	<b>4,129</b>	<b>3,678</b>	<b>3,634</b>
<b>Major Project Applications / Non-Exempt Capital Expenditures</b>										
Power System	16%	23%	27%	30%	27%	36%	29%	33%	35%	31%
Buildings	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Technology	2%	2%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Total</b>	<b>18%</b>	<b>24%</b>	<b>28%</b>	<b>30%</b>	<b>27%</b>	<b>36%</b>	<b>29%</b>	<b>33%</b>	<b>35%</b>	<b>31%</b>

Note: Total under Non-Exempt Capital Expenditures is slightly higher than the sum of the three major categories due to the inclusion of other capital expenditures (i.e. fleet, subsidiaries, and etc.)

BC Hydro states that under the current expenditure thresholds, the total number of major projects applications filed with the BCUC over the same period would be 69.<sup>28</sup> In the Revised Application, following the update to the capital plan, BC Hydro states if the current expenditure thresholds are maintained, major project filings would represent 21 percent of non-exempt capital expenditures in fiscal 2025, 30 percent in fiscal 2026, 46 percent in fiscal 2027, and 44 percent in fiscal 2028.<sup>29</sup>

### 2.1.1 Alternative Thresholds

In the original Application, BC Hydro proposed escalating expenditure thresholds based on a proposed index for each category of projects. If that approach were used, BC Hydro states the fiscal 2024 expenditure thresholds would be \$127 million, \$64 million and \$23 million for Power System, Buildings and Information Technology projects, respectively. The non-residential building construction price index was used to escalate the Power System and Buildings thresholds and BC-CPI was used to escalate the Information Technology threshold. The thresholds, noted below for each project type in millions of dollars, would escalate over the 10-year period in accordance with the table below:

<sup>24</sup> BC Hydro states that it now expects the planning allowance for the Mica U1-U2 Turbine Overhaul Project to exceed the proposed expenditure threshold, resulting in a total of 28 major project applications over the 10-year period.

<sup>25</sup> Exhibit B-14, Table 7, p. 14; Exhibit B-18, cover letter, p. 3.

<sup>26</sup> Exhibit B-18, cover letter, p. 2.

<sup>27</sup> Exhibit B-20, CEC IR 2.12.1.3.

<sup>28</sup> Exhibit B-18, cover letter p. 4.

<sup>29</sup> Exhibit B-14, Section 2.1.2, p. 11, Table 5

**Table 3: Forecast Trajectory of the Three CPCN Thresholds Escalated by Price Index from Fiscal 2025 to Fiscal 2034<sup>30</sup>**

	F2024	F2025	F2026	F2027	F2028	F2029	F2030	F2031	F2032	F2033	F2034
Power System Escalation Rate	-	5.0%	4.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	2.0%
Buildings Escalation Rate	-	5.0%	4.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	2.0%
Technology Escalation Rate	-	3.9%	2.7%	2.2%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Power System	127	133	139	144	149	154	159	165	170	176	180
Buildings	64	67	69	72	74	77	80	82	85	88	90
Technology	23	24	25	25	26	26	27	27	28	29	29

BC Hydro states that under this threshold setting methodology, the expected number of major project applications over the 10-year period would increase from 27 (using the Proposed Expenditure Thresholds) to 45, representing approximately 35 percent of BC Hydro's annual non-exempt capital expenditures.<sup>31</sup>

BC Hydro states that the RRA proceeding is a reasonable forum to review the remaining volume of capital expenditures because it provides information through various chapters and appendices of the application and offers the BCUC and interveners the opportunity to ask questions to gather additional information. Further, BC Hydro notes in support of this proposal that the prior RRA had a total of 15 interveners while the average major capital project review proceeding only has three.<sup>32</sup>

### 2.1.2 Customer Interconnection Projects

BC Hydro proposes that the \$250 million expenditure threshold for Power System projects should also apply to the gross cost of customer interconnection projects to determine if a major project application to the BCUC is required. BC Hydro submits that there are two alternative approaches that warrant consideration. First, if the net cost of the project after contributions is below the expenditure threshold, the BCUC could streamline the requirements for a CPCN application with BC Hydro filing an abbreviated application for approval. Second, the BCUC could apply the expenditure thresholds to customer interconnection projects on a net cost basis, so that projects with a net cost below the Expenditure Threshold would not require a major project application.<sup>33</sup>

Of the two approaches submitted by BC Hydro above, BC Hydro submits that the latter is preferable.

BC Hydro states that, in accordance with section 28 of the *Utilities Commission Act* (UCA), BC Hydro has an obligation to serve customers that seek service on a non-discriminatory basis so long as such customers are willing to take service in accordance with BC Hydro's approved tariffs, and, accordingly, such interconnection projects should require less examination. Customer interconnection projects may have customer or government contributions that may reduce the project cost and, by extension, the resulting ratepayer impact.<sup>34</sup>

<sup>30</sup> Exhibit B-20, RCIA IR 2.5.2.1

<sup>31</sup> Exhibit B-20, RCIA IR 2.6.1.

<sup>32</sup> Exhibit B-18, BCUC IR 2.7.10.1.

<sup>33</sup> Exhibit B-19, Panel IR 1.1.9.

<sup>34</sup> Ibid.

## *Positions of the Parties*

BCSEA supports BC Hydro's request to increase the thresholds as proposed.<sup>35</sup>

The CEC supports BC Hydro's request to increase the thresholds as proposed.<sup>36</sup> The CEC submits it would be reasonable for the BCUC to set thresholds such that it will review 20-30 percent of Buildings projects and 20-30 percent of Information Technology projects, or a specific number of such projects.<sup>37</sup> In the CEC's view, projects that meet criteria other than cost could also be worthwhile to review.<sup>38</sup> The CEC further submits that lower-cost projects with less certain justifications may benefit from BCUC oversight.<sup>39</sup> Overall, the CEC recommends that the BCUC direct BC Hydro to file its capital plans for major projects on a regular basis so that the BCUC can remain informed of what projects are planned and how decisions are made. Further, the CEC recommends that the BCUC accept BC Hydro's capital plan for its major projects.<sup>40</sup>

In reply, BC Hydro acknowledges the CEC's concerns with the lack of BCUC oversight over individual projects of relatively smaller size and with costs below the expenditure thresholds. BC Hydro submits that the CEC's recommendation for BC Hydro to file its capital plan on a regular basis, should be rejected. BC Hydro notes that it already files its most recent capital plan with the BCUC as part of its RRA, which includes information on projects of smaller size and with costs below the expenditure thresholds.<sup>41</sup>

BCOAPO supports BC Hydro's request to increase the thresholds as proposed.<sup>42</sup>

RCIA submits that it prefers an inflation-based price index, which keeps real dollar thresholds unchanged while allowing for inflation.<sup>43</sup>

In reply, BC Hydro submits that the approach favoured by RCIA can cause implementation complications and confusion. In contrast, BC Hydro's proposal addresses the significant increase in the capital plan, considers the high inflation environment and strikes a balance between regulatory oversight and efficiency.<sup>44</sup>

Regarding the proposal to vary the approach for interconnection projects, RCIA,<sup>45</sup> BCSEA,<sup>46</sup> and the CEC support interconnection projects with net cost below the applicable threshold not requiring a CPCN application. The CEC submits that the BCUC should retain its oversight over cost-effectiveness of BC Hydro's approvals, standards, policies and performance.<sup>47</sup>

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<sup>35</sup> BCSEA Final Argument, p. 3.

<sup>36</sup> CEC Final Argument, p. 1.

<sup>37</sup> Ibid., p. 11.

<sup>38</sup> Ibid., p. 6.

<sup>39</sup> Ibid., p. 7.

<sup>40</sup> Ibid., p.13.

<sup>41</sup> BC Hydro Reply Argument, p.12.

<sup>42</sup> BCOAPO Final Argument, pp. 11-12

<sup>43</sup> RCIA Final Argument, pdf. p. 5.

<sup>44</sup> BC Hydro Reply Argument, pp. 13-14.

<sup>45</sup> RCIA Final Argument, pdf p. 9.

<sup>46</sup> BCSEA Final Argument, p. 3.

<sup>47</sup> CEC Final Argument, pp. 15-16.

In reply, BC Hydro submits the BCUC would retain oversight for such projects by reviewing capital expenditures in an RRA.<sup>48</sup>

BCOAPO supports an alternative approach, preferring the option for a streamlined CPCN application where the net cost of the interconnection project is below the applicable threshold.<sup>49</sup>

### *Panel Determination*

**With respect to the proposed increases in the expenditure thresholds, the Panel finds them to be appropriate.**

The Panel acknowledges that BC Hydro's Updated Capital Plan represents a 50 percent increase of investment compared to previous plans as BC Hydro aligns with the electrification goals of the province. In addition, the Panel recognizes that the recent inflationary environment has seen significant increases in project costs, and anticipates that more projects may exceed the expenditure thresholds in the 2018 Guidelines, which have remained unchanged since 2019. The Panel therefore finds that an increase in the expenditure thresholds is warranted to maintain the appropriate balance between the BCUC's detailed review of major capital projects through CPCN filings or section 44.2 expenditures applications, and RRAs. The Panel also finds that the Proposed Expenditure Thresholds result in the appropriate balance between BCUC oversight of capital projects and regulatory efficiency.

BC Hydro has indicated that it assessed the Proposed Expenditure Threshold amounts with the goal of achieving a similar level of BCUC review of major capital projects consistent with the previous balance the BCUC determined to be adequate under the 2018 Guidelines. Although the BCUC reviewed only half the number of projects originally planned by BC Hydro in fiscal years 2020 to 2024, the Panel anticipates that the increased focus on electrification in the Updated Capital Plan will result in a greater number of projects submitted for BCUC approval going forward. Accordingly, the Panel finds that the Proposed Expenditure Thresholds strike an appropriate balance that allows the BCUC the opportunity to undertake a prospective public interest review of major capital projects that exceed the Proposed Expenditure Thresholds while mitigating the resource requirement and cost to the BCUC, BC Hydro and interveners. Further, regardless of major filing expenditure thresholds, the BCUC can still order a CPCN filing for extension projects below the threshold level if it considers this to be warranted. In addition, capital project costs can be reviewed as part of BC Hydro's RRA and in prudence reviews ordered by the BCUC.

The Panel acknowledges RCIA's views that the principles underlying an inflation-based price index approach have merit; however, as illustrated by BC Hydro, that approach could cause unnecessary or potentially confusing implementation issues. In contrast, the Proposed Expenditure Thresholds provide clear and predictable expenditure thresholds that can be applied by BC Hydro in the identification of major projects that warrant a detailed BCUC review.

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<sup>48</sup> BC Hydro Reply Argument, pp. 4-5.

<sup>49</sup> BCOAPO Final Argument, p. 23.



**With respect to customer interconnection projects, the Panel approves the use of net cost (net of customer or government contributions) in the application of the Proposed Expenditure Thresholds.** Pursuant to section 28 of the UCA, BC Hydro has an obligation to serve customers that seek service if the customers are willing to take service in accordance with BC Hydro's tariffs. These customer interconnection projects are driven by a defined customer need. In respect of these projects, the impact on ratepayers only relates to the net cost of the projects. Therefore, the Panel finds that using the net cost of a project when applying the Proposed Expenditure Thresholds allows the BCUC to focus on the detailed review of those projects that have a significant impact on ratepayers. The Panel notes that, even if a customer interconnection project is below the Proposed Expenditure Thresholds, it will still be reviewed as part of an RRA. The Panel further notes that customer interconnection projects, regardless of their cost or materiality, are also subject to BC Hydro's duty to consult.

**In summary, for the foregoing reasons, in respect of the Proposed Expenditure Thresholds, the Panel directs that paragraph 11 of the 2018 Guidelines be amended as follows:**

**11. A Major Project is a capital project that has an Authorized Cost estimate that exceeds one of the following thresholds:**

- a. \$250 million threshold for Power System projects;**
- b. \$125 million threshold for Buildings projects; and**
- c. \$50 million threshold for Information Technology projects.**

**For customer interconnection projects, the \$250 million threshold will be applied on a net cost basis.**

## **2.2 BC Hydro Planned Departures from Guidelines**

In the Application, BC Hydro states it intends to depart from the 2018 Guidelines and not file section 44.2 capital expenditure nor CPCN applications for certain projects with cost estimates that exceed the expenditure thresholds, regardless of the BCUC's decisions in this proceeding. Those projects include certain Buildings projects and certain Power System projects. Further, BC Hydro is seeking an exemption from government under section 22 of the UCA for certain priority infrastructure projects.

BC Hydro states that it will not file applications under section 44.2 of the UCA for the North Vancouver, Campbell River II, and Chilliwack Field Facility Redevelopment Buildings projects<sup>50</sup> and the Bridge River 1 Strip and Recoat Penstocks 1-4 project.<sup>51</sup> BC Hydro further states that, although not exempt,<sup>52</sup> the Glenannan to Terrace Transmission Project and the Prince George to Glenannan Transmission Project are anticipated to be exempted from BCUC review and are reflected as such in the Updated Capital Plan.<sup>53</sup>

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<sup>50</sup> Exhibit B-1, Section 3, pp 5-6.

<sup>51</sup> Ibid., Section 3, p 6.

<sup>52</sup> Exhibit B-20 RCIA IR 2.4.3, footnotes 30 and 31, pdf 126.

<sup>53</sup> Exhibit B-16, BCUC Request for Further Information 2.0.



Further, on July 23, 2024, through the *British Columbia Hydro and Power Authority Exemption Regulation*, BC Hydro was granted exemptions under section 22 of the UCA from the need to file CPCN applications for the following six projects:<sup>54</sup>

1. Barnard Substation Upgrade
2. East Vancouver Substation Build
3. Lougheed Substation Rebuild
4. Newell Substation Upgrade
5. Scott Road Substation Rebuild
6. Steveston Substation Upgrade

### *Panel Discussion*

The Panel acknowledges BC Hydro's statement of intention to depart from the 2018 Guidelines for six Buildings and Power System projects and the *British Columbia Hydro and Power Authority Exemption Regulation* exempting six priority infrastructure projects as described above. The Panel notes that BC Hydro has proposed the new expenditure thresholds with these specific departures and exemptions in mind. However, this Panel views that departures and exemptions from the guidelines diminish their usefulness in providing predictability to BC Hydro's major capital filing process. Additionally, we believe that further departures from the 2018 Guidelines may impact the percentage of projects reviewed by the BCUC in major project applications and risk reducing the 20 to 30 percent BCUC review target that BC Hydro affirms to be appropriate.

This Panel notes that the BCUC has flagged a similar concern recently in its decision on the Surrey Langley Skytrain Electrical Servicing Project (Skytrain Project)<sup>55</sup> in which BC Hydro sought approval to dispense with the filing of a CPCN application in respect of that project even though it exceeded the current expenditure threshold in the 2018 Guidelines. The Panel further notes that in the absence of a CPCN application, a section 44.2 expenditure application is voluntary. Short of a CPCN review prior to the start of the project, there is simply no assurance that the project is necessarily in the public interest.

### **2.3 Is Authorized Cost the Appropriate Comparator for Assessment Against the Expenditure Thresholds?**

In accordance with the 2018 Guidelines, BC Hydro compares a project's Authorized Cost to the expenditure thresholds to determine whether a major project application to the BCUC will be required.<sup>56</sup>

BC Hydro's major Power System projects are executed following a staged project lifecycle, as shown in the figure below.<sup>57</sup> This is referred to as the Project and Portfolio Management (PPM) project lifecycle.<sup>58</sup>

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<sup>54</sup> Exhibit B-18, cover letter p. 2. On July 23, 2024, Ministerial Order 242/2024 was deposited, making the *British Columbia Hydro and Power Authority Exemption Regulation* exempting the six listed projects from section 45(5) of the UCA.

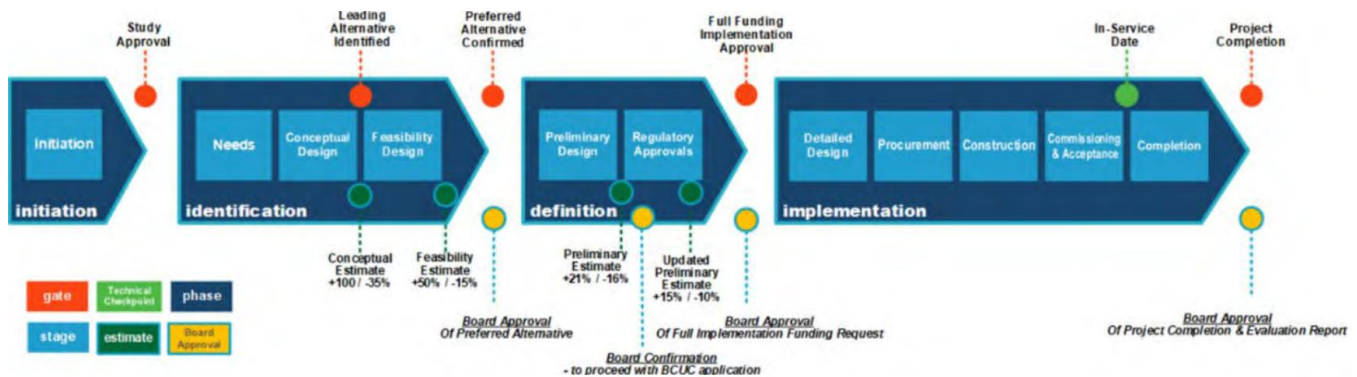
<sup>55</sup> BC Hydro's Request to Depart from the 2018 Capital Filing Guidelines for the Surrey Langley SkyTrain Electrical Servicing Project, BCUC Decision and Order G-145-24 dated May 22, 2024.

<sup>56</sup> 2018 Guidelines, para. 11.

<sup>57</sup> Exhibit B-9, BCUC IR. 1.3.2.

<sup>58</sup> Exhibit B-1 to BC Hydro Westbank Substation Reconsideration of G-47-18, Section 4, p. 15.

Figure 1: PPM Project Lifecycle



BC Hydro initially determines whether an application to the BCUC may be required for a capital project by comparing the planning allowance at the point the project is initiated or the latest Expected Cost estimate to the expenditure thresholds.<sup>59</sup> As the project advances through the project lifecycle, BC Hydro develops the appropriate regulatory approach.<sup>60</sup> Each subsequent cost estimate supports a further assessment of whether a major project application will be filed. BC Hydro's PPM process includes the following cost estimates:

- The Conceptual Design Cost Estimate (Association for the Advancement of Cost Engineering International (AACEI) Class 5) is produced towards the end of the conceptual stage of the identification phase.
- The Feasibility Design Cost Estimate (AACEI Class 4) is produced towards the end of the feasibility stage of the identification phase.
- In the definition phase, the Preliminary Design Cost Estimate (AACEI Class 3) is complete and the Authorized Cost (the Class 3 P90 cost estimate)<sup>61</sup> is prepared for comparison to the expenditure thresholds.<sup>62</sup>

BC Hydro typically begins preparing a BCUC application at the beginning of the definition phase (end of feasibility design), and utilizes information developed in the pre-initiation, initiation and identification phases, such as information considered in the selection of a preferred alternative and studies and analysis supporting

<sup>59</sup> Exhibit B-19, BCUC Panel IR 1.1.5; BC Hydro Westbank Station Upgrade Project Reconsideration of G-47-18 proceeding, Exhibit B-3, BCUC IR 1.6.6: A planning allowance is a single value cost (without an accuracy range) used to support long-term capital planning and is used when no formal cost estimate is available because a project is not sufficiently advanced to develop an estimate.

<sup>60</sup> Exhibit B-9, BCUC IR 1.2.15.

<sup>61</sup> BC Hydro Ladore Spillway and Strathcona Discharge Upgrade Projects proceeding, Exhibit B-1, Footnote 17, p. 5-32: The Expected Cost is based on the P50 cost estimate whereas the Authorized Cost is based on the P90 cost estimate plus any Special Reserve amounts. P50 is defined as the cost estimate that will not be exceeded 50% of the time. P90 is defined as the cost estimate that will not be exceeded 90% of the time.

<sup>62</sup> Exhibit B-19, BCUC Panel IR 1.1.7.

the need for the project.<sup>63</sup> BC Hydro clarifies it does not wait until an Authorized Cost is developed to determine whether a project's cost will be at or above the expenditure thresholds.<sup>64</sup>

In its decision regarding BC Hydro's request to depart from the 2018 Guidelines for the Skytrain Project, the BCUC stated:<sup>65</sup>

The challenges associated with this Application show that there is merit in BC Hydro reconsidering how it compares the expenditure thresholds against its cost estimates as projects move through the planning phases and estimates become more defined. The Panel further recommends that the BC Hydro Amend Major Capital Projects Filing Guidelines proceeding consider whether BC Hydro should continue to use Authorized Cost as the measure for comparison to the expenditure thresholds in the 2018 Capital Filing Guidelines.

BC Hydro submits the Skytrain Project is an exception and is the first instance where BC Hydro has sought to depart from the guidelines in a 15-year period. BC Hydro submits this is an exceptional circumstance and should not be the basis on which to effect change to a practice with respect to cost comparisons which has been working well.<sup>66</sup>

### *Positions of the Parties*

All interveners support BC Hydro's proposal to continue to compare the expenditure thresholds to the Authorized Cost. BCSEA supports BC Hydro's position.<sup>67</sup> BCOAPO submits that the Authorized Cost from the end of preliminary design in definition phase should be compared to the expenditure thresholds.<sup>68</sup> The CEC agrees with BC Hydro's proposal to use Authorized Cost.<sup>69</sup>

RCIA submits that the Authorized Cost from the preliminary level estimate should be compared to the expenditure thresholds, with specific project sub-components compared at the feasibility level estimate (Class 4 estimate).<sup>70</sup>

In Reply to RCIA, BC Hydro submits the CPCN Guidelines allow for such flexibility, while BC Hydro's PPM process includes refinement of cost estimates as projects progress.<sup>71</sup>

### *Panel Determination*

**The Panel finds that BC Hydro's Authorized Cost of each project should continue to be used as the appropriate comparator against the Proposed Expenditure Thresholds to evaluate whether a major project filing to the BCUC is required.**

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<sup>63</sup> Exhibit B-9, BCUC IR 1.2.15.

<sup>64</sup> Exhibit B-19, BCUC Panel IR 1.1.5.

<sup>65</sup> Decision to Order G-145-24, p. 7.

<sup>66</sup> BC Hydro Final Argument, p. 8.

<sup>67</sup> BCSEA Final Argument, p. 3.

<sup>68</sup> BCOAPO Final Argument, pp. 21, 12.

<sup>69</sup> CEC Final Argument, pp. 14-15.

<sup>70</sup> RCIA Final Argument, pdf pp. 6-7.

<sup>71</sup> BC Hydro Reply Argument, pp. 3-4.

The Panel agrees with BC Hydro and the interveners that using a cost estimate other than the Authorized Cost risks having either more or fewer projects being incorrectly identified early as major capital projects that require filing with the BCUC. In instances where earlier estimates have not been refined sufficiently and are higher than the eventual Authorized Cost, a project could be identified early for BCUC detailed review resulting in unnecessary work to prepare an application for a project that may not ultimately exceed the applicable expenditure threshold. Alternatively, in circumstances where earlier estimates have not been refined sufficiently and are lower than the Authorized Cost, a project could be missed for identification for BCUC detailed review.

The Panel notes that in the case of the Skytrain Project, BC Hydro identified the project as meeting the expenditure threshold for a major project filing very late in the PPM lifecycle, resulting in BC Hydro having to seek an exception to the 2018 Guidelines, as insufficient time was available for BCUC review of the project prior to the scheduled construction date. To avoid a similar problem in the future, the Panel recommends that BC Hydro give serious consideration to comparing earlier upper range of project cost estimates to the applicable expenditure threshold as part of its internal PPM lifecycle. Earlier identification of projects that may exceed the expenditure thresholds would allow for internal project schedules to be developed that include sufficient time for preparation of an application for regulatory review, without negatively impacting the needed project in-service date.

## **2.4 Frequency of BCUC Reviews of the BC Hydro Major Capital Project Filings Guidelines and Expenditure Thresholds**

The Panel requested parties to comment on the frequency of BCUC planned reviews of BC Hydro Major Capital Project Filing Guidelines and capital expenditure thresholds in argument.

### *Positions of the Parties*

BCSEA,<sup>72</sup> BCOAPO,<sup>73</sup> and a letter of comment from the Lower Nicola Indian Band<sup>74</sup> all support an interval of five years for the next review.

RCIA supports an interval of 10 years between reviews.<sup>75</sup>

The CEC submits that review should be triggered if major project applications regularly exceed 30 percent or drop below 20 percent, or every five years. The CEC submits the BCUC should plan to re-examine the thresholds in 2030.<sup>76</sup>

In reply, BC Hydro submits it is receptive to a review every five years.<sup>77</sup>

### *Panel Determination*

The Panel finds that a five-year period is appropriate for the next review of the BC Hydro Major Capital Project Filing Guidelines and the expenditure thresholds. The Panel expects that a fixed time is easier to implement and

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<sup>72</sup> BCSEA Final Argument, p. 4.

<sup>73</sup> BCOAPO Final Argument, p. 23.

<sup>74</sup> Exhibit D-6.

<sup>75</sup> RCIA Final Argument, pdf p. 10.

<sup>76</sup> CEC Final Argument, p. 16.

<sup>77</sup> BC Hydro Reply Argument, p. 5.

is more predictable than alternative options. Five years provides a mid-point assessment of BC Hydro's 10-year capital plan, acknowledging that capital expenditure estimates are more uncertain in the future as inflation rates and energy policies inevitably change.

To facilitate the subsequent review of the expenditure thresholds, the Panel finds that an annual compliance filing to the BCUC will provide a future panel with critical and timely information to determine whether the expenditure thresholds are providing the appropriate balance between detailed review of major capital projects and high-level review of BC Hydro's capital program. This compliance filing will include yearly comparisons of retrospective project filings versus the Updated Capital Plan and percentages of non-exempt capital expenditures versus the Updated Capital Plan, as well as future updated capital plans.

**To keep itself informed, the BCUC directs BC Hydro to file an annual compliance filing detailing the following statistics, within 60 days of its fiscal year end:**

- For the prior fiscal year:
  - A list of the CPCN applications submitted to the BCUC;
  - A list of the section 44.2 applications submitted to the BCUC; and
  - A table showing the non-exempt capital expenditures, exempt capital expenditures, total capital expenditures, capital expenditures in major project applications, and percentage of non-exempt capital expenditures filed in major project applications.
- For the upcoming fiscal year:
  - A list of the CPCN applications forecast to be submitted to the BCUC;
  - A list of the section 44.2 applications forecast to be submitted to the BCUC; and
  - A table showing the forecast non-exempt capital expenditures, exempt capital expenditures, total capital expenditures, capital expenditures in major project applications, and percentage of non-exempt capital expenditures filed in major project applications.
- A summary document outlining the most recent 10-year capital plan.

BC Hydro is encouraged to file an application to the BCUC to review and update the expenditure thresholds in five years. Alternatively, the BCUC may find it is appropriate to initiate a review of the expenditure thresholds in five years' time based on the data submitted in the compliance filings.

### **3.0 Definition of Extension**

In the context of BC Hydro's major capital projects and the BCUC's jurisdiction under the UCA, the term "extension" is relevant in determining the BCUC's jurisdiction to order the filing of a CPCN application. Section 45(5) of the UCA states as follows:<sup>78</sup>

If it appears to the commission that a public utility should, before constructing or operating an extension to a utility plant or system, apply for a separate certificate of public convenience and necessity, the commission may, not later than 30 days after construction of the extension is

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<sup>78</sup> UCA, s. 45(5).

begun, order that subsection (2) does not apply in respect of the construction or operation of the extension.

The term extension is not expressly defined in the UCA, nor is it defined in the *Interpretation Act*, the *Clean Energy Act*, or the *Hydro Power and Authority Act*.

The 2018 Guidelines provide the following meaning of “extension” in the context of BC Hydro’s major capital projects as follows:

13. BC Hydro will file an application for a CPCN pursuant to subsection 46(1) of the UCA for Major Projects that are extensions. An extension is a project initiated with the intent to expand the service area or capacity of a utility plant or system.

14. Extension projects may include: facility end-of-life replacement projects (as opposed to individual component(s) that have reached end-of-life); new projects designed to serve incremental energy and/or peak load growth; refurbishment projects that are not undertaken to serve incremental load growth, but through efficiencies result in additional MWs and/or GWhs on a planning basis. [emphasis added]

As part of the Revised Application, BC Hydro seeks approval of the following amendments to the 2018 Guidelines and the definition of extension.<sup>79</sup> BC Hydro’s proposed amendments are underlined below:

13. BC Hydro will file an application for a CPCN pursuant to subsection 46(1) of the UCA for Major Projects that are extensions. An extension is a project to expand the service area or the capacity of a utility plant or system to serve load growth. [emphasis added]

14. Extension projects include: facility end-of-life replacement projects (as opposed to individual component(s) that have reached end-of-life); and new projects designed to serve incremental energy and/or peak load growth. Extension projects do not include projects that replace or refurbish existing assets to address asset condition (i.e., not load growth), even if through efficiencies or otherwise, they result in additional energy or capacity. [emphasis added]

BC Hydro clarifies that, in accordance with the 2018 Guidelines, BC Hydro cannot proceed to construct or operate an extension project if the estimated Authorized Cost of that project exceeds the established filing thresholds, even though BC Hydro has a deemed CPCN for its extensions under section 45(2) of the UCA.<sup>80</sup>

BC Hydro submits that the revised language will provide greater certainty through a more objective definition, the provision of concrete examples to support that definition, the removal of the word “may” and the exclusion of sustainment type projects. BC Hydro emphasizes that the revision clarifies that extension projects are those undertaken to serve load growth exclusively. Also, BC Hydro states extension projects should not include projects undertaken to refurbish or replace existing equipment, as they simply maintain the existing system even if they result in an incremental increase in capacity.<sup>81</sup>

BC Hydro submits it considers the word extension as it occurs in the UCA was meant to capture new additions to a public utility plant or system that trigger the need for a public interest review, rather than refurbishment or

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<sup>79</sup> Exhibit B-14, p. 20.

<sup>80</sup> Ibid., p. 19.

<sup>81</sup> Ibid., pp. 20-21.

replacement of existing assets.<sup>82</sup> BC Hydro further explains that the historical origins of the CPCN requirement were meant to guard against harmful competition among utilities in the same geographic area. BC Hydro states that the plain meaning of extension from the Oxford Dictionary is “a part enlarging or added on to a main structure, building, room, etc.” and “an additional part of anything.”<sup>83</sup> Further, BC Hydro states the words extend and extension appear in several sections of the UCA, which seem to suggest new additions or increased capacity to provide service: section 34 of the UCA discusses extending service that reasonably can be interpreted to suggest an area that has not received service previously; and section 65(3.1)(b) makes a distinction between extensions and improvements. In BC Hydro’s view, extension projects are not generally undertaken to address asset replacements due to deteriorating conditions and obsolete design even if the proposed replacements result in higher capacity.<sup>84</sup>

BC Hydro states the proposed change in definition will have important schedule benefits within the context of its increasing capital plan over the coming years. BC Hydro’s project schedules will benefit from the certainty regarding which projects require a CPCN prior to the start of construction. For non-extension projects, where BC Hydro will be submitting a section 44.2 capital expenditure application, regulatory certainty will enable BC Hydro to accept some cost recovery risk in order to advance the project schedule where warranted.<sup>85</sup>

BC Hydro explains the impact of the proposed change in the definition of extension is that sustainment projects would not be considered extensions, even if they happen to result in additional energy or capacity. Under section 45(5) of the UCA, the BCUC cannot exercise its discretion to require a public utility to apply for a CPCN for a project if the project is not an extension. BC Hydro states: “if a capital project is not an ‘extension,’ then section 45(5) of the UCA does not apply.”<sup>86</sup> BC Hydro clarifies that for projects over the threshold which are not extension projects under the new definition, BC Hydro would file a section 44.2 application and the same public interest consideration would be explored during the proceeding.<sup>87</sup> BC Hydro lists four projects (two generator refurbishment projects and two turbine overhaul projects) with filing type “Potential CPCN or section 44.2” in its list of anticipated major projects and states “whether the project may be considered an extension to the BC Hydro system will depend on the selected alternative.”<sup>88</sup>

### *Positions of the Parties*

BCSEA supports BC Hydro’s proposed definition of extension.<sup>89</sup>

The CEC submits the BCUC should be able to review projects with features that warrant additional consideration, even if not “extensions” and under the applicable expenditure thresholds.<sup>90</sup> The CEC views that

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<sup>82</sup> Exhibit B-14, p. 22.

<sup>83</sup> Exhibit B-18, BCUC IR 2.9.3.

<sup>84</sup> *Ibid.*, BCUC IR 2.9.3.

<sup>85</sup> Exhibit B-14, pp. 22-23.

<sup>86</sup> Exhibit B-18, BCUC IR 2.9.6.

<sup>87</sup> *Ibid.*, BCUC IR 2.9.4.

<sup>88</sup> Exhibit B-14, Appendix E, pp. 2-3, pdf pp. 59-60.

<sup>89</sup> BCSEA Final Argument, p. 3.

<sup>90</sup> CEC Final Argument, p. 12.



the BCUC should retain full discretion to order a CPCN “under most circumstances.”<sup>91</sup>

In reply, BC Hydro submits that the BCUC cannot retain discretion to order a CPCN where a project is not an extension.<sup>92</sup>

BCOAPO proposes an alternative definition of extension. BCOAPO submits that, in the case of sustainment projects, an “extension” should be where: i) there were feasible alternatives that maintained current system capabilities and ii) the basis for choosing the alternative which expanded the system’s energy and/or capacity was based on the value of the incremental energy/capacity.<sup>93</sup>

In reply, BC Hydro submits BCOAPO’s alternative definition does not remove the ambiguity BC Hydro seeks to clarify, nor distinguish whether the incremental energy/capacity is added purposefully or incidentally.<sup>94</sup>

RCIA strongly recommends the BCUC retain discretion to order a CPCN for sustainment or refurbishment projects where capacity or energy is increased and/or where public interest concerns warrant and mentions viability and prudence as factors.<sup>95</sup>

In reply, BC Hydro submits the BCUC’s discretion is limited to extension projects, and that prudence can only be examined after capital projects are complete and costs are finalized, through an RRA or a prudence review.<sup>96</sup>

### *Panel Determination*

The BCUC has the jurisdiction and the discretion under section 45 of the UCA to order CPCN filings for projects that it determines to be extensions. As BC Hydro correctly points out, the term “extension” is not defined under the UCA, nor in other legislation that applies to the BCUC. Nonetheless, the 2018 Guidelines attempt to fill that gap by providing the following definition in paragraph 13: “An extension is a project initiated with the intent to expand the service area or capacity of a utility plant or system.” Paragraph 14 of the 2018 Guidelines then goes on to provide some specific examples of extensions which are non-exhaustive:

Extension projects may include: facility end-of-life replacement projects (as opposed to individual component(s) that have reached end-of-life); new projects designed to serve incremental energy and/or peak load growth; refurbishment projects that are not undertaken to serve incremental load growth, but through efficiencies result in additional [megawatts] MWs and/or [gigawatt-hours] GWhs on a planning basis.

The Panel notes two important aspects of this definition. Firstly, the 2018 Guidelines are simply guidelines and unlike the UCA or the BCUC Rules of Practice and Procedure, they are not binding. While the 2018 Guidelines provide helpful guidance on the interpretation of terms used in the UCA, they should not be taken as definitive, nor do they necessarily preclude different interpretations by different BCUC panels. Secondly, contrary to BC Hydro’s submission, paragraph 13 of the 2018 Guidelines does suggest that the interpretation of extension is in

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<sup>91</sup> CEC Final Argument, p. 17.

<sup>92</sup> BC Hydro Reply Argument, p. 10.

<sup>93</sup> BCOAPO Final Argument, p. 17.

<sup>94</sup> BC Hydro Reply Argument, pp. 9-10.

<sup>95</sup> RCIA Final Argument, pdf p. 11.

<sup>96</sup> BC Hydro Reply Argument, p. 11.



part based on subjective considerations, at least insofar as it refers to extensions as “projects initiated with the intent to expand the service area or capacity of a utility plant or system” [emphasis added]. Such intent may be evidenced by the extent or materiality of the resulting area expansion or incremental capacity increase of the utility plant or system.

While appreciative of BC Hydro’s attempt to provide a more objective definition of “extension”, the Panel does not consider it necessary or desirable to do so. Prior BCUC panels have not had any difficulty in interpreting this term or determining its applicability in CPCN proceedings. As such, it is preferable for the words in the UCA to speak for themselves. Parties are and should continue to be free to argue for the proper interpretation of “extension” based on the text, context and purpose of the legislation. Whether the proposed construction or operation of an extension to a utility plant or system constitutes an extension should be determined based on the specifics of the evidence put forward by the parties as to the purpose and effect of the project in its entirety. By way of example, a panel may evaluate the amount of incremental energy or capacity increase resulting from a project to determine whether or not the increase is sufficiently material to represent an extension of the existing service or system. For these reasons, the Panel finds that it is not the BCUC’s role to constrain the term “extension” in the UCA when the legislature has not seen the need to do so. The Panel views that the definition of extension in the 2018 Guidelines has been used successfully in the past and sees no reason why it now needs to change. Accordingly, the Panel declines to amend the definition of extension in the 2018 Guidelines as BC Hydro proposes.

**The Panel does not approve BC Hydro’s proposed amendments to the definition of extension in the 2018 Guidelines and paragraphs 13 and 14 shall remain as currently worded.**

#### **4.0 Annual Filing of List of Planned Extensions**

Section 45(6) of the UCA states: “A public utility must file with the commission at least once each year a statement in a form prescribed by the commission of the extensions to its facilities that it plans to construct.”

The BCUC has provided guidance to its regulated entities via letter L-46-23, dated October 17, 2023, which states:<sup>97</sup>

Also, the BCUC is reviewing the need for other, ongoing filing requirements established by BCUC Decisions and Orders. Many of these requirements are currently included within the Public Utility’s Annual Report. Public Utilities should continue to provide such documents with its Summary Information Form unless notified otherwise. These entities can also seek a review of specific filing requirements that are burdensome and/or of a diminished relevance.

[...]

Finally, section 45(6) of the UCA requires Public Utilities to file annually, with the BCUC, a statement of planned extensions to its facilities. Entities currently filing this information (as directed by Letter L-65-20) within Annual Reports to the BCUC should attach the enclosed Capital Expenditures table to their Summary Information Form.

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<sup>97</sup> L-46-23, pp. 1-2.

The 2018 Guidelines state:<sup>98</sup>

18. Capital Expenditures: The financial schedules in section 6 of the Annual Report to the BCUC will provide a comparison between planned and actual capital expenditures at the end of the reporting period. Annual capital expenditures and additions plan to actual cost variance explanations by main asset category will also be provided.

19. Extensions: In the Annual Report, BC Hydro will continue to provide a listing of all projects which are considered extensions pursuant to section 45(6) of the UCA.

BC Hydro proposes the following wording for paragraph 18:<sup>99</sup>

Capital Expenditures: BC Hydro will file the information required in the Summary Information Form (contained in Letter L-8-22 and attached to Letter L-46-23) within four months after the end of the fiscal year, subject to a two-month extension if requested. A statement of planned extensions to its facilities will be summarized in a Capital Expenditures table appended to the Summary Information Form.

In the Revised Application, BC Hydro proposes that paragraph 19 of the 2018 Guidelines should be rescinded as it varies from the requirements set out in BCUC L-46-23 which state that entities should provide a capital expenditures table rather than a listing of projects which are considered extensions and notes that the requirement for the capital expenditures table is already covered by BC Hydro's proposed revisions to paragraph 18 above. BC Hydro states it will continue to provide a listing of projects which are considered extensions in Appendix I of future RRAs. Furthermore, BC Hydro states it also provides a listing of extensions exceeding the expenditure thresholds as part of its anticipated major regulatory filings and other regulatory filings for the prospective 12-month period each fall (typically in September), at the request of the BCUC.<sup>100</sup>

BC Hydro states it only proposed that paragraph 19 be rescinded so that the 2018 Guidelines would be consistent with its understanding of the BCUC's instructions pursuant to Letter L-46-23. BC Hydro states it does not consider the specific filing requirement of paragraph 19 to be burdensome and/or of a diminished relevance and does not object to paragraph 19 remaining in place if the BCUC still wishes to receive a listing of all projects which are considered extensions pursuant to section 45(6) of the UCA.<sup>101</sup>

### *Positions of the Parties*

BCSEA supports BC Hydro's proposed revisions.<sup>102</sup>

BCOAPO supports BC Hydro's proposed revisions to paragraph 18 but submits paragraph 19 should be retained.<sup>103</sup>

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<sup>98</sup> 2018 Guidelines, para. 18, 19.

<sup>99</sup> Exhibit B-14, p. 24.

<sup>100</sup> Exhibit B-14, pp. 24-25.

<sup>101</sup> Exhibit B-18, BCUC IR 2.10.1.

<sup>102</sup> BCSEA Final Argument, p. 3.

<sup>103</sup> BCOAPO Final Argument, p. 19

In reply, BC Hydro clarifies it is only seeking to update paragraph 18, which is supported by BCOAPO and BCSEA, while CEC and RCIA are silent on the matter.<sup>104</sup>

The CEC recommends that the BCUC require BC Hydro to file its capital plans on a regular basis and accept the plan after determining whether a review process is required, with input from interveners.<sup>105</sup>

In reply, BC Hydro submits the CEC's suggestion should be rejected. BC Hydro submits it already files its most recent capital plan in its RRA, along with information about smaller capital projects.<sup>106</sup>

### *Panel Determination*

The Panel notes the confusion identified by BC Hydro between the content of letter L-46-23 and the wording in the existing 2018 Guidelines. Therefore, **the Panel rescinds paragraphs 18 and 19 of the 2018 Guidelines**. The Panel finds that the inclusion of paragraphs 18 and 19 in the 2018 Guidelines only adds confusion when the BCUC issues subsequent L letters, which vary from the 2018 Guidelines.

The Panel sees merit in BC Hydro filing a list of planned extensions to its system on an annual basis, above a materiality threshold of \$50 million. The Panel encourages the BCUC to review the form of UCA section 45(6) planned capital extension filings in BC Hydro's annual reports.

## **5.0 Other Issues Arising – Related Projects Reviewed Jointly**

As part of their final arguments, the BCUC asked parties to provide submissions on whether it should jointly review projects in the same facility with related scope.

Most interveners, except for RCIA, submit that projects should be reviewed separately. The CEC, BCSEA and BCOAPO agree that project timelines are a critical factor in review of applications. BCSEA considers the different timing of projects to be a common impediment to efficient and effective joint review of projects and submits the default treatment should be that projects are reviewed separately.<sup>107</sup> Similarly, the CEC and BCOAPO are persuaded that the BCUC should not order a joint review if projects are not on similar timelines. The CEC further recommends that the BCUC sparingly apply any such directive and enable separation of projects if timelines change.<sup>108</sup>

While BCOAPO sees merit in jointly reviewing projects at the same facility, it submits that consideration of whether a joint review is desirable should take into account the risk of halting or delaying a project and thus compromising the ability of a project to meet its identified need.<sup>109</sup>

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<sup>104</sup> BC Hydro Reply Argument, p. 14.

<sup>105</sup> CEC Final Argument, pp. 1-2.

<sup>106</sup> BC Hydro Reply Argument, p. 12.

<sup>107</sup> BCSEA Final Argument, p. 4.

<sup>108</sup> CEC Final Argument, p. 17.

<sup>109</sup> BCOAPO Final Argument, pp. 24-25.

RCIA supports a joint review of projects, using select AACEI Class 4 cost estimates within CPCN applications as necessary. In RCIA's view, a joint review of projects allows a comprehensive assessment of impacts and increased efficiency in decision-making.<sup>110</sup>

In reply, BC Hydro suggests that even without a joint review, regulatory efficiency can be achieved where BC Hydro submits a broad overview of related projects, such as the John Hart, Ladore and Strathcona upgrade projects which are part of the overall Campbell River system, and recommends focused review of issues not previously canvassed in proceedings of projects pertaining to the same water system.<sup>111</sup>

### *Panel Discussion*

The Panel considers that there may be efficiencies in jointly reviewing related capital projects at the same facility or projects with similar scope. The Panel notes that in the BCUC's review of BC Hydro's annual reports and RRA proceedings, it can inquire into the potential linkages between projects and can order joint CPCNs for extension projects where appropriate. The Panel understands that there may be cases where differing project timelines may not permit the joint filing of projects, or where a joint filing may result in a regulatorily inefficient process.

The Panel recommends that for related capital projects at the same facility or projects with similar scope, BC Hydro provide a broad overview of the related systems and overall investment planned for the facility in its applications in order to achieve greater regulatory efficiency. The Panel notes that BC Hydro has done so in respect of three projects relating to its facilities on the Campbell River system: the John Hart Dam Seismic Upgrade Project; the Strathcona Discharge Upgrade Project; and the Ladore Spillway Seismic Upgrade Project.

## **6.0 Overall Determination**

**As stated above, the Panel directs that paragraph 11 of the 2018 Guidelines be amended as follows:**

**11. A Major Project is a capital project that has an Authorized Cost estimate that exceeds one of the following thresholds:**

- a. \$250 million threshold for Power System projects;**
- b. \$125 million threshold for Buildings projects; and**
- c. \$50 million threshold for Information Technology projects.**

**For customer interconnection projects, the \$250 million expenditure threshold will be applied on a net cost basis.**

Each project's Authorized Cost will be compared to the expenditure threshold to determine whether a major project filing to the BCUC is required.

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<sup>110</sup> RCIA Final Argument, pdf p. 10.

<sup>111</sup> BC Hydro Reply Argument, p. 7.

The Panel does not approve BC Hydro's proposed amendments to the definition of extension in the 2018 Guidelines and paragraphs 13 and 14 of the 2018 Guidelines are to remain as worded.

**Paragraphs 18 and 19, pertaining to planned capital extensions filed in BC Hydro's annual report, are rescinded.**

In the Decision accompanying Order G-27-24A, BC Hydro was directed to incorporate certain amendments to project reporting into the 2018 Guidelines including changes to progress reports, material change reports and final reports. Directive 1 of Order G-27-24A states "BC Hydro is directed to file a blacklined version of the 2018 Guidelines, in accordance with the reasons accompanying this Order, incorporating the approved amendments to the 2018 Guidelines, to be renamed as the 2024 Updated Major Capital Project Filing Guidelines, in a compliance filing within 30 days of the date of the conclusion of this proceeding."

**For clarity, BC Hydro is directed to file clean and blacklined versions of the 2018 Guidelines incorporating both the project reporting amendments directed in Order G-27-24A and the amendments approved in this decision into a single document to be renamed as the 2024 Major Capital Project Guidelines, within 30 days.**

**To keep itself informed, the BCUC directs BC Hydro to file an annual compliance filing detailing the following statistics, within 60 days of its fiscal year end:**

- For the prior fiscal year:
  - A list of the CPCN applications submitted to the BCUC;
  - A list of the section 44.2 applications submitted to the BCUC;
  - A table showing the non-exempt capital expenditures, exempt capital expenditures, total capital expenditures, capital expenditures in major project applications, and percentage of non-exempt capital expenditures filed in major project applications.
- For the upcoming fiscal year:
  - A list of the CPCN applications forecast to be submitted to the BCUC;
  - A list of the section 44.2 applications forecast to be submitted to the BCUC;
  - A table showing the forecast non-exempt capital expenditures, exempt capital expenditures, total capital expenditures, capital expenditures in major project applications, and percentage of non-exempt capital expenditures filed in major project applications.
- A summary document outlining the most recent 10-year capital plan.

**BC Hydro is encouraged to file an application to the BCUC to review and update the expenditure thresholds in five years. Alternatively, the BCUC may find it appropriate to initiate a review of the expenditure thresholds in five years' time based on the data submitted in the compliance filing.**

**DATED** at the City of Vancouver, in the Province of British Columbia, this     15<sup>th</sup>     day of August 2024.

*Original signed by:*

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A.K. Fung, KC  
Panel Chair/Commissioner

*Original signed by:*

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A.C. Dennier  
Commissioner

*Original signed by:*

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W.M. Everett, KC  
Commissioner

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

**LIST OF ACRONYMS**

Acronym	Description
<b>2018 Guidelines</b>	2018 Major Capital Project Filing Guidelines
<b>Application</b>	BC Hydro's application to the BCUC seeking approval of certain proposed amendments to the 2018 Guidelines
<b>AACEI</b>	Association for the Advancement of Cost Engineering International
<b>Authorized Cost</b>	Authorized cost estimate of a major capital project (Class 3 P90 cost estimate)
<b>BC Hydro</b>	British Columbia Hydro and Power Authority
<b>BCOAPO</b>	British Columbia Old Age Pensioners Association et al.
<b>BCSEA</b>	British Columbia Sustainable Energy Association
<b>BCUC</b>	British Columbia Utilities Commission
<b>CEC</b>	Commercial Energy Consumers Association
<b>CPCN</b>	Certificate of Public Convenience and Necessity
<b>IR</b>	Information Request
<b>PPM</b>	Project and Portfolio Management
<b>Proposed Expenditure Thresholds</b>	The new amounts requested by BC Hydro for major project expenditure thresholds (\$250 million for Power System projects, \$125 million for Buildings projects, \$50 million for IT projects)
<b>RCIA</b>	Residential Consumer Intervener Association
<b>RRA</b>	Revenue Requirements Application
<b>SCC</b>	St'at'imc Chiefs Council

<b>Skytrain Project</b>	Surrey Langley Skytrain Electrical Servicing Project
<b>UCA</b>	<i>Utilities Commission Act</i>
<b>Updated Capital Plan</b>	BC Hydro's 10-year capital plan for fiscal 2025-2034



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

**EXHIBIT LIST**

<b>Exhibit No.</b>	<b>Description</b>
<i>COMMISSION DOCUMENTS</i>	
A-1	Letter dated April 27, 2023 – BCUC Panel Appointment for the review of the BC Hydro Request to Amend Major Capital Projects Filing Guidelines dated March 17, 2023
A-2	Letter dated May 9, 2023 – BCUC Order G-113-23 establishing a regulatory timetable with public notice and request for more information
A-3	Letter dated May 17, 2023 – BCUC Order G-118-23 establishing an amended regulatory timetable
A-4	Letter dated June 7, 2023 – BCUC Order G-132-23 establishing an amended regulatory timetable
A-5	Letter dated July 13, 2023 – BCUC Order G-184-23 establishing a further regulatory timetable with Reasons for Decision
A-6	Letter dated July 25, 2023 – BCUC response to BC Hydro abeyance request
A-7	Letter dated August 10, 2023 – BCUC Information Request No. 1 to BC Hydro
A-8	Letter dated August 25, 2023 – BCUC Order G-229-23 establishing an amended regulatory timetable
A-9	Letter dated October 31, 2023 – BCUC Order G-296-23 establishing a further regulatory timetable with Reasons for Decision
A-10	Letter dated November 10, 2023 – BCUC providing Streamlined Review Process Information
A-11	Letter dated November 14, 2023 – BCUC Order G-310-23 establishing an amended regulatory timetable
A-12	Letter dated March 6, 2024 – BCUC Order G-59-24 establishing a further timetable with public notice and request for further information
A-13	Letter dated April 9, 2024 – BCUC Information Request No. 2 to BC Hydro
A-14	Letter dated May 6, 2024 – BCUC Panel Information Request No. 1 to BC Hydro
A-15	Letter dated May 27, 2024 – BCUC guidance for final arguments

*COMMISSION STAFF DOCUMENTS*

- A2-1 Letter dated October 31, 2023 – BCUC staff submitting BC Hydro Bridge River 1 Units 1 to 4 Generator Replacement Project PUBLIC Semi-Annual Progress Report No. 1
- A2-2 Letter dated October 31, 2023 – BCUC staff submitting BC Hydro Bridge River 1 Units 1 to 4 Generator Replacement Project PUBLIC Semi-Annual Progress Report No. 2
- A2-3 Letter dated November 22, 2023 – BCUC staff submitting a witness aid for the Streamlined Review Process

*APPLICANT DOCUMENTS*

- B-1 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY (BC HYDRO)** - Request to Amend Major Capital Projects Filing Guidelines dated March 17, 2023
- B-1-1 Letter dated May 25, 2023 – BC Hydro submitting amendment to the Application Appendix D
- B-1-1-1 Letter dated September 21, 2023 – BC Hydro submitting amendment to the Application Appendix D
- B-1-2 Letter dated September 21, 2023 – BC Hydro submitting Erratum No. 1 to the Application
- B-1-3 Letter dated September 21, 2023 – BC Hydro submitting amended draft orders
- B-1-3-1 Letter dated October 3, 2023 – BC Hydro submitting Erratum to Exhibit B-1-3
- B-2 Letter dated May 16, 2023 – BC Hydro submitting extension request to file Information Request No. 1 responses and Public Notice compliance
- B-3 **PUBLIC** - Letter dated May 18, 2023 – BC Hydro submitting redacted list of notified parties in compliance with G-118-23
- B-3-1 **CONFIDENTIAL** - Letter dated May 18, 2023 – BC Hydro submitting redacted list of notified parties in compliance with G-118-23
- B-3-2 **PUBLIC** - Letter dated July 31, 2023 – BC Hydro submitting revised version of compliance with G-113-23 Directive 6 and G-118-23 providing further information
- B-4 **PUBLIC** - Letter dated May 25, 2023 – BC Hydro submitting compliance with G-113-23 Directive 6 and G-118-23 providing further information
- B-4-1 **CONFIDENTIAL** - Letter dated May 25, 2023 – BC Hydro submitting confidential compliance with G-113-23 Directive 6 and G-118-23 providing further information

- B-4-2      **PUBLIC** - Letter dated July 31, 2023 – BC Hydro submitting revised version of compliance with G-113-23 Directive 6 and G-118-23 providing further information
  
- B-5        **PUBLIC** - Letter dated June 2, 2023 – BC Hydro submitting public reply submission regarding compliance with G-113-23 Directive 6 and G-118-23 providing further information
  
- B-5-1      **CONFIDENTIAL** - Letter dated June 2, 2023 – BC Hydro submitting confidential reply submission regarding compliance with G-113-23 Directive 6 and G-118-23 providing further information
  
- B-5-2      **PUBLIC** - Letter dated July 31, 2023 – BC Hydro submitting revised version of compliance with G-113-23 Directive 6 and G-118-23 providing further information
  
- B-6        Letter dated June 27, 2023 – BC Hydro reply submission on approvals sought and further process
  
- B-7        Letter dated July 18, 2023 – BC Hydro submitting request for abeyance
  
- B-8        Letter dated August 24, 2023 – BC Hydro submitting extension request to file BCUC and Intervener Information Requests No. 1 responses
  
- B-9        **PUBLIC** - Letter dated September 21, 2023 – BC Hydro submitting response to BCUC Information Request No. 1
  
- B-9-1      **CONFIDENTIAL** - Letter dated September 21, 2023 – BC Hydro submitting confidential response to BCUC Information Request No. 1
  
- B-9-2      **REVISED** - Letter dated November 21, 2023 – BC Hydro submitting revised public response to BCUC Information Request No. 1.4.1
  
- B-10       **PUBLIC** - Letter dated September 21, 2023 – BC Hydro submitting response to Intervener Information Request No. 1
  
- B-10-1     **CONFIDENTIAL** - Letter dated September 21, 2023 – BC Hydro submitting confidential response to Intervener Information Request No. 1
  
- B-11       Letter dated September 28, 2023 – BC Hydro submission on further process
  
- B-12       Letter dated November 21, 2023 – BC Hydro submitting Streamlined Review Process support material
  
- B-13       Letter dated November 29, 2023 – BC Hydro submitting Streamlined Review Process Transcript Volume 1 Corrections
  
- B-14       **PUBLIC** - Letter dated February 23, 2024 – BC Hydro submitting public Updated Capital Plan and proposed Amendments to the 2018 Guidelines

- B-14-1      **CONFIDENTIAL** - Letter dated February 23, 2024 – BC Hydro submitting confidential Updated Capital Plan and proposed Amendments to the 2018 Guidelines
- B-14-2      **PUBLIC** - Letter dated March 12, 2024 – BC Hydro submitting errata to the public Updated Capital Plan and proposed Amendments to the 2018 Guidelines
- B-14-3      **CONFIDENTIAL** - Letter dated March 12, 2024 – BC Hydro submitting errata to the confidential Updated Capital Plan and proposed Amendments to the 2018 Guidelines
- B-14-4      **PUBLIC** - Letter dated May 14, 2024 – BC Hydro submitting errata No. 2 to the public Updated Capital Plan and proposed Amendments to the 2018 Guidelines
- B-14-5      **CONFIDENTIAL** - Letter dated May 14, 2024 – BC Hydro submitting errata No. 2 to the confidential Updated Capital Plan and proposed Amendments to the 2018 Guidelines
- B-15        Letter dated March 13, 2024 – BC Hydro submitting compliance with Order G-59-24 Directives 1 to 4
- B-16        **PUBLIC** - Letter dated March 13, 2024 – BC Hydro submitting additional information in compliance with Order G-59-24 Directive 5
- B-16-1      **CONFIDENTIAL** - Letter dated March 13, 2024 – BC Hydro submitting confidential additional information in compliance with Order G-59-24 Directive 5
- B-16-2      **PUBLIC** - Letter dated May 15, 2024 – BC Hydro submitting revised additional information in compliance with Order G-59-24 Directive 5
- B-16-3      **CONFIDENTIAL** - Letter dated May 15, 2024 – BC Hydro submitting revised confidential additional information in compliance with Order G-59-24 Directive 5
- B-17        Letter dated May 16, 2024 – BC Hydro submitting extension request to file Information Requests Responses
- B-18        Letter dated May 17, 2024 – BC Hydro submitting response to BCUC Information Request No. 2
- B-19        Letter dated May 17, 2024 – BC Hydro submitting response to BCUC Panel Information Request No. 1
- B-20        **PUBLIC** - Letter dated May 17, 2024 – BC Hydro submitting public response to Intervener Information Request No. 2
- B-20-1      **CONFIDENTIAL** - Letter dated May 17, 2024 – BC Hydro submitting confidential response to Intervener Information Request No. 2

*INTERVENER DOCUMENTS*

- C1-1      **BC SUSTAINABLE ENERGY ASSOCIATION (BCSEA)** – Letter dated July 16, 2023 request to intervene by Thomas Hackney
- C1-2      Letter dated August 17, 2023 – BCSEA will not submit an Information Request No. 1 to BC Hydro
- C1-3      Letter dated September 28, 2023 – BCSEA reply submission on further process
- C1-4      Letter dated November 22, 2023 – BCSEA submitting questions for Streamlined Review Process
- C1-5      Letter dated April 16, 2024 – BCSEA submitting Information Request No. 2 to BC Hydro
- C2-1      **BRITISH COLUMBIA OLD AGE PENSIONERS' ORGANIZATION ET AL. (BCOAPO)** - Letter dated July 17, 2023 request to intervene by Irina Mis
- C2-2      Letter dated August 17, 2023 – BCOAPO submitting Information Request No. 1 to BC Hydro
- C2-3      Letter dated September 28, 2023 – BCOAPO submission on further process
- C2-4      Letter dated April 16, 2024 – BCOAPO submitting Information Request No. 2 to BC Hydro
- C3-1      **RESIDENTIAL CONSUMER INTERVENER ASSOCIATION (RCIA)** - Letter dated August 1, 2023 request to intervene by Abdulrahman Abomazid
- C3-2      Letter dated August 8, 2023 – RCIA submitting Confidentiality Declaration and Undertaking Forms
- C3-3      Letter dated August 16, 2023 – RCIA Information Request No. 1 to BC Hydro
- C3-4      Letter dated September 28, 2023 – RCIA submission on Further Process
- C3-5      Letter dated November 23, 2023 – RCIA submitting Streamlined Review Process witness aid
- C3-6      Letter dated April 17, 2024 – RCIA submitting Information Request No. 2 to BC Hydro

- C4-1      **ST'AT'IMC CHIEFS COUNCIL** - Letter dated August 1, 2023 request to intervene by Chief Don Harris
- C5-1      **COMMERCIAL ENERGY CONSUMERS ASSOCIATION OF BC (CEC)** - Letter dated August 2, 2023 request to intervene by David Craig
- C5-2      Letter dated August 17, 2023 – CEC submitting Information Request No. 1 to BC Hydro
- C5-3      Letter dated September 28, 2023 – CEC submission on further process
- C5-4      Letter dated April 16, 2024 – CEC submitting Information Request No. 2 to BC Hydro
- C6-1      **DANICA JOHNSTON (JOHNSTON)** - Letter dated March 9, 2024 submitting request to intervene

#### *LETTERS OF COMMENT*

- D-1      **BC Sustainable Energy Association (BCSEA)** – Letter of Comment dated May 29, 2023
- D-2      **St'at'imc Chiefs Council (SCC)** – Letter of Comment dated June 1, 2023
- D-3      **Commercial Energy Consumers (CEC)** – Letter of Comment dated June 1, 2023
- D-4      **British Columbia Old Age Pensioners' Organization et al. (BCOAPO)** – Letter of Comment dated June 1, 2023
- D-5      **Nlaka'pamux Nation Tribal Council (NNTC)** – Letter of Comment dated September 21, 2023
- D-6      **Lower Nicola Indian Band (LNIB)** – Letter of Comment dated May 9, 2024