

Mr. Patrick Wruck.
Commission Secretary and Manager
Regulatory Support.
British Columbia Utilities Commission.
Sixth Floor – 900 Howe Street,
Vancouver, BC., V6Z 2N3

June 13, 2017

Re: **BC Hydro Revenue Requirement Application F2017-F2019**
BCUC Project No: 3698869

INTERVENER FINAL ARGUMENT AND PETITION

1.0 PREAMBLE

1.1 My heartfelt “KUDOS” to every participant in this monumental hearing, from BC Hydro’s Application staff to the BCUC staff and all interveners. Whether we have agreed to agree or disagree on many aspects in this test period revenue hearing, it has been an achievement. I for one am pleased to have participated.

2.0 SUMMATION OF SUBMISSIONS

2.1 Along side the BCUC’s 29 documents and the 17 Interveners this hearing has covered an array of topics well above my ambit. I have learned a great deal.

2.2 The main thrust of my information requests and intervener evidence has focused on BC Hydro’s facility known as Burrard. Located at the eastern end of the Burrard Inlet in the municipality of Port Moody.

2.3 Burrard Generating Station, Built in the 1960 has a generating capacity of 950 MW. It has operated as a Thermal Generating Facility, having 6 thermal powered generators having a capability of 7,050 gigawatt hours per year (GWh/a).

ref: https://www.bchydro.com/energy-in-bc/our_system/generation/thermal_generation.html

According to BC Hydro’s website for Burrard, quote:

“In November 2013 the provincial government announced that BC Hydro will stop generating electricity at Burrard Generating Station by 2016. At that time, the generating capability at Burrard will no longer be required after the addition of two new generating units at Mica Generating Station, completion of the Interior to Lower Mainland transmission line and installation of a new transformer at Meridian Substation in Coquitlam. Burrard will continue to provide voltage support to the BC Hydro transmission and distribution system in the Lower Mainland.”

ref: https://www.bchydro.com/energy-in-bc/our_system/generation/our_facilities/lower_mainland.html

2.4 In my reply to BCSEA-SCBC intervener evidence para 2.1 with the Attachment A, where the BCUC received a reply undertaking from BC Hydro in June 2004 that the Burrard had been converted to synchronous operations since 1986 and 1990. Some 26 years ahead of the BCUC authorization to cease generating operations at Burrard. How did that happen ?

2.5 The Commission should re-examine those employed assets for synchronous condenser operations in light of Table 8-1 to avoid double depreciations since that time.

2.6 The BCUC issued their General Order G-198-16, approving BC Hydro’s application to cease generating operations at Burrard.

- 2.7 BC Government mandates several Cabinet directives addressing “Burrard Facility” in their Direction 7 B.C. Reg. 28/2014 O.C. 97/2014, and as amended from time to time, B.C. Reg. 207/2016, July 28, 2016. The BCUC is obliged to receive instruction from Direction 7 in their deliberations to a final decision.
- 2.8 Throughout my intervener evidence I have stressed the clear definition of Burrard as defined by Direction 7 Section 1 – Definitions. The very mandate by which the BCUC must follow, not guided by, but follow.
- 2.9 Direction 7 specifically addresses “**Burrard**” (12 times) in Sections 1, 7, 11, and 15, and in Appendix B — Burrard Depreciation Rates, thereof.
- Direction 7 specifically addresses “**Thermal**” (8 times) in Sections 1 and 15, in Appendix A – Heritage Contract, and in Appendix B — Burrard Depreciation Rates, thereof.
- Direction 7 specifically addresses “**Generating**” (2 times) in Appendix A – Heritage Contract, thereof.
- Direction 7 specifically addresses “**Generator**” (5 times) in Appendix B — Burrard Depreciation Rates, thereof.
- Direction 7 specifically addresses “**Facilities**” (3 times) in Appendix A – Heritage Contract, thereof.
- Direction 7 specifically addresses “**Station**” (1 time) in Appendix A – Heritage Contract, thereof.
- Direction 7 not once address the function of “**Synchronous Condense**” thereof.
- Direction 7 section 1 – Definitions defines Burrard Thermal as, quote: “**Burrard Thermal**” has the same meaning as in the [Clean Energy Act](#);
- 2.10 The Clean Energy Act [SBC 2010] CHAPTER 22 defines Burrard Thermal as, quote: “**Burrard Thermal**” means the gas-fired generation asset owned by the authority and located in Port Moody, British Columbia”;
- 2.11 The Clean Energy does not define Burrard as a Synchronous Condense Facility / Station, but does refer to Burrard Thermal in clause 13, quote:
- “Burrard Thermal
13 The authority must not operate Burrard Thermal, except
(a) in the case of emergency,
(b) to provide transmission support services, or
(c) as authorized by regulation.”
- 2.12 In conclusion between “Direction 7” and the “Clean Energy Act”, Burrard is a “Burrard Thermal” asset, and not a “Synchronous Condense” asset using the definitions given in these two legal instruments to BC Hydro.
- 2.13 Within the BC Hydro application, as noted in evidence, BC Hydro does not refer to Burrard Synchronous Condense Facility in Chapter 8 Table 8-1, but rather Burrard Thermal. And again, Burrard Thermal is defined as a generating asset.
- 2.14 The evidence purported examines “what is in a name” from a legal definition perspective. BC Hydro dedicated Chapter 2 – Legal Framework to establish the legal credentials by which the BCUC is also governed and directed. Within the body of this framework,

2.14 continued:

Burrard is identified in many ways as noted in paragraphs 2.9 and 2.10 above, but Burrard is not referred to as Burrard Synchronous Condense Station.

- 2.15 Neither Direction 7 nor the Clean Energy Act make any provision for facility naming or renaming of a facility, whether by operation or by association. In each instrument Burrard is given clear definition by name, in reference to it's generating capacity and operation.
- 2.16 In paragraph 29 of BC Hydro's Final Argument, BC Hydro suggests (parsing), quote: "*The existing legislation addresses the re-purposing of Burrard Thermal Generating Station and rate treatment. Direction No. 7 provides that: • The Commission must grant permission to BC Hydro under section 41 of the Utilities Commission Act to cease operating those portions of Burrard Thermal Generating Station that are not required for transmission support services;*" I agree, as per Commission order G-198-16. There is nothing in that order to support Synchronous Condenser operations at Burrard. So this point is null-and-void.
- 2.17 Commission Order G-198-16 specifically lists 6 *assets into homogeneous groups of assets by the type/nature of the asset*. This final argument recommends the Commission review and remove those assets identified by the Commission from BC Hydro's Table 8-1 application for the reasons given by the Commission in their order.
- 2.18 In the same paragraph 29, BC Hydro has parsed Section 11 Commission Reviews, quote: "*The Commission "must not disallow for any reason the recovery in rates of the costs that were incurred by the authority...in consequence of decisions of either with respect to...the Burrard costs"*. In part I agree with this version of Direction 7, if it were applicable to the "CURRENT" operations and Table 8-1. In my opinion this clause is not applicable based on Direction 7 and the Clean Energy Act definitions of "Burrard" and it's operations.
- 2.19 During BC Hydro's Final Argument paragraph 387, BC Hydro provides two answers to my legal argument, - what's in a name legislatively speaking, and legal framework speaking. The following attempts to breakdown BC Hydro's first answer into several parts;

First, "*the clear purpose of Direction No. 7 is to direct the Commission to allow BC Hydro to recover the costs of Burrard Facility assets over a reasonable period of time fixed by the Commission"*

I agree, to the extent .

Second, "*Mr. Landale's approach of parsing the wording of Direction No. 7 in isolation from the broader legislative purpose runs counter to accepted principles of statutory interpretation"*. In observing the various BCUC Hearings, and reading many BCUC Final Decisions, "*PARSING*" is exactly what the Commission does in the performance of their duties as an Independent Regulator. Without the Written Law, Acts of Parliament and other Regulations, Directives from Cabinet that contain very clear definitions for the exact purpose to guide - "Parse" the Commission during their deliberations. Otherwise we would have anarchy from any BCUC Hearing Application process. I thank BC Hydro for making the point, and validating "Parsing".

THIRD, I agree with BC Hydro's second point, of course Direction 7 covers BC Hydro's right to recover the undepreciated value of the Burrard Assets associated with Generation is support of transmission support service - only. But my whole argument is about validating the appropriate assets in the functioning performance of the Burrard Synchronous Condense Station (if you will). Not a chat all, catch up on assets that have no direct relationship to the function and operation of a synchronous condenser operations. Any non related assets that have not be properly amortized or depreciated are "ForeGone".

2.20 BC Hydro points out in paragraph 388 that, quote: “*BC Hydro underscores, however, that the selection of the Burrard Facility depreciation rates does not have a material impact on its revenue requirements during the test period.*”⁶²⁴ “ So we can all agree, this discussion and argument is not about revenue, rates, income, rate of return on capital investments, or any other matter before the Commission, beyond Table 8-1, and what Burrard Synchronous Condense Station assets qualify for depreciation. Quote from footnote 624 reference, “*As discussed in BC Hydro’s response to BCUC IR 3.343.4, the specific depreciation rates selected on the remaining assets at Burrard do not have a material impact on our revenue requirements.*”

2.21 In my IRs, Intervener Evidence and Reply to Intervener Evidence IRs I speak to Chapter 2 – Legal Framework. Rather than repeat everything again, I will remind the Commission Panel of my reference to, Chapter 2 page 2-20; quote:

“2.4 Summary of Regulatory Framework 1

Table 2-6 below provides a summary of the key statutes that have an impact on the regulatory oversight of BC Hydro by the British Columbia Utilities Commission. The table provides a synopsis of the regulatory framework the British Columbia Utilities Commission is guided by on key policy areas addressed in this application. The specific sources identified should be consulted for the actual wording of the statutes.” (*underlined for emphasis*).

With respect for the Commission Panel, your interpretation and application of Direction 7 “AS WRITTEN” in Direction 7 while having regard for the “Legal Framework” is critical to your decision respecting Table 8-1. It is hoped the Commission Panel has gained some knowledge of the 106 assets listed in Table 8-1, and from the evidence now in the record.

2.22 The accounting standards (OSFI, IFRS, USoA) employed by BC Hydro appear consistent with just about any private industrial corporation, or as used by Government owned corporations. In general there is no contentious “principled” issue with Table 8-1 from an overall perspective. While I may not like how some assets are on an accelerated depreciation rates, those assets appear consistent with accounting standards. The issue is the assets and their associated asset classes themselves, having further consideration to “Asset Service Life” and “Asset Health Index” (Appendix R Asset Health-Generation and Appendix S Asset Health-Transmission and Distribution) as to the determination of Table 8-1 depreciation rates for each asset during the F2017-F2019 Test period, and beyond to the Burrard facility planned service life of 2025 operating as a synchronous condense station.

2.23 The Burrard facility as it is currently operating has no Asset Health Index ratings in this application. Given the merit in which BC Hydro appears to have with the inclusion of Appendices R and S mentioned above. The omission of an up to date Asset Health Index for the Burrard facility in this new operating era seems noticeably odd. Certainly given the prominence of Direction 7 (12 citations) for Burrard. It is also odd that the Burrard facility is not indexed in Appendix R. Please refer from the application in Chapter One, page 1-31, quote:

“Please refer to Appendices R and S for more information about our asset health indices.”.

Also in Chapter 5 Section 5.5.1.3 “Aging Infrastructure”, pages 5-59 to Section 5.5.1.6 page 5-62, where BC Hydro explains the significance of asset health over the next 10 years for remedial and or replacements of assets in the context of, quote:

“Aging infrastructure is driving the required level of expenditures to maintain and replace these assets. Investments to address aging infrastructure are necessary to maximize the life cycle value of transmission and distribution assets and protect the investment in the electric system as well as to maintain the reliability and safe operation of the system”.

2.23 continued:

Interestingly in Chapter 5 BC Hydro explains the three Management Portfolio teams in Section 5.6.3 Project delivery, pages 5-116 to 5-121. The sum of which demonstrates a very large, yet appropriate commitment to infrastructure inspections, maintenance, replacement with inference to capital cost thereof. Within the Management teams Burrard is not mentioned, this is of concern, considering the prominence of Burrard in the Lower Mainland. Tables 5-13, 5-14 and 5-15 appear to layout BC Hydro's planned commitment to operating costs associated with "Burrard" over the Test Period and beyond.

2.24 That said, it is hard to understand how BC Hydro can claim the following statement in Chapter 5, lines 17 to 20 on page 5-47, quote:

"Burrard will no longer be operated to generate electricity and will instead be operated in synchronous-condense to provide voltage support for the transmission and distribution systems in the Lower Mainland, saving operating and maintenance costs" (*emphasis added*)

Considering their plans to spend \$7 million just to get started on decommissioning Burrard Thermal Generation, when BC Hydro cannot provide a forecast of revenue relative to the savings for Burrard while operating in synchronous condense mode. See VARS in intervener reply evidence to BCSEA-SCBC, IR 8.5 page 20 plus Attachments A and B to IR 8.5 pages 21 and 22.

2.25 In Chapter 6 - Capital Expenditure and Additions, Section 6.5.1.5, Burrard's capital expenditures are planned to the tune of \$13.6 million over and above the \$7 million in decommissioning during the Test Period F2017-F2109.

2.26 On top of the \$20.6 million discussed above, BC Hydro is asking for Table 8-1 assets be depreciated over the Test Period F2017-F2019 to the tune of \$16 million plus. Ultimately by F2025 the assets in Table 8-1 will have been depreciated by some \$43.8 million. All of which in one form or another is added to the "Rate Base via the non-heritage deferral account" Please refer to BC Hydro's response to my information request IR 2.3.6.8 and the attached excel spreadsheet, filename: "RTL BSCF Depreciation Rates Ver 2.xls"

2.27 In the event the Commission approves the Assets and depreciation rates given to Table 8-1, as things stand the \$43.8 million will grow to \$57.15 million by 2025, based on 3% compounding annually while in the non-heritage deferral account. Is this wise with a well reasoned Commission decision outcome for our future.... ? That is a 30.5% capital cost increase on today's money, with no account for future value, and more unknown capital investments by BC Hydro yet to be applied for. This decision is "BLEEDING" the well. Lastly on this point of bleeding the well, BC Hydro supports their argument in paragraph 393(c), quote: (c) "BC Hydro's Interest Costs Are Recoverable", by the rate payer, BC Hydro's customers...now and in the future ! You guys are totally out of control...!

2.28 BC Hydro has not presented any supporting evidence for the Net Book Valuation (NBV) as of F2016 for those 106 assets and asset classes given in Table 8-1.

2.29 Given the Accounting Standards (OSFI, IFRS, USoA) the depreciation rates in of themselves appear to be reasonable. But and this is a very big but, BC Hydro has not supported by evidence within the application the NVB or the depreciations in joint consideration to each asset and asset class "Service Life" or "Asset Health Index".

2.30 Furthermore BC Hydro has not given any indication within the application as to the "health" of the assets listed in Table 8-1, as inspected by a Professional Engineer within the last year. See application Chapter 5 page 5-39 lines 26 & 27, and page 5-40 lines 1 to 7, and page 5-99 lines 4 to 18. Also Section 5.5.4.4 Asset Sustainment page 5-81.

2.30 continued:

There are many more inspection references I could draw the Commissions attention. The point being “Asset Health” is critical, and very relevant to Table 8-1.

- 2.31 In the absence of any rebuttal by BC Hydro during their Final Argument, BC Hydro has remained mute on how the Burrard Facility and the Asset Health Index were signed off, if they ever were ? Whether by an accountant or a professional engineer the application is mute. Reference BCUC IR 3.343.6 BC Hydro’s response, quote: “*The Asset Health Index (AHI) methodology described in Appendix S is used for Transmission and Distribution assets only. Per BC Hydro’s response to BCUC IR 2.238.3, the four synchronous condensers in the asset class included in Table S-3 are in reference to the three synchronous condensers at the Vancouver Island Terminal Substation (VIT SC2, VIT SC3 and VIT SC4), and the synchronous condenser located at the Kelly Lake Substation (KLY SC2).*” The Commission needs to ask themselves what aspects of the Burrard Facility now operating with (4) synchronous condensers is different from the (3) at Vancouver Island Terminal Substation, Kelly Lake Substation....? Which have been assessed using BC Hydro’s Asset Health Index regime....? See BCUC IR 1.53.8, very illuminating all 13 pages, including the absence of Burrard.
- 2.32 The Commission should not rely on prior hearing processes or decisions to guide this intervention for a facility that did not exist when those decisions were made in prior years. It is today that matters, and the evidence within this hearing on record, that matters. Reference paragraph 384, quote: “*BC Hydro’s approach was consistent with the methodology used to develop the Burrard Facility depreciation rates specified in Direction No. 7 for fiscal 2015 and fiscal 2016.*”⁶¹⁷
- 2.33 Lastly on inspections, please refer to Chapter 5 “Preventative Maintenance” page 5-99 lines 7 to 20. And page 5-102 line 4 to page 5-104 line 6 inclusive. Just about every asset and asset class referred to in this text can be found in Table 8-1.
- 2.34 In BC Hydro’s response to the BCUC IR 3.343.2, BC Hydro has provided “NEW EVIDENCE” with their Attachment 1. There are so many “*BC Hydro classified assets into homogeneous groups of assets by the type/nature of the asset*” in this Attachment 1, that I could make a federal case out of. For instance, 2 training centres, Bldg, sandblast/pressure wash, Access Road Bridge, STN, Warehouse & lunchroom upg, Tent, Backhoe loader, Video Conference Equipment, Tailgate - Mounted Salt/Sand Spreader, **and my all time favourite, “H00004 Held for Sale - Land 1007252 PTNS LOTS 5,12,13&14 OF S19,TP”** Why is this asset held for sale and depreciated, when it is supposed to be in support of the Burrard Facility as a “homogeneous asset” ??? (homogenous:.... corresponding in structure because of a common origin.)
- 2.35 In the BC Hydro Attachment 1, there are so many items with the same “*homogenous*” headings, that truly the Commission must now seek specific answers to, ahead of the Commission rubber stamping their approval of Table 8-1 and the depreciation rates listed therein. Please lets have some common sense.
- 2.36 It is my opinion the Commission should be most disturbed by BC Hydro’s complete lack of supportive evidence for the assets listed in Table 8-1, along with Attachment 1 noted above, given in conjunction with my request to see specific drawings that would have aided the Commission’s understanding and legitimacy of the 106 assets listed in Table 8-1 seeking depreciation rate approvals. In my evidence and in IR responses to BCSEA-SCBC, I have endeavored to bring to the attention of the Commission Panel the technical complexities of only a few of the assets given in Table 8-1. There is so much more missing evidence, that should have been provided by BC Hydro to inform the Commission.

2.36 continued:

Contrary to BC Hydro's biased opinion, reference paragraph 386, quote: "*BC Hydro submits that it has provided ample support for the proposed Burrard Facility depreciation rates*".

- 2.37 Following BC Hydro's pointed opinion in paragraph 385, quote: "*Mr. Landale's skepticism about BC Hydro's depreciation approach should be given no weight. Mr. Landale is neither an accountant, nor a depreciation expert.*⁶¹⁹", never claimed to be. Let me be perfectly clear to BC Hydro and the author of BC Hydro's Final Argument, "I AM AN EXPERT WITH 30 PLUS YEARS EXPERIENCE WITH ELECTRICAL DRAWINGS, WHICH INCLUDE P&ID's PROCESS FLOW DIAGRAMS, SINGLE LINE DIAGRAMS AND MANY MANY MORE OTHER RELATED PLANT SUPPORT SERVICE DRAWINGS" HOW DARE YOU IMPUGN MY EXPERT PARTICIPATION IN THIS MATTER WITH SUCH A REMARK.
- 2.38 In a limited capacity following the January 18th. meeting, my IRs included various drawings by way of examples of the nature of assets that the drawings would have informed BC Hydro and the Commission, albeit none where Burrard assets. I also included many photographs of similar / related assets with various annotations, again to inform BC Hydro and the Commission. I know what I am talking about, thank you very much
- 2.39 In BC Hydro's Final Argument, paragraphs 385 and 386 they purport the requested drawings would not provide the Commission with informative information. I disagree obviously; please consider the purpose of drawings, and their need to be constantly updated to reflect current equipment (this is called As Building). Drawings show the interconnectedness of equipment and assets, where in paragraph 384, quote: "*BC Hydro classified assets into homogeneous groups of assets by the type/nature of the asset*" are homogenically related...."*The proposed depreciation rates reflect the remaining assets after the change in use of the Burrard Facilit.*⁶¹⁶" As such these assets are listed in Table 8-1 and Attachment 1 noted above according to BC Hydro.
- 2.40 For the purposes of integrity for my Burrard Facility Asset Depreciation Rates concerns (see paragraph 2.46 herein), I can acknowledge in a limited capacity that the new information contained in BCUC IR 3.343.2 Attachment 1 noted above contains items that would not have been apparent by looking at the requested drawings. For the purposes of this acknowledgement, they are, but not limited to, 2 training centres Bldg, sandblast/pressure wash, Access Road Bridge, STN, Warehouse & lunchroom upg, Tent, Backhoe loader, Video Conference Equipment, Tailgate - Mounted Salt/Sand Spreader, H00004 Held for Sale - Land 1007252 PTNS LOTS 5,12,13&14 OF S19,TP, Support / Analysis Equipment and Tools, various lands, fences and foundations, roads and drainage. Almost all other items in Table 8-1 would have been revealed by viewing the drawings, and thus do not need to be singularly hi-lighted here, my concerns are already in evidence.
- 2.41 It should also be disturbing to the Commission, that by approving Table 8-1 as presented without supportive evidence, the Commission is setting a precedence for future asset depreciation applications by BC Hydro on many projects looking forward into the Test Period and beyond. Retrospectively as noted by BC Hydro in paragraph 384.
- 2.42 BC Hydro's response to BCUC IR 3.343.2.1 is in my opinion not a complete or accurate assessment of the remaining assets, quote: "*The assets identified as being used solely for generation had their assets lives updated so that they would be fully depreciated by March 31, 2016*". Here are a few examples from Table 8-1, Protection Cathodic, Gates Inlet/Outlet, Turbine Comp Pool, Supervisory Sys Turb, Piping High Press, Insulation Boiler, Instrument Boiler. Some of these assets "homogenically" connected should be removed, such as the high pressure and boiler systems are no longer required or in service, just as a few examples.

2.42 continued:

Using the drawings, I would have asked many many more questions regarding the Water Treatment, Bunzen Lake, Fortis BC Gas Supply and metering station. The list is extensive.

- 2.43 Surely the need to being fully informed “**Jurisprudence**” must prevail over BC Hydro’s neglect to present the Commission with “complete supportive evidence” prior to seeking any approvals. Or put another way;

Natural law is the idea that there are rational objective limits to the power of legislative rulers. The foundations of law are accessible through reason and it is from these laws of nature that human-created laws gain whatever force they have.

- 2.44 The twist and turns of interpretations (*parsing*), BC Hydro’s opinion of my original meaning is encapsulated by BC Hydro’s in paragraph 28 re-quote footnotes “²⁵Exhibit C 15-8”. “²⁶Exhibit A-18, p.12: “The Panel agrees with BC Hydro that the Commission’s jurisdiction is defined by the existing legislation and it does not include advising Government on amendments to legislation in the manner desired by Mr. Landale.” A major impediment to the functioning of a Independent Review and oversight Commission, given the Commission’s a to receive and follow instruction from the government, (who are no longer in power). See “RESPONSIVENESS” in the BCUC Business Plan, which includes the Public Interest, as stated.

- 2.45 I believe in closing it is appropriate to remind the Commission of their 2016-2019 Business Plan dated March 31st. 2016. Therein amongst many other statements the Commission has clearly stated their Mission, Vision, and Values. This final argument submission holds the Commission to the tenets of their published business plan, and to embrace the comments of the Independent Review’s findings and recommendations. I hope the Commission will overlook BC Hydro’s general disparaging overtures towards me personally, as they are not relevant. And take into account positively my singular effort, technical information with detail I have used in my participation throughout this hearing. It is the substance that matters.

382. “BC Hydro’s proposed depreciation rates for the Burrard Facility are set out in Table 8-1 of the Application. BC Hydro submits that, for the reasons detailed in BC Hydro’s evidence and summarized below, the proposed depreciation rates for the Burrard Facility should be approved. Mr. Landale is the only party who has challenged the Burrard Facility depreciation rates thus far, and his arguments on this point are without merit.”

- 2.46 385. “Mr. Landale’s primary issue appears to be that he was unable to verify the accuracy of the depreciation rates for the Burrard Facility because he was “denied access”.

How wrong BC Hydro is or the author, it is about Burrard.

- 2.47 Given the volumes of evidence and the enormity of subject matter in this application, my silence is due to exhaustion, and no other inference should be drawn.

All of which is respectfully submitted to the Commission and BC Hydro.



PETITION
To
BRITISH COLUMBIA UTILITIES COMMISSION
IN THE MATTER OF
BURRARD AND THE CURRENT LEGAL FRAMEWORKS THERETO:

I Richard T. Landale, Intervener C-15 with the British Columbia Utilities Commission in the matter of BC Hydro F2017 to F2019 Revenue Requirement Application hereby PETITION the BCUC to make recommendations to the British Columbia Government to amend present legislation, Direction 7 and all applicable Regulations for the removal of the BC Hydro Facility known as Burrard Thermal Generating Plant.

On record with the BCUC are Intervener C15 submissions that raise concerns as to the legitimacy of current in force legislation, Directives and Regulations that define the BC Hydro facility known as Burrard as a Thermal Generator operating facility in support of transmission. Since 1986 according BCUC records show, (see Exhibit B1-157 in BCTC UNDERTAKING BC HYDRO REVENUE REQUIREMENT HEARING 2004/05 AND 2005/06), the Burrard Facility has been operating as a synchronous condense facility, and not as a thermal generating facility. Further upon application by BC Hydro, the BCUC Commission granted BC Hydro application to cease operations in their General Order G-198-16, citing 6 *homogeneous* asset classes used in those operations.

Further, the BCUC should investigate all prior BC Hydro depreciations of assets used as thermal generating assets, while in fact those depreciated assets were used as synchronous condenser assets in support of transmission under the privilege of Direction 7. Which this petitioner believes was inappropriate, as Direction 7 does not recognize synchronous condenser operations at Burrard by Direction 7 definitions.

With regard for the BC Hydro application to the Commission to approve Burrard Thermal Depreciation Rates as provided in Table 8-1, Direction 7 does require the BCUC Commission to approve depreciation rates for the "Burrard Thermal Generating Plant". Direction 7 is completely mute in regards to the "Burrard Synchronous Condense Station", therefore rendering the directives to Burrard contained in the Direction are not applicable to the present operations.

This petition is fully aware the Commission is reluctant to make recommendations to Government, but as Independent Regulators you have the only "INFORMED" voice based on the record and evidence to inform the Government on behalf of British Columbians et al.

This petition inclusive of all information requests, replies, evidence and argument submitted by me, seeks of the BCUC Commission Panel their recommendation to the British Columbia Government (now NDP) and not the late Liberal Government, enact changes to all applicable Legislation, Directives and Regulations referring to Burrard (Facility, Thermal, Generating, Plant, Station) to coincide with the recently granted change in operations to Synchronous Condense Operations in support of Transmission.

