



McCarthy Tétrault LLP  
Suite 2400, 745 Thurlow Street  
Vancouver BC V6E 0C5  
Canada  
Tel: 604-643-7100  
Fax: 604-643-7900

**Morgan Troke\***  
Partner  
Direct Line: (604) 643-7974  
Direct Fax: (604) 622-5750  
Email: mtroke@mccarthy.ca  
**\*Law Corporation**

*Assistant: Linda Jung  
Direct Line: (604) 643-5919  
Email: ljung@mccarthy.ca*

October 18, 2024

**Via Email**

British Columbia Utilities Commission  
Suite 410, 900 Howe Street  
Vancouver, BC Canada V6Z 2N3

**Attention: Patrick Wruck, Commission Secretary**

**Re: Application for an Order for the Exemption of Glencore Canada Corporation from the Requirements of Part 3 and Section 71 of the *Utilities Commission Act* (British Columbia) (the "Act")**

Dear Mr Wruck:

Please find enclosed an application made by Glencore Canada Corporation (the "**Applicant**") pursuant to section 88(3) of the Act for an Order in respect of the continuing exemption of the Applicant from the requirements of Part 3 and Section 71 of the Act. We are counsel to the Applicant and make this filing on behalf of the Applicant.

If you require any further information, please do not hesitate to contact the undersigned.

Yours truly,

Morgan Troke  
Partner

**BRITISH COLUMBIA UTILITIES COMMISSION**

**APPLICATION FOR AN ORDER FOR THE EXEMPTION OF GLENCORE CANADA  
CORPORATION FROM THE REQUIREMENTS OF PART 3 AND SECTION 71  
OF THE *UTILITIES COMMISSION ACT***

**October 18, 2024**

## TABLE OF CONTENTS

I.	INTRODUCTION.....	1
II.	FACTS AND BACKGROUND.....	1
	The Applicant.....	1
	The Customer .....	2
	Electrical Facilities.....	2
	Nature of Service to be Provided.....	2
	Key Commercial Terms Between Glencore and Brenda Renewables .....	3
	Governing Regulatory Framework.....	3
	BC Hydro Support.....	4
III.	RELIEF SOUGHT .....	4
IV.	BASIS FOR RELIEF SOUGHT.....	4
V.	TIMING OF DECISION.....	4
VI.	CONCLUSION .....	5
	Schedule A Draft Commission Order .....	1
	Schedule B Single Line Diagram .....	1
	Schedule C BC Hydro Letter of Support.....	1

**APPLICATION FOR AN ORDER FOR THE EXEMPTION OF GLENCORE CANADA  
CORPORATION FROM THE REQUIREMENTS OF PART 3 AND SECTION 71  
OF THE *UTILITIES COMMISSION ACT***

**I. INTRODUCTION**

1. Glencore Canada Corporation (“**Glencore**”) has entered into a lease agreement (the “**Lease**”) dated April 5, 2024 with Brenda Renewables Ltd. (“**Brenda Renewables**”) pursuant to which Brenda Renewables will sublease certain lands from Glencore, for a term of more than 5 years, for the purposes of operating a compost facility (the “**Compost Facility**”) to be designed and constructed by Glencore. Pursuant to the Lease, Glencore will resell electricity, supplied by BC Hydro to Glencore’s substation at Brenda Mine (the “**BDM Substation**”), to Brenda Renewables for the operation of the Compost Facility.
2. This is an application by Glencore to the British Columbia Utilities Commission (“**Commission**”) under section 88(3) of the *Utilities Commission Act*, RSBC 1996, c 473 (“**UCA**”) to exempt Glencore from Part 3 of the UCA, and Glencore and Brenda Renewables from section 71 of the UCA, with respect to the resale of electricity, supplied by BC Hydro to Glencore’s BDM Substation at Brenda Mine, by Glencore to Brenda Renewables.
3. For the convenience of the Commission, a proposed draft order is attached as Schedule A.
4. As described in further detail below, the Part 3 and section 71 exemptions should be granted in connection with Glencore’s resale of electricity to Brenda Renewables because (a) the connection of Brenda Renewables to Glencore’s BDM Substation makes efficient use of existing underutilized electrical infrastructure, avoiding the need for any new or upgraded BC Hydro electricity infrastructure, (b) Glencore will flow-through the price of electricity purchased by it from BC Hydro to Brenda Renewables on a metered basis with no markup, and therefore the price for electricity provided by Glencore to Brenda Renewables will not exceed the price that BC Hydro would otherwise charge Brenda Renewables if Brenda Renewables were a direct customer of BC Hydro, and (c) Brenda Renewables will not resell electricity to others.

**II. FACTS AND BACKGROUND**

**The Applicant**

5. Glencore is a wholly owned subsidiary of Glencore plc, which is one of the world's largest global diversified natural resource companies and a major producer and marketer of more than 60 commodities. The Brenda Mine is a former Cu-Mo open pit mine that has been closed since 1990. Since the closure, post-mining activity has focused on water treatment and site maintenance. Glencore has partnered with Brenda Renewables to operate an organics processing facility to make compost which will be applied to the mine features to enhance vegetation.

## **The Customer**

6. Brenda Renewables is a waste diversion company that specializes in converting materials otherwise destined for landfill into Class A compost for use as a soil enhancement and clean, renewable energy. In the current phase of the site operation, food, yard, and garden waste as well as other organic materials will be processed in a composting operation. The site has been developed in a manner that may allow expansion to include anaerobic digesters for the production of renewable natural gas.

## **Electrical Facilities**

7. The BDM Substation at the Brenda Mine site is owned and operated by Glencore. It is interconnected with the BC Hydro transmission system at 138kV and steps down electricity to distribution voltage at 13.8kV.
8. The BDM Substation is supplied by a tap off the BC Hydro transmission line designated "1L244". Transmission line 1L244 extends from the BC Hydro owned Nicola Substation (NIC) to the Westbank Substation (WBK). The main transformer in the BDM Substation is a 5 MVA, 138/13.8 kV transformer.
9. Glencore also owns and operates an electrical distribution system downstream of the BDM Substation. This 13.8 kV distribution system is broken down into two circuits within the BDM Substation, each of which is served by air circuit breakers and a set of cutouts.
10. The circuit number one provides power to a water treatment plant and loads at the south and eastern portions of the Brenda Mine site (including a Drive BC webcam located on the Highway 97C interchange).
11. The second circuit provides power loads on the north and west portion of the Brenda Mine site, and will be used to provide service to Brenda Renewables at the Compost Facility, located approximately 250 meters from the BDM Substation directly, and 450 meters as wired, largely following existing poles used for site power distribution.
12. An electrical single line diagram depicting the interconnection with the BC Hydro transmission system, the BDM Substation, the distribution feeders that serve the Brenda Mine site and the Compost Facility is attached as Schedule B.

## **Nature of Service to be Provided**

13. The nature of the service to be provided by Glencore to Brenda Renewables is the provision (including transformation, distribution, and resale) of electricity. Glencore is responsible to procure, install and maintain revenue metering equipment for the determination of electricity used by Brenda Renewables. Glencore is responsible to invoice Brenda Renewables for electricity including any prorated determination of metered energy and demand.
14. The BC Hydro revenue meter is located in the BDM Substation at primary service voltage (138kV). As BC Hydro intends to continue to treat the BDM Substation interconnection as a single transmission account in Glencore's name, Glencore will pay the total site electricity use to BC Hydro and Brenda Renewables will reimburse Glencore for its pro-rata share of the total electricity consumed.

### **Key Commercial Terms Between Glencore and Brenda Renewables**

15. Glencore will resell electricity purchased from BC Hydro under BC Hydro Rate Schedule 1830, by passing on the actual BC Hydro demand and energy charges to Brenda Renewables using metered data and rates invoiced by BC Hydro, without markup. Glencore has elected Segment 1 - Energy Charge A. These rates became effective for Glencore on April 27, 2024, for the current transition years approved by the Commission. Eligibility was determined by BC Hydro F2020 consumption data for the BDM Substation.
16. As a result, the price for electricity provided by Glencore to Brenda Renewables will not exceed the price that BC Hydro would otherwise charge Brenda Renewables if Brenda Renewables were a direct customer of BC Hydro.
17. Glencore will remain responsible for all capital and maintenance costs associated with the BDM Substation and related distribution system, and will not charge Brenda Renewables for any portion of such costs during the term for which electricity is provided by Glencore to Brenda Renewables.

### **Governing Regulatory Framework**

18. Under section 1 of the UCA, “public utility” means “a person ... , who owns or operates in British Columbia, equipment or facilities for (a) the production, generation, storage, transmission, sale, delivery or provision of electricity, natural gas, steam or any other agent for the production of light, heat, cold or power to or for the public or a corporation for compensation ...”
19. While section 1 of the UCA further states that a “public utility” does not include “a person not otherwise a public utility who provides the service or commodity only to the person or the person’s employees or tenants”, a “tenant” does not include a lessee for a term of more than 5 years. The term of the Lease between Glencore and Brenda Renewables exceeds 5 years, and therefore Brenda Renewables is not a “tenant” for purposes of the UCA.
20. As a result, based on the above described provision of electricity by Glencore to Brenda Renewables, Glencore falls within the definition of “public utility” under the UCA.
21. Under section 68 of the UCA, “energy supply contract” means “a contract under which energy is sold by a seller to a public utility or another buyer”, and under section 71 of the UCA “... a person who... enters into an energy supply contract must (a) file a copy of the contract with the [C]ommission under rules and within the time it specifies, and (b) provide to the [C]ommission any information it considers necessary to determine whether the contract is in the public interest.”
22. As a result, the Lease, which provides for the sale of electricity by Glencore to Brenda Renewables, is an “energy supply contract” under the UCA.

### **BC Hydro Support**

23. BC Hydro is aware of the service arrangements between Glencore and Brenda Renewables and its letter of support for the proposed approach for reselling electricity to Brenda Renewables is attached as Schedule C.

### **III. RELIEF SOUGHT**

24. By this Application, Glencore requests, pursuant to section 88(3) of the UCA, that the Commission grant an Order to exempt Glencore from Part 3 of the UCA, and Glencore and Brenda Renewables from section 71 of the UCA, with respect to the resale of electricity, supplied by BC Hydro to Glencore's BDM Substation at Brenda Mine, to Brenda Renewables.

### **IV. BASIS FOR RELIEF SOUGHT**

25. Glencore submits that the relief requested in this Application is in the public interest, would serve the objects and purposes of the UCA, and would be consistent with other Orders made by the Commission.
26. Glencore further submits that the relief requested in this Application is warranted because:
- (a) the connection of Brenda Renewables to Glencore's BDM Substation makes efficient use of existing underutilized electrical infrastructure, avoiding the need for any new or upgraded BC Hydro electricity infrastructure that might otherwise be required if Brenda Renewables were to request service directly from BC Hydro; and
  - (b) Glencore will flow-through the price of electricity purchased by it from BC Hydro to Brenda Renewables on a metered basis with no markup, and the price for electricity provided by Glencore to Brenda Renewables will not exceed the price that BC Hydro would otherwise charge Brenda Renewables if Brenda Renewables were a direct customer of BC Hydro.
27. Moreover, granting the relief sought in this Application would not be detrimental to British Columbia ratepayers or the public more generally, and would be an effective and efficient use of the Commission's resources, as electrical service is being provided solely to Brenda Renewables and not the broader public, nor will Brenda Renewables be reselling electricity to others.
28. Glencore requests that the Commission grant the Exemption Order on the basis that such an exemption is in the public interest and serves the objects and purposes of the UCA. A proposed draft order that would effect such a variation is included as Schedule A.

### **V. TIMING OF DECISION**

29. Exemption from regulation as a public utility is a condition to the sale of electricity to Brenda Renewables and the commencement of full scale operation of the Compost Facility, and therefore Glencore also requests that the Commission undertake an

expedited review of the Application, with a decision to be issued as soon as possible, ideally no later than four weeks following the submission date of this Application.

**VI. CONCLUSION**

30. Glencore submits that the relief sought in this Application would be consistent with the objects and purposes of the UCA and the public interest.
31. On this basis, Glencore requests that the Commission grant the Exemption Order as requested.

All of which is respectfully submitted this 18<sup>th</sup> day of October, 2024.

Per: \_\_\_\_\_  
Morgan Troke  
Counsel to Glencore

Communications with respect to this Application should be directed to:

Morgan Troke  
c/o McCarthy Tétrault LLP  
Suite 2400  
745 Thurlow Street  
Vancouver, BC V6E 0C5  
mtroke@mccarthy.ca



And to:

Gatlin Smeijers  
Glencore Canada  
gatlin.smeijers@glencore.ca

**SCHEDULE A  
DRAFT COMMISSION ORDER**

**WHEREAS:**

- A. On October 18, 2024, Glencore Canada Corporation (Glencore) filed with the British Columbia Utilities Commission (BCUC) an application for an exemption under section 88(3) of the *Utilities Commission Act* (UCA) from regulation as a public utility under Part 3 and section 71 of the UCA. The application is in respect of the resale of electricity, supplied by British Columbia Hydro and Power Authority (BC Hydro) to Glencore's BDM Substation located at Brenda Mine, BC, to Brenda Renewables Ltd. (Brenda Renewables) for the operation of a compost facility (Application);
- B. Under the UCA, a public utility is defined in section 1, in part, as:
  - A person, or the person's lessee, trustee, receiver or liquidator, who owns or operates in British Columbia, equipment or facilities for the (a) production, generation, storage, transmission, sale, delivery or provision of electricity, natural gas, steam or any other agent for the production of light, heat, cold or power to or for the public or a corporation for compensation;
- C. Glencore is a private Canadian company, and a wholly owned subsidiary of Glencore plc, that mines and supplies critical minerals, and owns and operates the BDM Substation at the Brenda Mine site;
- D. In the Application, Glencore states that it currently purchases electricity from BC Hydro, which is delivered to Glencore's BDM Substation under Rate Schedule 1830;
- E. Brenda Renewables will be the only purchaser of electricity from Glencore. Under the lease agreement (Lease) with Brenda Renewables, Glencore will share the actual cost of service from BC Hydro on a pro-rata, flow-through basis with no markup;
- F. Glencore acknowledges the service provided to Brenda Renewables is the transmission, distribution and resale of electricity;
- G. By letter dated October 7, 2024, BC Hydro acknowledged receipt of notice from Glencore stating it had no objection to the resale of electricity by Glencore to Brenda Renewables;
- H. By Ministerial Order [●] dated [●], 2024, and as attached as Appendix B to this order, the Minister responsible for the administration of the Hydro and Power Authority Act granted advance approval to the BCUC to exempt Glencore from section 71 and certain requirements of Part 3 of the UCA; and
- I. The BCUC has reviewed the Application, evidence, and submissions in this proceeding and determines that Glencore's request for exemption from Part 3, except for sections 25, 38, 42, 43 and section 71 of the UCA is warranted.
- J. The BCUC has reviewed the Application and considers approval to be warranted.

**NOW THEREFORE** the Commission orders as follows:

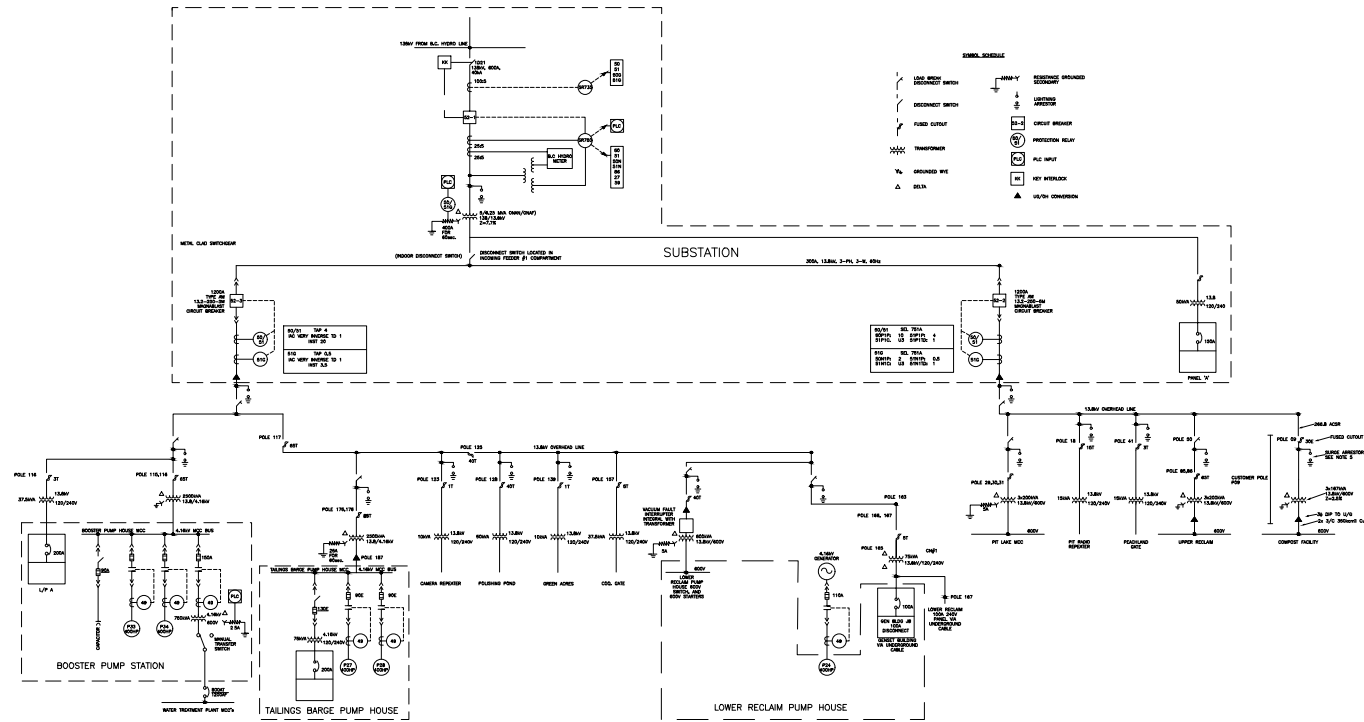
1. Pursuant to section 88(3) of the UCA, the BCUC, having been granted advance approval by the Minister responsible for the administration of the *Hydro and Power Authority Act*:
  - (a) exempts Glencore from the requirements of Part 3 of the UCA except for sections 25, 38, 42, and 43 for its BDM Substation distribution facilities used to supply electric service to Brenda Renewables; and
  - (b) exempts Glencore and Brenda Renewables from section 71 of the UCA with respect to the resale of electricity provided that Brenda Renewables is not reselling electricity to third parties.
2. The exemption referred to in Directive 1 of this order remains in effect until the BCUC, after conducting a hearing, orders that the exemption no longer applies.

**SCHEDULE B  
SINGLE LINE DIAGRAM**

*See attached*

**DESIGN NOTES**

1. ALL DISTRIBUTION STRUCTURES CONSTRUCTED TO CSA STANDARD CSA 22.3 NO. 1, BC HYDRO ES43 OVERHEAD ELECTRICAL STANDARDS USED AS A REFERENCE UNLESS OTHERWISE SPECIFIED. THE ENGINEER OF RECORD CONFIRMS COMPLIANCE TO APPLICABLE CSA AND CEC STANDARDS.
2. GROUND GRID CONDUCTORS BONDED TO EACH OTHER AND GROUND RODS WITH FIGURE C CONNECTOR (YGHC-C) AND GROUND ROD TO GRID CONNECTOR (YGLR-C).
3. WASHED GRANITE SURFACE COVERING MATERIAL SHALL POSSESS A MINIMUM WET RESISTIVITY OF 5000Ωm
4. SURGE ARRESTOR RATING  
VOLTAGE RATING 18 kV  
M.C.O.V 15.3 kV RMS
5. AVAILABLE FAULT CURRENT CALCULATIONS ARE BASED OFF OF INFINITE BUS
6. SUBSTATION BREAKER 52-2 FOLLOWS IEEE STANDARD BREAKER RELAY CURVE.



NOTE: PROTECTIVE RELAYING OF THE SYSTEM HAS BEEN DESIGNED BY THE ENGINEER & APPROVED BY THE PROTECTIVE RELAYING ENGINEER OF RECORD. REFER TO THESE PROTECTIVE RELAYING FOR PROTECTIVE RELAYING. REFER TO THE DRAWING FOR THE PROTECTIVE RELAYING.

THE SEAL AND SIGNATURE OF THE UNDERSIGNED ON THIS DRAWING CERTIFIES THAT THE DESIGN INFORMATION CONTAINED IN THESE DRAWINGS ACCURATELY REFLECT THE ORIGINAL DESIGN AND THE MATERIAL DESIGN CHANGES MADE DURING CONSTRUCTION, THAT WERE BROUGHT TO THE UNDERSIGNED'S ATTENTION. THESE DRAWINGS ARE INTENDED TO INCORPORATE ADDENDA, CHANGE ORDERS AND OTHER MATERIAL DESIGN CHANGES, BUT NOT NECESSARILY ALL SITE INSTRUCTIONS.

THE UNDERSIGNED DOES NOT WARRANT OR GUARANTEE, NOR ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE AS-CONSTRUCTED INFORMATION SUPPLIED BY OTHERS CONTAINED IN THESE DRAWINGS, BUT DOES, BY SEALING AND SIGNING, CERTIFY THAT THE AS-CONSTRUCTED INFORMATION, IF ACCURATE AND COMPLETE, PROVIDES AN AS-CONSTRUCTED SYSTEM WHICH SUBSTANTIALLY COMPLIES IN ALL MATERIAL RESPECTS WITH THE ORIGINAL DESIGN INTENT.

**ISSUED  
RECORD  
DRAWING**



**REVISIONS**

3. ISSUED FOR RECORD \_\_\_\_\_ JUN 13, 2024
2. ISSUED FOR CONSTRUCTION \_\_\_\_\_ MAY 02, 2024
1. ISSUED FOR REVIEW \_\_\_\_\_ APR 12, 2024

**PERMIT TO PRACTICE**  
SITE POWER ENGINEERING CONSULTANTS LTD.  
RR SIGNATURE: *[Signature]*  
RR EGBC ID #: 107386  
DATE: 18 June 2024  
**PERMIT NUMBER: 1002348**  
ENGINEERS & GEOSCIENTISTS  
BRITISH COLUMBIA (EGBC)

**PRIVATE POWER**  
GLENCORE BRENDA MINES  
BRENDA MINES RD, PEACHLAND  
SLD  
**SPEC JOB# 24097**  
ENGINEERS & GEOSCIENTISTS  
BRITISH COLUMBIA (EGBC)

DRAFT JE DSGN JE CHCKD KD APPR TS  
DATE

**SCHEDULE C  
BC HYDRO LETTER OF SUPPORT**

*See attached*

October 7<sup>th</sup>, 2024

Morgan Troke (mtroke@mccarthy.ca)  
Glencore Canada Corporation  
c/o McCarthy Tétrault LLP  
Suite 2400  
745 Thurlow Street  
Vancouver, BC V6E 0C5

Re: Notice of Electricity Resale under Electricity Supply Agreement

Dear Morgan,

BC Hydro and Glencore Canada Corporation (Glencore) are party to an Electricity Supply Agreement dated September 24<sup>th</sup>, 2024.

BC Hydro acknowledges receipt of notice from Glencore advising that it intends to supply a portion of electricity received at its Brenda Mine (BDM) substation to Brenda Renewables Ltd. (Brenda Renewables). Notice was provided in accordance with Section 24 of Glencore's Electricity Supply Agreement, copied below for reference.

RESALE OF ELECTRICITY

24. The Customer shall not sell, or otherwise dispose of for compensation, all or part of the Electricity supplied pursuant to this Agreement to any other person directly or indirectly without prior authorization from the British Columbia Utilities Commission and notice to B.C. Hydro.

BC Hydro understands that Glencore intends to separately meter and pass on the direct cost of electricity purchased from BC Hydro under Rate Schedule 1830 to Brenda Renewables on a flow-through basis with no markup. BC Hydro also understands that there is no subsequent electricity resale by Glencore or Brenda Renewables to any other party.

BC Hydro has no objection to the resale of electricity by Glencore to Brenda Renewables as outlined above, subject to the approval of the British Columbia Utilities Commission being obtained. BC Hydro notes that Glencore is responsible to meter and bill electricity to its tenant, Brenda Renewables, and that Glencore will continue to be responsible to pay BC Hydro for all electricity supply to the site.

Yours truly,



Mario Laszczak  
Manager, Large Customer Rate Operations