

Date Submitted: August 19, 2019

Proceeding name: Nelson Hydro 2019 Rural Rate Application

Are you currently registered as an intervener or interested party: No

Name (first and last): Christina Postnikoff

City: Nelson

Province: British Columbia

Email: [REDACTED]

Phone number: [REDACTED]

Comment:

Commission Secretary BCUC Letter of Comment Nelson Hydro Rural Rate Increase 2019 I am submitting a public notice post June 20, 2019 re Nelson Hydro/ Telus Aerial Make Ready (AMR) Project and also an July article from Nelson Daily News entitled Steeper Nelson Hydro project forces city to dig deeper to cover capital costs. I would like to know if the AMR project has been included in the Nelson Hydro Rural Rate Increase 2019 and how this affects customers rates. I saw the installation of many of these poles along Granite Road. There is one on my road and it is approx. 6 feet taller than the previous pole. The old pole has not been removed. Will the old poles be removed. Are poles more likely to be removed from urban than rural areas. I was told the function of the lines did not change with change in pole height. What was the reason for increase in pole height. Telus also installed poles for the fibre optic system along Granite Road. What Telus lines will be going on Nelson Hydro poles, how do they connect then to Telus poles. I would like to know if all Nelson Hydro customers are paying for the AMR project and if all customers will be able to access the Telus service that the project provides. Is the AMR project a service for which all Nelson Hydro customers pay for, but not all receive. Is Balfour to receive Telus fibreoptic. What other services do all Nelson Hydro customers pay for but not all receive service. I tried looking at the map for pole placement and could not find it. It is hard to figure out how many poles are being replaced, there is an notice on Dodge lead Centre ITEM: Aerial Make Ready Pole Changes - Phase 2 Valuation: \$199,999 Owner Type: Public Bid Ends: Jul 25, 2019 Location: BC (Central kootenay) Report #: 201900735617 v. 3 Description: Phase 2 of the aerial make ready (AMR) pole change project involves the replacement of 128 Nelson Hydro electrical distribution utility poles. Thank you, Christina Postnikoff [REDACTED]

D-space has won a USD \$1 million project provides products and services to the international market, but provides particle accelerator comes after more than two decades



City of
NELSON

June 20, 2019

NOTICE TO PUBLIC:

Nelson Hydro / Telus Aerial Make Ready (AMR) Project



The AMR Project is approximately 450 pole/structure upgrades/replacements throughout the City of Nelson and surrounding areas.

Due to the quantity and tight completion timelines per Telus schedules there will be several powerline crews working throughout the City and area in order to avoid the inclement fall/winter weather.

What's happening?

- Power pole structures upgraded or replaced (approximately 450+)
- Nelson Hydro poles have hydro lines and also telephone lines and cable lines
- Telus' Project Falcon is part of a \$4-billion investment in new fibre infrastructure and facilities that Telus is making across British Columbia in order to provide their customers with a new high-speed network that has a limitless bandwidth.

Where in our area?

- City of Nelson and surrounding areas (Visit the city's website @ www.nelson.ca for a detailed map)

When will this work be done?

- Commencement Date: June 2019
- Completion date (approximate): end of summer, 2019

Why is it important for you, our customer?

- Upgrading or replacing infrastructure is important for reliability and safety to your electric utility
- It's important for us to work cooperatively with our partners Telus
- Without completion of the AMR Project the necessary Telus infrastructure cannot be installed thereby preventing the installation of a new high speed network/fibre to homes and businesses

How may your property and neighbourhood be affected?

- Multiple crews using large equipment to set power poles and work at heights will create congestion in the block where they are working.
- In order to upgrade or replace poles, areas around the pole will be disturbed. Landscape restoration work will be completed near the end of the project. To ensure restoration to original condition please take pictures of the area before and after.
- Disruptions to traffic and parking areas will be handled with as much notification and signage as practical .

How will you be notified of planned outages?

- Where practical, crew will hand-deliver notice to affected residences
- Sandwich boards will be placed in affected areas

For more information:

Contact Nelson Hydro Administration at (250) 352-8240 / nelsonhydro@nelson.ca

A slight adjustment to the current capital plan laid out for the city-owned utility carries with it a \$2.3 million price tag.

Nelson Hydro has elected to change gears on its measured pole replacement project (100 per year) and hitch a ride with communications company Telus and aim for the replacement of around 600 poles this year.

Although the utility will see an increase in capital costs with the move in 2019, it actually will save approximately \$600,000 — a reduction of pole replacement budget over the next six years — by stepping up with Telus, Nelson Hydro general manager Alex Love explained.

“This is a significant change,” he said Monday during Nelson city council’s regular meeting in council chambers. “But we needed some clarification now on this part.”

Called Telus Project Falcon, the plan involves approximately \$2,041,327 in project costs with around \$1.42 million to be funded by Telus.

Love said Nelson Hydro had a joint pole agreement with Telus that defined how the cost sharing worked.

“Given that this is driven by Telus, they will be paying for about 70 per cent of the costs rather than the 50 per cent that would have otherwise occurred if the pole replacements were simply due to end of life issues,” he said in his report to council.

“It ends up being a beautiful financial arrangement for Nelson, we just didn’t plan on doing this in 2019.”

The accelerated pole replacement schedule will result in reduced pole replacement needs in the next several years, with some reduction in capital spending in those years, Love noted.

Many of the poles would have to be replaced over the next several years anyway due to coming to the end of life, said Love. There are, however, a few poles that would not have been replaced so soon but will have to be removed under the project in order to accommodate a taller pole, he added.

In all, there are around 5,000 power poles in the city’s collection, with test and inspection performed on the structures every eight years. A pole needs to be replaced, on average, every 40 to 45 years.

July 23

The capital projects plan had been reviewed and approved during the business planning meetings previously but the new circumstances require the plan to be modified.

The move isn't uncommon, explained city chief financial officer Colin McClure, with the municipality adjusting its budget as the need arises, like nearly every other municipal government.

In order to accommodate the pole replacement project the city will be dropping a \$698,000 concrete work project at the power plant, deferring it from 2019 to 2020.

"We just don't have the capacity to take that on right now," said Love.

There was also the addition of small copper replacement in the amount of \$300,000. Funded by Nelson Hydro, the project had to be incorporated into the current year as a result of the Telus Project Falcon, which requires work in the small copper areas.

"Small copper is no longer considered safe to work under and thus it makes sense to replace it before the Telus fibre work is undertaken," said Love.

"If it were not for Project Falcon, this small copper work would have been undertaken at a future point in time."

The net effect on the capital budget is a deferral of \$698,000 from 2019 to 2020, the addition of \$2,341,327 of new capital work to 2019, with a third party contribution (Telus) of \$1,421,776 in 2019.

Despite the move being a partial change in timing of capital expenditures, the Nelson Hydro capital reserve has been built up to a level where it can accommodate the changes in capital timing, said Love, especially in consideration of the Telus contribution to the capital costs.

"Proceeding with the pole replacements for Project Falcon helps renew infrastructure and allows Telus to proceed with offering their fibre optic service to Nelson residents," Love concluded.