



NEWS RELEASE – BCUC Approves BC Hydro’s Application to Purchase Share of Waneta Dam

July 18, 2018

VANCOUVER – The British Columbia Utilities Commission (BCUC) has approved BC Hydro’s application to purchase Teck Resources’ two-thirds share of the Waneta Dam in southeastern B.C.

The BCUC considered a number of factors in deciding to approve the transaction, including:

- The impact on BC Hydro customers and other stakeholders is beneficial over the 40-year lifespan of the dam;
- The purchase is consistent with the *Utilities Commission Act* and the *Clean Energy Act*; and
- The expenditure is in the public interest.

As part of the transaction, BC Hydro assumes full ownership of the Waneta Dam but agrees to immediately lease the purchased two-thirds share back to Teck Resources for 20 – and possibly 30 – years in return for guaranteed lease payments.

Background

The Waneta Dam, owned by BC Hydro (one-third) and Teck Resources (two-thirds), is located southeast of Trail, B.C., supplying power to BC Hydro’s customers and Teck Resources’ mining operations in Trail.

In May 2017, Teck Resources informed BC Hydro it had reached an agreement to sell its two-thirds share of the Waneta Dam to Fortis Inc. Under its existing Co-Ownership and Operating Agreement with Teck Resources, BC Hydro exercised its option to match Fortis Inc.’s offer to purchase Teck Resources’ share of the Waneta Dam under equivalent terms. As noted above, the transaction includes a lease agreement where the two-thirds share would continue to supply power to Teck’s operations in Trail for guaranteed lease payments for the next twenty years, with an option to continue for an additional ten years. At that time, BC Hydro proposes to use the energy to supply its customers.

BC Hydro’s decision to purchase Teck’s interest in the Waneta Dam was subject to approval by the BCUC under the *Utilities Commission Act*. In November 2017, the BCUC appointed three commissioners to a panel to conduct the review of BC Hydro’s transaction application in an open and transparent process. The review included a community input session in Castlegar, two procedural conferences and written and oral submissions by seven registered interveners representing a range of interests in the proceeding. The full decision and all proceeding documents can be found [here](#) on the BCUC website.

About the BCUC

The BCUC is a regulatory agency responsible for oversight of energy utilities and compulsory auto insurance in British Columbia. It is the BCUC’s role to balance the interests of customers with the interests of the businesses it regulates. The BCUC carries out fair and transparent reviews of matters within its jurisdiction and considers public input where public interest is impacted.

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