



LETTER NO. L-7-05

ROBERT J. PELLATT
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Log No. 7752, 8111

VIA E-MAIL

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January 24, 2005

Mr. Richard Stout
Chief Regulatory Officer
British Columbia Hydro and Power Authority
17th Floor, 333 Dunsmuir Street
Vancouver, B.C. V6B 5R3

Dear Mr. Stout:

Re: British Columbia Hydro and Power Authority ("BC Hydro")
2004/05 and 2005/06 Revenue Requirements Application
British Columbia Utilities Commission Order No. G-96-04
Request for Temporary Relief from Decision 29, October, P94 Directive No. 30, p. 220

This is in response to your letter of December 1, 2004 wherein BC Hydro is seeking temporary relief from the Commission's directive to include Contractor safety statistics in its goal setting and pay for performance systems for its own employees by the next revenue requirements application.

From the above letter, the Commission Panel understands that BC Hydro does not expect to be able to comply with the Panel's directive by the Revenue Requirements application expected to be filed in February 2006.

The Commission Panel recognizes that BC Hydro may require some flexibility in implementing the Panel's directive, however BC Hydro's request makes no commitments with respect to a firm implementation date and the suggested time frame proposed appears to be excessively long (i.e., three to four years from now). In addition, the Panel believes that in the initial phases, a complete and statistically verified set of data is not required for performance reviews. Further more, the Contractors Associations have informed the Commission by their letter of November 9, 2004, (copy attached) that they are already keeping safety statistics for contractors working on the BC Hydro system.

The Commission Panel, however, believes that a phased approach to the implementation may be more practical and therefore the Commission Panel denies the request but orders BC Hydro to submit a revised implementation schedule which incorporates an expedited implementation of the directive to the greatest extent possible.

Yours truly,

Robert J. Pellatt

RWR/rt
Attachment



Line Contractors' Association of BC

324, 12388-88th Avenue, Surrey, B.C., V3W 7R7

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November 9, 2004

Mr. Robert J. Pellatt
Commission Secretary
Sixth Floor, 900 Howe Street
Box 250
Vancouver, BC V6Z 2N3

Dear Mr. Pellatt:

After reading the BC Hydro and Power Authority 2004/05 2005/06 Revenue Requirements application and BCTC application for Deferral Accounts dated October 29, 2004, we comment as follows. The direction given to BC Hydro by the Commission Panel, last paragraph Page 94,

"The Panel directs BC Hydro to include contractors' statistics in its goal setting and objectives for its pay for performance systems for its employees and to monitor contractors' safety for work on the BC Hydro system in the same manner as it does for its own employees. It may take some time for contractors to establish systems to collect such statistics therefore, if BC Hydro does not expect to be in a position to comply with this directive by the next revenue requirements application, then BC Hydro should file a report with the Commission by December 1, 2004, to seek temporary relief from this Directive."

In the fall of 2001 the LC Line Contractors Association developed a thorough safety statistical database on our web page, with the encouragement of Brian Demerse, then Manager LM/VI Field Resources at BC Hydro. This database is kept up to date on a regular daily basis. LCA provides a safety program for all Line Contractors that work on the BC Hydro distribution system. Our accident rate, type of injuries and length of rehabilitation (return to work) statistics are provided by Keith Mason Head of the WCB Statistics Dept.

Mr. Robert J. Pellatt
November 9, 2004

BC Hydro managers, upon request are provided with a password to access the entire database. Contractors are provided with passwords that only allow access to their own company.

In order for the commission to check on this information we provide you with this confidential password :

Web Page:	www.lca.ca
Username:	RPellatt
Password:	bcuc04

I hope this information is of assistance to the Commission.

Yours truly,

P. J. (Paddy) Hatch
Business Manager

PJH/r