
Integrated Resource Plan

Appendix 7D

First Nations Consultation - Interim Report 2011

BC Hydro Integrated Resource Plan

First Nations Consultation Interim Report

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EXECUTIVE SUMMARY

Introduction

BC Hydro is consulting with First Nations around the province on the development of the Integrated Resource Plan. The Integrated Resource Plan will set out how BC Hydro proposes to meet future growth in electricity demand over the next 20 years.

This Interim Consultation Report is a factual report that outlines BC Hydro's approach to consultation, documents the information BC Hydro has provided to First Nations on the development of the Integrated Resource Plan and summarizes the input BC Hydro has heard from First Nations to date. BC Hydro will provide this Interim Consultation Report to First Nations and also to the Province of British Columbia. This report will assist BC Hydro in developing the Integrated Resource Plan.

BC Hydro has also received First Nations input on the consultation process for the Integrated Resource Plan. These concerns will also be considered in light of any legal requirement for First Nations consultation.

Background

British Columbia's 2010 *Clean Energy Act* requires BC Hydro to develop an Integrated Resource Plan for submission to the Ministry of Energy and Mines by December 2011 for government approval (18 months after the Clean Energy Act came into force). Bill 13 has recently been introduced in the legislature which would extend the time period to submit the Integrated Resource Plan to Government from 18 months to 30 months. The additional time will enable BC Hydro to consider any relevant outcomes from the BC Hydro Rate Review currently underway. The schedule of consultation set out in this report may change, pending completion of the Rate Review. The Rate Review will report to Government at the end of June 2011.

BC Hydro's Integrated Resource Plan is a province-wide 20-year plan that describes how BC Hydro plans to meet future growth in demand for electricity. Underpinning this plan is BC Hydro's long-standing electricity planning objective

to ensure a reliable, cost-effective electricity supply, and B.C.'s *Clean Energy Act*, including, among other things, requirements related to clean energy, greenhouse gas reduction and achieving electricity self-sufficiency. The Integrated Resource Plan will set out BC Hydro's plan for achieving electricity self-sufficiency, ensuring that 93 per cent of generation in the province comes from clean resources and for ensuring conservation reduces the expected growth in electricity demand by at least 66 per cent by 2020. As well, given inherently longer lead times, the plan will contain an assessment of transmission options looking 30 years out.

The Integrated Resource Plan evaluates portfolios of resources, but does not determine which specific projects BC Hydro will ultimately choose to develop nor will it choose the specific projects from which to acquire electricity. Any future BC Hydro projects will be subject to their own consultation processes. In addition, BC Hydro will continue to ensure that consultation has been adequate and reasonable prior to signing energy procurement agreements with independent power producers.

Consultation Process

BC Hydro's consultation on the Integrated Resource Plan involves three distinct streams; a First Nations consultation stream, a technical stream, and a public and stakeholder stream. In all three consultation streams BC Hydro is seeking input into the development of a draft Integrated Resource Plan and once a draft plan has been completed, BC Hydro will seek feedback on the draft. The input and feedback from all three consultation streams will be considered by BC Hydro in developing the Integrated Resource Plan that will be submitted to Government.

BC Hydro has invited BC's First Nations and Tribal Councils / First Nations Organizations to participate in the development of the Integrated Resource Plan through a province-wide consultation process. In addition, BC Hydro has included the BC First Nations Energy and Mining Council (BCFNEMC) in the consultation process. The BCFNEMC reports to the First Nations Leadership Council which is comprised of representatives from the Union of BC Indian Chiefs, the First Nations Summit and the BC Assembly of First Nations.

In the First Nations consultation stream, BC Hydro is holding two rounds of regional workshops and providing participant funding and reimbursement of travel expenses to First Nations participants in the workshops. There is also an opportunity for First Nations to provide written comments following the workshops. BC Hydro has also invited First Nations to participate in the public and stakeholder consultation stream. In addition, BC Hydro has provided capacity funding for the BCFNEMC to participate in both the regional workshops and the Technical Advisory Committee, which is part of the technical consultation stream.

Consultation Activities to Date

To date BC Hydro has notified First Nations and Tribal Councils in British Columbia of the consultation on the development of the Integrated Resource Plan and informed them of BC Hydro's interest in meeting with them to understand their interests and perspectives as they relate to the development of the plan.

The following components of the First Nations consultation on the Integrated Resource Plan have been implemented to date:

- BC Hydro invited First Nations, Tribal Councils and First Nation organizations to participate in the regional workshops and provided background reading material on the Integrated Resource Plan to First Nations in advance of the regional workshops.
- BC Hydro held nine First Nations regional workshops in March 2011 involving BC Hydro presentations on the Integrated Resource Plan followed by discussions facilitated by a neutral facilitator. The workshops were attended by 121 participants representing 78 First Nations, Tribal Councils and First Nations organizations. A list of First Nations, Tribal Councils and First Nations organizations that attended the regional workshops is attached (Appendix 7).
- In addition to the separate First Nations consultation stream, First Nations were also invited to participate in the public open houses and stakeholder meetings.

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- BC Hydro sought written comments from participants in the First Nations regional workshops by April 30, 2011.
 - BC Hydro entered into a capacity funding agreement with the BCFNEMC that provided funds for the BCFNEMC to participate in the Technical Advisory Committee and the First Nations regional workshops and to act as a resource to First Nations communities by providing First Nations leadership with information about the development of the Integrated Resource Plan and the involvement of the BCFNEMC in BC Hydro's consultation process on the Integrated Resource Plan.

At the regional workshops BC Hydro presented the following information:

- A description of the Integrated Resource Plan;
- An overview of how an Integrated Resource Plan is developed; and
- Information on the following six topic areas related to the development of the Integrated Resource Plan:
 - Conservation and Efficiency;
 - Electrification;
 - Electricity Generation Options,
 - Transmission Planning,
 - Export Market Potential; and
 - Clean or Renewable Energy Development in First Nation Communities.

Participants at the workshops were also provided with a First Nations Input Form and a copy of the public and stakeholder consultation workbook entitled Planning for a Clean Energy Future which provided more details on the development of the Integrated Resource Plan.

In several workshops, many participants expressed significant concern that BC Hydro was calling the process “consultation”. In light of the significant amount of input received on this issue and the importance of this topic to a substantial number of the participants, a separate topic heading for “consultation process” was created in the Interim Consultation Report to document this input.

First Nation Input into the Draft Integrated Resource Plan

First Nations input into the draft Integrated Resource Plan has been received by BC Hydro verbally and in writing. First Nations input from each regional workshop is summarized separately (Appendix 12). Additional written comments were provided to BC Hydro following the workshops which are set out in either a First Nation Input Form (Appendix 10) or by letter (Appendix 18). In addition, the BCFNEMC has submitted two longer reports containing their comments, one arising from their involvement in the Technical Advisory Committee (Appendix 17) and the other from their involvement in the First Nations regional workshops (Appendix 16)

Input on Conservation and Efficiency

There was widespread support among First Nations participants for greater conservation and efficiency. However, a concern over the cost of conservation was a recurring theme. There was a concern that First Nations, many of who are economically disadvantaged and live in homes that are not energy efficient, would be burdened with higher electricity rates and unaffordable energy efficiency upgrades. There was also a perception among some participants that business and industry are not doing their part to conserve and a perceived conflict between economic growth and conservation. Many participants expressed concern about the environmental impact of certain conservation and efficiency measures, such as the potential impact of disposing of hazardous waste (e.g. batteries and LED bulbs).

Recommendations included more funding for energy efficient upgrades and financial incentives for conservation and efficiency through programs such as net metering. There was also significant interest in education and engagement with First Nations communities, especially with First Nations youth, to build capacity to participate in greater conservation and efficiency. The BCFNEMC recommended

that there be funding for First Nation Community Energy Managers to support energy conservation in First Nation communities.

Input on Electricity Generation Options

In the first round regional workshops, BC Hydro presented three example portfolios to participants. The purpose of the example portfolios was to illustrate, in a non technical fashion, the key trade-offs that arise between broad electricity generation options and to seek First Nations' input in order to understand their general perspectives on these types of portfolios. The level of discussion on portfolios and specific resource options varied between workshops. At some sessions First Nations participants provided comments on the specific examples portfolios, but in most cases the input received was directed to the topic of electricity generation options in general. None of the example portfolios received significant support from First Nations and there were many requests for more information on portfolios before expressing a preference. Many participants were reluctant to provide input on preferences relating to portfolios without more information on how the Integrated Resource Plan might affect their communities. There was interest in taking a First Nations territory view of planning rather than a province-wide view and more involvement in the planning process (this input is addressed further under the heading Consultation Process).

There was a significant concern about increasing electricity rates and the cumulative environmental impacts of generation development. On the other hand there was significant interest in economic development opportunities for First Nations in relation to energy development, and the associated jobs and revenue.

The BCFNEMC commented that First Nations strongly support clean or renewable energy development in part because of climate change. However, the BCFNEMC states that the cost of future development projects must be taken into account in long-term planning and that a focus on conservation and sustainability can help ensure increasing electricity prices do not become a burden on local residents, or become a barrier to other types of economic development.

There was an interest in seeing more resource options included in the portfolios, including solar, geothermal, biomass, wave and tidal. There was a general

preference for developing clean or renewable resources with the exception of Site C. Many participants did not consider Site C “clean”. The recurring themes from the input on Site C were either opposition, or that the consent of the impacted First Nations is required for the project to proceed. There was significant interest in community based energy projects.

Input on Electrification

The input of First Nation participants regarding electrification varied. There was both support and opposition to taking a proactive approach to electrification while others commented that there was a “disconnect” between the benefits of electrification and the concerns of First Nations communities many of which are poor, in rural areas and not connected to the electricity grid. There was a perception among many participants that electrification will benefit urban areas at the expense of rural First Nation communities. The BCFNEMC recommends that extending BC Hydro grid service to remote communities should be a priority of electrification.

Opposition to electrification was primarily due to a concern that electrification may lead to higher electricity rates and greater environmental impact on the land through more generation and transmission projects. While supportive of actions that reduce GHG emissions, the BCFNEMC states that the potential benefits of GHG emission reductions need to be weighed against the environmental impacts of electricity generation and transmission projects.

Input on Transmission Planning

With some exceptions, there was a general preference for a proactive approach to transmission planning provided that it is done with the early involvement and accommodation of the affected First Nations. Although the topic of transmission planning involves potential future transmission infrastructure many participants were focused on compensation for the historical impacts of existing transmission infrastructure on asserted First Nations rights and title.

Many participants indicated that transmission benefits urban communities at the expense of rural First Nation communities. It was recommended that economic development opportunities for First Nations be a consideration in transmission

planning. The BCFNEMC recommends that isolated communities currently served by diesel generation should be a priority for new transmission access.

There was a concern about the cumulative environmental impacts of transmission infrastructure. Recommendations included, maximizing the use of existing transmission lines and corridors and plan where not to build transmission lines.

Input on Export Market Potential

There were many participants who expressed support for electricity exports provided that First Nations share in the benefits. There were several benefits identified, including revenue sharing, ownership interest in the export projects, and reduced electricity rates. The BCFNEMC stated that the concept that economic benefits would flow primarily to the provincial government is unacceptable.

Some participants in the workshops expressed opposition to acquiring renewable energy from independent power producers for the purpose of export. Among other things, there was a concern that export of electricity will put a greater strain on the environment and because of the economic risks involved (notwithstanding the *Clean Energy Act* protects ratepayers from the risk of loss due to export).

The BCFNEMC notes that BC Hydro will have a substantial amount of clean and renewable electricity available for export in most years and states that it is difficult to understand how a case could be made that acquiring additional electricity resources to serve the export market could result in economic benefits to British Columbia.

Whether exporting electricity or not, several participants indicated that domestic need for electricity should not be subordinated to the electricity needs in other jurisdictions.

Input on Clean or Renewable Energy Development

There was significant interest in creating revenue and jobs for First Nations communities through participation in clean or renewable energy development. There was also significant interest in connecting remote communities to the

electricity grid or alternatively having remote communities become energy self sufficient through clean or renewable generation projects that replace diesel generation. Apart from clean or renewable energy developments, participants were also interested in employment and business opportunities with BC Hydro.

There was a substantial amount of input on BC Hydro's power acquisitions processes. The input was directed at ensuring First Nations would benefit from clean or renewable energy projects and that their asserted rights and title would be respected and accommodated. There was frustration with BC Hydro's previous power acquisitions processes because of, among other things, the lack of success of some First Nations proponents and the cost and complexity of the process for First Nations proponents. In addition, there is a concern that First Nations will spend limited resource participating in consultation with proponents in a power call process without any assurance of a corresponding benefit because many proponents seeking to consult with First Nations may not be awarded an Energy Purchase Agreement.

Recommendations included capacity building and incentives for First Nations so they could effectively participate in clean or renewable energy development. Changes to BC Hydro's power acquisitions processes to support First Nations projects, such as a First Nations only power call. There was also a recommendation to undertake a feasibility study (involving key First Nations participants) on how First Nations can participate in clean or renewable energy development.

Input on Consultation Process

At several of the regional workshops participants expressed significant concern about the First Nations consultation process for the Integrated Resource Plan. Almost every participant who provided input on this issue did not consider the process "consultation".

There was a concern about the legal implications of the word consultation and the implications to First Nations resulting from their participation in the process. This issue was compounded by the fact that the future implications of the Integrated Resource Plan on individual First Nations communities was unclear to

participants and there was a concern that it may be used to justify later decisions that First Nations might oppose.

There was a wide range of views regarding what was required for consultation to occur. These included the following:

- Revenue sharing;
- Compensation for past grievances;
- Partnership between First Nations and BC Hydro in the decision-making process for the Integrated Resource Plan and earlier involvement from First Nations than presently the case;
- An understanding of the impacts of the Integrated Resource Plan from a First Nations territory perspective;
- Sufficient capacity funding available to individual First Nations so they understand the technical aspects of the Integrated Resource Plan, in particular the portfolios being developed by BC Hydro's energy planners;
- Involvement of senior leaders from BC Hydro and government in the process;
- Meetings with BC Hydro in individual First Nation communities.

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1 INTRODUCTION

BC Hydro is consulting with First Nations around the province on the development of the Integrated Resource Plan. The Integrated Resource Plan will set out how BC Hydro proposes to meet future growth in electricity demand over the next 20 years.

This Interim Consultation Report is a factual report that outlines BC Hydro's approach to consultation, documents the information BC Hydro has provided to First Nations on the development of the Integrated Resource Plan and summarizes the input BC Hydro has heard from First Nations to date. BC Hydro will provide this Interim Consultation Report to First Nations and also to the Province of British Columbia. This report will assist BC Hydro in considering input received from First Nations in developing the Integrated Resource Plan.

BC Hydro has also received First Nations input on the consultation process for the Integrated Resource Plan which will be considered along with any legal requirement for First Nations consultation.

2 BACKGROUND

British Columbia's 2010 *Clean Energy Act* requires BC Hydro to develop an Integrated Resource Plan for submission to the Ministry of Energy and Mines by December 2011 for government approval (18 months after the *Clean Energy Act* came into force). Bill 13 has recently been introduced in the legislature which would extend the time period to submit the Integrated Resource Plan to Government from 18 months to 30 months. The additional time will enable BC Hydro to consider any relevant outcomes from the BC Hydro Rate Review currently underway. The schedule of consultation set out in this report may change, pending completion of the Rate Review. The Rate Review will report to Government at the end of June 2011.

BC Hydro's Integrated Resource Plan is a province-wide 20-year plan that describes how BC Hydro plans to meet future growth in demand for electricity. Underpinning this plan is BC Hydro's long-standing electricity planning objective to ensure a reliable, cost-effective electricity supply, and B.C.'s *Clean Energy Act*, including, among other things, requirements related to clean energy,

greenhouse gas reduction and achieving electricity self-sufficiency. The Integrated Resource Plan will set out BC Hydro's plan for achieving electricity self-sufficiency, ensuring that 93 per cent of generation in the province comes from clean resources and for ensuring conservation reduces the expected growth in electricity demand by at least 66 per cent by 2020. As well, given inherently longer lead times, the plan will contain an assessment of transmission options looking 30 years out.

Once completed, the Integrated Resource Plan will be updated periodically and at least every 5 years, as stipulated in the *Clean Energy Act*. This is consistent with BC Hydro's practice of updating its previous long term plans on an ongoing basis to respond to changing conditions such as economic trends or government policy. Previous BC Hydro long term plans include the 2006 Integrated Electricity Plan and the 2008 Long Term Acquisition Plan.

The Integrated Resource Plan evaluates portfolios of resources, but does not determine which specific projects BC Hydro will ultimately choose to develop nor will it choose the specific projects from which to acquire electricity. Any future BC Hydro projects will be subject to their own consultation processes. In addition, BC Hydro will continue to ensure that consultation has been adequate and reasonable prior to signing energy procurement agreements with independent power producers.

BC Hydro is undertaking consultation with First Nations on the development of the Integrated Resource Plan on behalf of itself and the Province of B.C. A letter from the Deputy Minister of the Ministry of Energy and Mines dated February 17, 2011, sets out the request from the Province of B.C. for BC Hydro to undertake First Nations consultation on behalf of the Province (**Appendix 1**) BC Hydro's letter dated March 2, 2011 confirms BC Hydro's agreement to undertake the requested consultation (**Appendix 2**).

3 CONSULTATION PROCESS

BC Hydro's consultation on the Integrated Resource Plan involves three distinct streams; a First Nations consultation stream, a technical stream, and a public and stakeholder stream. In all three consultation streams BC Hydro is seeking input into the development of a draft Integrated Resource Plan and once a draft plan

has been completed, BC Hydro will seek feedback on the draft. The input and feedback from all three consultation streams will be considered by BC Hydro in developing the Integrated Resource Plan that will be submitted to Government.

The separate First Nations stream is a forum for discussion and input on matters related to the Integrated Resource Plan that are of particular interest to First Nations whereas the other two streams are designed for the public at large and for those with technical expertise in areas relating to integrated resource planning. The information presented and received in all three consultation streams is available to First Nations on the BC Hydro IRP website at www.bchydro.com/irp

3.1 Identification of First Nations

BC Hydro has invited BC's First Nations and Tribal Councils / First Nations Organizations to participate in the development of the Integrated Resource Plan through a province-wide consultation process. BC Hydro also invited the BC First Nations Energy and Mining Council (BCFNEMC) to participate in the consultation on the development of the Integrated Resource Plan. The BCFNEMC has been formally mandated to guide the BC First Nations Energy Action Plan (2007) by the following three First Nations provincial political organizations: the Union of BC Indian Chiefs (UBCIC), the BC Assembly of First Nations (BCAFN) and the First Nations Summit (FNS). The involvement of the BCFNEMC is detailed in Section 4.4.

3.2 BC Hydro's Approach to First Nations Consultation

The First Nations consultation stream involves two rounds of regional workshops and participant funding and reimbursement of travel expenses to First Nations participants in the workshops. There is also an opportunity for First Nations to provide written comments following the workshops. BC Hydro has also invited First Nations to participate in the public and stakeholder consultation stream. In addition, BC Hydro has provided capacity funding for the BCFNEMC to participate in both the regional workshops and the Technical Advisory Committee, which is part of the technical consultation stream.

The following are the consultation objectives, an outline of the input and advice received from First Nations in developing the consultation process and descriptions of the three different consultation streams and the opportunities for First Nations' involvement in each.

3.2.1 Objectives of Consultation

BC Hydro is committed to building meaningful and respectful relationships with First Nations. BC Hydro's consultation objectives are to:

1. Build awareness among First Nations about the Integrated Resource Plan and the planning process;
2. Inform First Nations about the opportunities to provide input into the Integrated Resource Plan and encourage their participation;
3. Gather First Nations input into the development of the draft Integrated Resource Plan;
4. Gather First Nations feedback on the draft Integrated Resource Plan, including First Nations perspectives and preferences on the components of the Integrated Resource Plan;
5. Report back to First Nations with a summary of their input and feedback to BC Hydro on the Integrated Resource Plan;
6. Consider First Nations input and feedback along with technical, financial, environmental, and economic development input as BC Hydro evaluates, drafts and refines the Integrated Resource Plan;
7. Report back to First Nations with a summary of how their input and feedback into the Integrated Resource Plan were considered; and
8. Ensure transparency in the consultation process.

3.2.2 Development of Consultation Approach

Given the number of First Nations in the province, it was not practical to engage all First Nations in a province-wide discussion on consultation design. Rather,

BC Hydro invited several First Nations/Organizations from around the province to attend a workshop in Vancouver on September 24, 2010 to seek their input and advice on the consultation design. Seven participants attended the workshop where BC Hydro provided background information on the Integrated Resource Plan and outlined a proposed approach to consulting with First Nations on the development of the Plan. The input and advice received at the workshop is set out in the attached document titled “Summary of Input and Advice Received on BC Hydro’s Proposed Approach to Province-Wide First Nations Consultation” (**Appendix 3**). The input and advice received included:

- Increase the number of regional workshops from 5 to 8 or 9 and increase the amount of participant funding to attend a workshop.
- Provide First Nations with immediate notice of the development of the Integrated Resource Plan and hold a round of regional workshops in the fall of 2010 on the approach to consultation and on the resource options update.
- Integrate the input and concerns raised in the public and First Nations consultation streams.
- Prepare First Nations for informed discussion of the Integrated Resource Plan in advance of the regional workshops.
- Provide a non-technical explanation of what the Integrated Plan is and what it is not.
- Fund technical advisors trusted by First Nations for the duration of the development of the Integrated Resource Plan.
- Fund the BCFNEMC to coordinate with communities on the development of the Integrated Resource Plan
- Provide opportunities to access financial resources at both the umbrella organization and community level and provide funding to individual First Nations to conduct their own studies or hire their own technical experts in connection with the development of the Integrated Resource Plan.
- Hold political level meetings involving First Nations and Government.

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- Consider measures to assist in building relationships.

In developing its approach to consultation, BC Hydro considered the input and advice received along with other factors such as any legal requirements for First Nations consultation, the date the 2011 Integrated Resource Plan is legislated to be submitted to Government and the cost to BC Hydro's ratepayers.

3.2.3 First Nations Involvement in the Public and Stakeholder Stream

The public and stakeholder stream was designed for stakeholders and the public at large. As members of the public, First Nations participation was welcomed and encouraged. This provides the opportunity for more integration of the public and First Nations consultation streams as per the input and advice received at the consultation design workshop.

3.2.4 First Nations Involvement in the Technical Consultation Stream

During the development of the Integrated Resource Plan BC Hydro meets with the Technical Advisory Committee which provides ongoing expert advice and feedback into the integrated resource planning process. The information from the Technical Advisory Committee meetings is available on the BC Hydro website at www.bchydro.com/irp.

There are thirteen members of the Technical Advisory Committee representing a broad range of interests in the province. In addition to the BCFNEMC, Robert Duncan, CEO of the Hupacasath First Nation and Unit Power Corporation is also a member of the Committee.

BC Hydro's technical consultation stream also included a consultation in fall 2010 on the Resource Options Update which updated BC Hydro's database of resource potential in British Columbia. BC Hydro invited input from individuals and organizations involved in the energy industry with technical information on the resource potential in British Columbia including 10 First Nation invitees. Three First Nation invitees attended the launch workshop for the Resource Options Update on September 14, 2010 and three attended the workshop presentation of the draft results from the Resource Options Update on December 8, 2010. Following the December 9, 2010 workshop there was a comment period to the end of December to provide input on the draft Resource Option

results. A representative from the BCFNEMC attended both the September and December workshops. BC Hydro provided participant funding in the amount of \$250.00 and reimbursement of eligible travel expenses.

The demand-side management options to be considered in the development of the Integrated Resource Plan have been constructed in consultation with BC Hydro's Electricity Conservation and Efficiency (EC&E) Advisory Committee. The EC&E Committee was established in 2006 and has three First Nation representatives.

3.2.5 First Nations Consultation Stream

The First Nations consultation stream provides a separate forum for B.C.'s First Nations and Tribal Councils as well as the BCFNEMC to provide input on topics related to the Integrated Resource Plan. The information that BC Hydro provides in its consultation with First Nations is consistent with the information provided in its public and stakeholder consultation stream.

The First Nations consultation process includes both regional workshops and written comment periods. An overview of each stage of the province-wide First Nations consultation process is provided in Tables 3.2.5.1 and 3.2.5.2.

Table 3.2.5.1 Input into the Development of the Draft Plan

Opportunities for Input into the Draft Plan	Date
Regional Workshop Invitation and Pre-reading Notify First Nations of the development of the Integrated Resource Plan and the related consultation process and invite First Nations to attend regional workshops. Provide pre-reading material on the Integrated Resource Plan for consideration by participants before the regional workshops.	Jan – Feb, 2011
Round 1 Regional Workshops Provide information on the development of the Integrated Resource Plan and elicit input from First Nations to be considered in the development of a draft plan. Summaries of First Nations input from the workshops provided to the participants.	Mar 2-21, 2011
Written Comments Opportunity for First Nations to provide written comments for BC Hydro to consider in developing the draft Integrated Resource Plan.	Apr 30, 2011
Interim Consultation Report Outlines the First Nations consultation process, the consultation activities to date and the input received from First Nations. The report will be provided to First Nations and the provincial government.	May 30, 2011

Table 3.2.5.2 Feedback on the Draft Plan

Opportunities for Feedback on the Draft Plan	Date¹
Regional Workshop Invitation and Pre-reading Notify B.C.'s First Nations and Tribal Councils of the completion of the draft Integrated Resource Plan and makes the draft plan available for review prior to the second round of Regional Workshops.	Aug – Oct
Round 2 Regional Workshops Provide information on the draft Integrated Resource Plan and elicit First Nations feedback on the draft plan. The First Nations feedback from the workshops is summarized and provided to the participants.	Sept 2011
Written Comments Opportunity for First Nations to provide written comments on the summaries of feedback and/or the Draft Integrated Resource Plan for consideration by BC Hydro before submitting the Integrated Resource Plan to the provincial government.	Oct 2011
Consultation Report BC Hydro's final report on the consultation undertaken by BC Hydro with B.C.'s First Nations and Tribal Councils outlines the First Nations consultation process, the consultation activities to date and the input and feedback received from First Nations. The report is considered by BC Hydro in developing the Integrated Resource Plan to be submitted to government for their approval. The report is also provided to First Nations and the provincial government.	Dec 2011

¹ These dates are subject to change

3.2.5.1 Information Sharing and Communications

In order to facilitate information sharing and two-way communications with First Nations, BC Hydro has provided the following:

- A toll free information line at 1-877-461-0166 Extension 3;
- An email address 2011irp@bchydro.com; and
- A website page for the First Nations consultation stream that is updated periodically throughout the consultation. The website page is linked to the main page of the public and stakeholder consultation website at www.bchydro.com/irp.

3.2.5.2 Participant and Travel Funding for First Nations and Tribal Councils

To facilitate the participation of First Nation representatives in the regional workshops, BC Hydro provided participant funding in the amount of \$250 per representative per workshop, for two participants from each attending First Nation, Tribal Council, and First Nation organization. BC Hydro also reimbursed travel expenses for attending a workshop.

4 CONSULTATION ACTIVITIES TO DATE

Between January and April 2011, BC Hydro's consultation activities have focused on sharing information and receiving input from B.C.'s First Nations into the development of the draft Integrated Resource Plan. This section provides a summary of BC Hydro's efforts to notify First Nations about the Integrated Resource Plan and provide information on the key considerations in the development of plan.

4.1 Regional Workshop Invitation and Pre-reading

A list of First Nations, Tribal Councils and First Nations organizations that BC Hydro notified about the development of the Integrated Resource Plan and the related First Nations consultation is attached (**Appendix 4**).

BC Hydro's first notification letter, dated January 31, 2011, notified First Nations, Tribal Councils, and First Nation organizations that BC Hydro is developing an Integrated Resource Plan and advised them that BC Hydro would like to consult with them on the development of the Plan. The letter provided some introductory information and context for the development of the Integrated Resource Plan. A copy of the January 31, 2011 notification letter and information package is attached (**Appendix 5**).

BC Hydro's second notification letter and information package, dated February 19, 2011, included additional background information on the Integrated Resource Plan and the key topics that BC Hydro would be addressing in the regional workshops. A copy of the February 19, 2011 notification letter and information package is attached (**Appendix 6**).

The pre-reading material enclosed with the notification letters was provided to enable more informed discussion at the regional workshops as per the input and advice BC Hydro received from First Nations at the consultation design workshop. Both the first and second notification letters were sent by fax and then mailed to the First Nations Band office or Tribal Council office. BC Hydro made follow-up telephone calls to the recipients to confirm that BC Hydro's invitations had been received and to determine if further information was required. If requested BC Hydro re-sent the notification package by email.

4.2 Regional Workshops

Between March 2 and 21, 2011, BC Hydro hosted nine one-day workshops in regional locations around the province. The number of regional workshops was increased from five to nine in response to the input and advice received at the consultation design workshop. The purpose of the regional workshops was to share information on the Integrated Resource Plan and to invite input from B.C.'s First Nations on the development of the draft Integrated Resource Plan through a facilitated discussion guided by a neutral facilitator. A schedule of the regional workshops and locations is provided in Table 4.2.1.

Table 4.2.1 Schedule of Regional Workshops and Locations

Location	Date
Nanaimo	March 2, 2011
Campbell River	March 3, 2011
Abbotsford	March 4, 2011
Kamloops	March 7, 2011
Vancouver	March 11, 2011
Terrace	March 14, 2011
Fort St. John	March 16, 2011
Prince George	March 17, 2011
Castlegar	March 21, 2011

4.2.1 First Nations Participation in the Regional Workshops

A total of 146 individuals, representing 90 First Nations, Tribal Councils and First Nations organizations registered to attend workshops. Attendance at the regional workshops totalled 121 participants, representing 78 First Nations, Tribal Councils and First Nation organizations. A representative from the B.C. First Nations Energy and Mining Council (BCFNEMC) attended each of the nine regional workshops. Table 4.2.1.1 lists First Nations, Tribal Councils and First Nations Organizations whose representatives attended the regional workshops.

A list of First Nations, Tribal Councils and organizations that registered and attended the regional workshops and the names of the representatives from each is attached (**Appendix 7**).

Table 4.2.1.1 - First Nations/Organizations that attended the March 2011 workshops

Nanaimo – March 2	Campbell River - March 3	Abbotsford - March 4
K'omoks First Nation First Nations Energy and Mining Council Lyackson First Nation Pauquachin First Nation Penelakut Tribe Toquaht Nation Tsawout First Nation Tseshaht First Nation Ucluelet First Nation	Campbell River Indian Band Cowichan Tribes First Nations Energy and Mining Council Kwakiutl District Council Quatsino First Nation	Cheam First Nation First Nations Energy and Mining Council First Nations Summit Katzie First Nation Leq' a: mel First Nation Matsqui First Nation Samahquam First Nation Skatin Nations Skawahlook First Nation Soowahile Indian Band Sto:Lo Tribal Council Tsawwassen First Nation
Kamloops - March 7	Vancouver - March 11	Terrace - March 14
Adams Lake Indian Band Bridge River Indian Band Canim Lake Band Canoe Creek Band First Nations Energy and Mining Council Kanaka Bar Indian Band Nooaitch Indian Band Splots'in First Nation St'át'imc Chiefs Council T'it'q'et First Nation Xaxli'p	Bonaparte Indian Band Chawathil First Nation Xa'xtsa First Nation First Nations Energy and Mining Council Heiltsuk Nation In-Shuck-Ch Tribal Council Lower Nicola Indian Band N'Quatqua First Nations Old Massett Village Council Skii km Lax Ha Sliammon First Nation St. Mary's Band Sto:Lo Nation Sts'ailes Tl'etinqox-t'in Government Office	Dease River First Nation First Nations Energy and Mining Council Gitanmaax Band Gitga'at Nation Kitsumkalum Lax-Kw'Alaams Band Metlakatla Nisga'a Village of Gingolx Nisga'a Village of New Aiyansh Skidegate Band Council
Fort St. John - March 16	Prince George - March 17	Castlegar - March 21
Blueberry River First Nations First Nations Energy and Mining Council Treaty 8 Tribal Association	Carrier Chilcotin Tribal Council First Nations Energy and Mining Council Gitsegukla Band Gitxsan Treaty Society (Hereditary Chiefs) Kwadacha Nation Kwakiutl Indian Band Lake Babine Nation Lhatko Dene Nation Lheidli T'enneh First Nation McLeod Lake Indian Band Nadleh Whut'en First Nation Nak'azdli Band Nazko First Nation Saik'uz First Nation Tahltan Indian Band Takla Lake First Nation Tsay Keh Dene Wet'suwet'en First Nation Xení Gwet'in First Nations Government	First Nations Energy and Mining Council Ktunaxa Nation Council Society

4.2.2 Information Provided at Regional Workshops

A neutral facilitator, Dan George, guided the discussions at the regional workshops and led the participants through the attached agenda (**Appendix 8**). The facilitator opened the day with a presentation on his approach to facilitating the discussion.

BC Hydro provided information on the Integrated Resource Plan and how it is developed. A copy of the presentation that was provided to the participants during the workshop is attached (**Appendix 9**)². As per the input and advice received from First Nations at the consultation design workshop the information provided to First Nations was in non-technical language.

The neutral facilitator used the “First Nations Input Form” as a guide to the discussion that followed the presentations (**Appendix 10**). BC Hydro gave a separate presentation on each of the following 6 topics related to the development of the draft Integrated Resource Plan.

- Conservation and Efficiency;
- Electrification;
- Electricity Generation Options,
- Transmission Planning,
- Export Market Potential; and
- Clean or Renewable Energy Development in First Nation Communities.

Participants were also given a copy of the public and stakeholder consultation workbook entitled “Planning for a Clean Energy Future” which provided details on the Integrated Resource Plan and the 5 topics in the public and stakeholder consultation (**Appendix 11**).

² Slide 33 was inserted for the last five workshops. Slide 42 was inserted for the Fort St John workshop.

4.2.3 Summaries of Input from Regional Workshops

BC Hydro prepared summaries of the First Nations input from the regional workshops. These summaries are attached (**Appendix 12**) and referred to in Section 5. On April 8, 2011 BC Hydro emailed each workshop participant a summary of the input from the workshop they attended and invited them to provide written comments on the summary of input and on the development of the draft Integrated Resource Plan by April 30, 2011. A copy of the April 8, 2011 letter was also faxed to the offices of the First Nations, Tribal Councils and First Nations Organization represented by each participant (**Appendix 13**).

On May 5, 2011 BC Hydro also posted the summaries of input on the First Nations website page at www.bchydro.com/irp.

4.3 First Nations Written Input

After each workshop BC Hydro emailed a letter to the participants along with an electronic version of the “First Nations Input Form” seeking their written input on the development of the Integrated Resource Plan by April 30, 2011. (**Appendix 14**).

4.4 Role of BC First Nations Energy and Mining Council

In the capacity funding agreement that the BCFNEMC signed with BC Hydro, the BCFNEMC notes that it is accountable to, and receives direction from, the First Nations Leadership Council (FNLC) and First Nations in BC. The BCFNEMC monitors and keep the FNLC and First Nations informed of emerging issues as well as to conduct research, analysis and options on energy and mining issues.

4.4.1 Capacity Funding

BC Hydro has provided capacity funding to the BCFNEMC for their involvement in the development of the Integrated Resource Plan and the related consultation process. The involvement of the BCFNEMC addresses in part the input and advice provided to BC Hydro by First Nations during the consultation design workshop. The capacity funding agreement between BC Hydro and the

BCFNEMC dated March 3, 2011 (**Appendix 15**) provides funding for the BCFNEMC to undertake the following activities:

- Participate in BC Hydro's Integrated Resource Plan Technical Advisory Committee (TAC);
- Participate in all of BC Hydro's First Nations regional workshops on the development of the Integrated Resource Plan;
- Act as a resource to First Nations Communities by providing First Nations leadership with information about the development of the Integrated Resource Plan and the involvement of the BCFNEMC in BC Hydro's consultation process on the Integrated Resource Plan. Keep the member organizations of the First Nations Leadership Council, and if requested, a First Nations Community, informed of the activities, information developed, and technical and policy decisions of the BCFNEMC as they relate to BC Hydro's consultation process on the Integrated Resource Plan;
- Prepare one or more written reports in relation to the development of the Integrated Resource Plan and provide it to BC Hydro and all First Nations who request it. Two BCFNEMC reports are referenced in Section 5.2.2

4.4.2 Involvement in Regional Workshops

The BCFNEMC attended all nine First Nations regional workshops and were invited to share with the group who they are, their mandate, as well as their involvement in the Integrated Resource Plan process. At the workshops, the BCFNEMC informed participants about their membership in the Technical Advisory Committee, and described their participation in the regional workshops as follows:

- To speak to issues or formulate positions on issues that are relevant to all First Nations;
- To support and facilitate participation in the meetings and to provide a voice on behalf of those First Nations and Tribal Councils that cannot or choose not to participate. They are not attending meetings to replace First Nations engagement and they do not purport to represent any First Nation; and

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- At the end of all the sessions, to compile a formal response to BC Hydro on the BCFNEMC's perspective of the process and the issues they heard raised by First Nations.

5 FIRST NATIONS INPUT INTO THE DRAFT PLAN

First Nations provided input into the development of the draft Integrated Resource Plan at the regional workshops and through subsequent written comments. The BCFNEMC also provided key comments and recommendations in two separate documents, one relating to their involvement in the First Nations regional workshops, and the other relating to their involvement in the Technical Advisory Committee. The following sections outline the First Nations input received to date.

5.1 Input from First Nations Regional Workshops

The following is an overview of the input received from First Nations at the regional workshops, organized according to the six topic areas and based on the summaries of input from each regional workshop set out in (**Appendix 12**). In addition, a common theme at many of the workshops was consultation process and the input on this issue has been summarized in Section 5.1.7.

5.1.1 Conservation and Efficiency

BC Hydro sought to understand First Nations' perspectives on whether BC Hydro should pursue greater conservation and efficiency than it currently undertakes to further reduce the demand for electricity.

There was widespread support for greater conservation and efficiency, with the caveat that First Nations, many of who are economically disadvantaged, must not be burdened with higher electricity rates and unaffordable energy efficiency upgrades. The following are First Nations' comments and recommendations associated with the topic of conservation and efficiency.

5.1.1.1 Comments & Recommendations — Conservation and Efficiency

Rates

- There was significant concern that higher electricity rates would cause disproportionate financial hardship on First Nations' communities due to:
 - The higher incidence of poverty in First Nation communities.
 - Living conditions which include:
 - Poorly constructed homes which are not energy efficient;
 - Large and extended families living together;
 - Many unemployed people at home during the day using electricity; and
 - Electricity bills paid for by the band office not the user which does not provide incentive for individuals to reduce electricity consumption.

Affordability of Energy Efficient Upgrades

- There was recognition that becoming more energy efficient costs money and there was a significant concern that First Nations would have to pay for energy efficient upgrades when they cannot afford it.
- There was a concern that First Nations homes are below today's energy efficiency standards and to improve the energy efficiency of these homes will therefore cost even more than the average household.

Shared Responsibility between Industry, Business and Consumers

- There was the view that there should be shared responsibility for implementing conservation and efficiency efforts across households and industry.

Economic Growth and Conservation

- There was a perceived contradiction between the pursuit of a growth agenda (and a corresponding growth in energy consumption through exports or domestic use) and the goal of conservation.
- It was stated that the First Nation world view is that resources are a gift and must consider future generations.

Regional Rates Recommended

- The demand for electricity from large population centers like the Lower Mainland leads to greater impacts on First Nations' territories and First Nations who experience these impacts should not have to pay as much for electricity.
- A desire for rates that reflect where people live (e.g., higher in urban areas and lower in areas close to generation), their ability to pay, and overall use.

Education Recommended

- More education on conservation and efficiency and behavioural change within communities with a particular focus on First Nation youth.
- Community-based champions to be a voice for conservation and efficiency.
- Sponsor a competition for developing clean energy ideas or opportunities.
- Training First Nation people to undertake energy efficiency retrofits and upgrades.
- Having opportunities to learn from other First Nations who have successfully adopted conservation and efficiency and/or developed their own small scale supply options.

Financial Incentives and Funding Recommended

- Financial incentives to conserve, including opportunities to sell surplus electricity as a result of conservation efforts.
- The need for tax credits, funding and financial incentives to help facilitate change.
- Look at options that combine conservation and efficiency with development of small scale renewable supply options.
- BC Hydro should work with Indian and Northern Affairs Canada to improve energy efficiency of housing on First Nation reserves.
- There is a need to provide energy business development services to First Nations.

Energy Efficiency Upgrades

- BC Hydro should provide First Nations with studies on their energy efficiency of their homes and make improvements to them

Other Comments and Recommendations on Conservation and Efficiency

- There was concern about the environmental hazard of LED lights which contain mercury and lack of proper disposal facilities in First Nation communities.
- There was concern regarding the accuracy of BC Hydro meters as it was stated there have been cases where people have paid for more electricity than they have used.
- There is a concern regarding health hazards associated with electricity and electro-magnetic fields from transmission lines.
- There was an interest in getting communities on the grid or having them become self-sufficient through available resources such as streams, solar or wind.
- There was an interest in seeing BC Hydro become a champion of alternative fuel sources such as wood used in wood stoves.

5.1.2 Electricity Generation Options

As part of developing the Integrated Resource Plan, BC Hydro looks at available resource options (i.e. run-of-river; wind etc.) and will be creating portfolios containing various resource option combinations. The development of these portfolios is technical and involves BC Hydro's energy planners with input and advice from the Technical Advisory Committee (TAC) of which the BCFNEMC is a member.

In the first round regional workshops, BC Hydro presented three example portfolios to participants. The purpose of the example portfolios was to illustrate, in a non technical fashion, the key trade-offs that arise between broad electricity generation options and to seek First Nations' input in order to understand their general perspectives on these types of portfolios. The level of discussion on portfolios and specific resource options varied between workshops. At some

sessions First Nations participants provided comments on the specific example portfolios, but in most cases the input received was directed to the topic of electricity generation options in general, and by implication was applicable to all three of the example portfolios presented. None of the example portfolios received significant support from First Nations and there were many requests for more information on portfolios before expressing a preference. However, there was a general preference for developing clean or renewable resources with the exception of Site C. Many First Nation participants did not consider Site C “clean”. The following are First Nation comments and recommendations associated with the topic of electricity generation options.

5.1.2.1 Comments & Recommendations — Electricity Generation Options

Impacts

- There were repeated reminders that First Nations have experienced the impacts of generation resource development and related transmission infrastructure without a corresponding benefit.

Developing Portfolios

- There was reluctance on the part of many participants to provide feedback on the portfolios because they did not know how the Integrated Resource Plan would ultimately affect their community.
- There was concern that First Nations are only being presented example portfolios and not all of the hundreds of portfolios developed by BC Hydro, including the associated data such as cost, length of transmission lines, socio-economic, community and environmental impacts.
- There was a concern about the complexity of the information and that portfolios have been developed without input from First Nations and their community members.
- There was a concern that certain resources, such as solar and geothermal are not included in the example portfolios.

Preference for Planning from a First Nations’ Territory View

- There was a preference for planning from a First Nations’ territory view.

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- Regardless of the resource type there was an interest in early and meaningful involvement of First Nations in the planning and development of resources.

Planning Considerations Regarding Electricity Generation Options

- Electricity rates were a significant concern for First Nations, it was noted that many First Nations are living in poverty and cannot afford rate increases.
- There was a concern about the environmental impacts of resource development on First Nations' way of life.
- There was a lack of confidence in the environmental assessment process.
- There was an interest in First Nations' land use planning.
- Economic development for First Nation communities was considered to be an important consideration in the planning of the Integrated Resource Plan and there was significant interest in BC Hydro's power acquisitions processes.
- There was an interest community based /regional generation (i.e. distributed generation) and an interest in taking a regional approach to the portfolios where the types of resources developed would depend on the resource available in the region.
- It was asserted that there should be an acknowledgement of First Nations' title and rights to resources in the planning process.
- There was a preference to include particular resource options in the portfolios – (i.e. solar, biomass, natural gas, geothermal, wave and tidal).
- There is a concern about the impacts of the development of renewable resources (not just fossil fuels).

Site C

- There was substantial opposition to Site C. Many First Nations who are not in the area of the proposed Site C project expressed solidarity with the position of the First Nations who will be affected by Site C.

Other Comments and Recommendations on Electricity Generation Options

- There was a concern about the impact of climate change on energy resources.
- There was concern about the impact of transmission lines on rights and title.
- BC Hydro should make reliability of the electricity system a priority. There was a concern about service interruptions and the impact on First Nations communities.
- BC Hydro should provide participants with GIS maps of the grid and areas of renewable energy potential that can be used by First Nations in their own land use mapping.
- Electricity planning should be separated from generation development, similar to the Ontario model because it was believed that there is a conflict between electricity planning and generation development as more generation results in more revenue from electricity sales.

5.1.3 Electrification

One of the B.C. energy objectives in the *Clean Energy Act* is to encourage switching to energy sources which decrease greenhouse gas emissions in B.C. One way to reduce green house gas emissions is by switching from fossil fuel energy to electrical energy derived from clean generation sources. Electrification describes the process of switching from one energy or fuel source to electricity (e.g. switching from gasoline and diesel to electric vehicles). BC Hydro sought to understand First Nations' perspectives on whether BC Hydro should take a proactive approach to encouraging electrification.

The input of First Nation participants' regarding the topic of electrification varied. There was both support and opposition to taking a proactive approach to electrification while others questioned the relevance of this topic to the First Nation reality. The following are First Nation comments and recommendations associated with the topic of electrification.

5.1.3.1 Comments & Recommendations — Electrification

- Electrification is of questionable relevance to First Nations communities. There is a “disconnect” between this planning issue and First Nations circumstances.
- There was a concern about the impact electrification would have on electricity rates.
- BC Hydro should consider the impact of electrification on demand for electricity.
- There was a concern about the environmental impact associated with electrification and the difficult choices that come with a desire to reduce greenhouse gas emissions versus expanding the impact on the land in order to support the generation of new non-thermal electricity sources.
- There was a perception that electrification will mainly benefit urban areas and will disproportionately impact First Nations in rural areas.
- There was a perception that there are conflicting policy objectives particularly with respect to reducing green house gas (GHG) emissions and at the same time providing electricity to operations that extract carbon emitting natural gas for domestic sale or export.
- There was a concern about industrial and commercial demand for electricity.
- There was a concern about the reliability of the transmission and distribution systems as reliance on electricity increases.
- There was a concern about the impact of increased use of electricity on health (EMF).
- There was a concern that costly investments in technology now could be unnecessary because there is uncertainty about which evolving technologies will be most attractive in the future.
- There was an interest in BC Hydro's efforts to promote the electric vehicle and a greater interest in electric trucks than electric cars.

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- Consider providing consumers with the option of locking in their rates to protect them from the expense associated with electrification.
 - It was recommended that a market study be undertaken to determine who will benefit and therefore who should pay.
 - It was stated that Government not BC Hydro, should make the decision on whether to pursue a proactive approach to electrification.
 - It was recommended underground distribution lines be installed which would improve reliability of the electricity system in extreme weather conditions.
 - Electrification will increase reliance on electricity which increases the importance of reliability, so improve reliability.

5.1.4 Transmission Planning

The transmission system is an essential link between electricity generators and energy consumers and is an important component to developing an Integrated Resource Plan. Transmission lines are designed to deliver energy efficiently and reliably and require long lead times to plan and construct. The Integrated Resource Plan assesses the demand forecast and the transmission options that will most effectively meet those demands over the next 30 years. The critical question to be addressed in the Integrated Resource Plan is the extent to which BC Hydro should consider, plan and build transmission lines in anticipation of potential future need (proactive) or in response to forecast need (responsive).

BC Hydro sought to understand First Nations' perspectives on whether it should take a proactive approach to transmission planning in the development of the Integrated Resource Plan.

With some exceptions, there was a general preference for a proactive approach to transmission planning. The following are First Nations' comments and recommendations associated with the topic of transmission planning.

5.1.4.1 Comments & Recommendations — Transmission Planning

Responsive vs. Proactive Approach to Transmission Planning

- Participants were generally in favour of a proactive approach to transmission planning provided it was done with the involvement of the affected First Nations. However, there was at least one participant who supported the responsive approach because they thought it would involve lower short term costs.
- It was also expressed that the responsive vs. proactive approach to transmission planning is a technical issue and it was questioned why First Nations' input is being sought on this technical issue.

Impact of Transmission on First Nation Lands

- There was significant amount of discussion on the existing impacts from transmission without any corresponding benefits (i.e. communities that were impacted by transmission lines but not connected to the grid; the access that transmission lines create in First Nations' territories).
- Accommodation for new and existing lines and revenue sharing was raised.
- There was a significant concern about the historical impacts of existing transmission infrastructure and the lack of accommodation.
- There was a perception that transmission disproportionately affects First Nations and land users/owners.

Environmental Impacts

- There was concern about the environmental impacts of building new transmission lines and maintaining existing transmission lines through vegetation management.

Economic Development

- There was an interest in the economic development benefits to First Nations from planning transmission in their territory.

Consultation with First Nations and Accommodation

- There were repeated comments about the requirement to consult with First Nations on transmission. There were several statements relating to the content of consultation:
 - Compensation for past and future projects;
 - Informed consent of First Nations; and
 - Speak to all First Nations in the province regarding their perspective on development in their areas.
- There was a concern related to consultation in that First Nations governments are bound by Certificates of Possession land holders on some of their reserve lands which makes finding workable right-of-ways more difficult.
- There was a concern about health hazards believed to be associated with electricity and electro-magnetic fields from transmission lines.

Other Comments and Recommendations on Transmission Planning

- Provide GIS data of right-of-ways so First Nations can overlay this on their own GIS maps.
- Maximize the use of existing transmission lines and corridors to minimize additional impacts.
- Plan where not to put transmission lines.
- Compensate First Nations for future and historical impacts of transmission lines within their traditional territories. It was suggested that First Nations with transmission lines in their territory should pay discounted electricity rates.
- Include DC transmission lines as an option because they are believed to save money and have less impact on the environment.

5.1.5 Export Market Potential

While BC Hydro currently trades electricity when it has a short-term surplus, the *Clean Energy Act* includes the B.C. energy objective that the Province be a net exporter of clean or renewable power. The *Clean Energy Act* requires the Integrated Resource Plan assess the export market potential, including the share

of the clean energy market that B.C. could expect to capture, and make recommendations to the provincial government about what actions need to be taken. In its consultation with First Nations to date, BC Hydro has sought to understand First Nations' perspectives on whether BC Hydro should acquire renewable energy from independent power producers in British Columbia for the sole purpose of exporting electricity to other jurisdictions. This new approach to export is distinct from the current approach to export which involves selling surplus energy from generation facilities built or acquired by BC Hydro to meet domestic need.

Some participants in the workshops expressed opposition to acquiring renewable energy from independent power producers for the purpose of export, but there were many who expressed support provided that First Nations share in the benefits through revenue sharing, ownership interest in the export projects, and reduced electricity rates. The following are First Nations' comments and recommendations associated with the topic export market potential.

5.1.5.1 Comments & Recommendations — Export Market Potential

- There was an interest in First Nations becoming full participants in export including revenue sharing and jobs.
- There was concern about the impacts of generation and transmission development on First Nations right and title.
- There was concern about the impact of export on the environment.
- It was indicated that it is one thing to expect First Nations to incur impacts and agree to the development of transmission lines to satisfy needs of the province and another to provide export opportunities where only a few companies will benefit.
- There was an interest in seeing ratepayers protected from financial risk of export and any consequent rate increases. Conversely there was also an interest in ratepayers sharing in the benefit of exports through rate reductions.
- It was perceived by some that domestic transmission costs cannot be separated from the cost of export.

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- There was an interest in assuring domestic supply at competitive rates and a corresponding concern that domestic supply may be subordinated to export opportunities. Concerns about the implication of the North American Free Trade Agreement (NAFTA) were specifically raised.
 - There was a concern that after an energy purchase agreement expires, independent power producers can sell to highest bidder which could result in increased rates.
 - There were concerns that export of electricity conflicts with the goal of conservation and efficiency and that other jurisdictions do not share B.C.'s view on conserving energy. There was an interest in seeing the same clean energy standards in other jurisdictions that we export electricity to.
 - A participant expressed frustration with BC Hydro and thought that BC Hydro would do what it wanted regardless of First Nations input.
 - There was an interest in developing solar for export.
 - It was questioned whether BC Hydro is actually a net importer of electrical power, since it is unclear how BC Hydro's practices of buying and selling electricity on the spot market affects its position as a net importer or exporter of electricity.
 - There should be consultation with the local First Nations when a project is built for export.

5.1.6 Clean or Renewable Energy Development in First Nation Communities

One of the energy objectives in the BC *Clean Energy Act* is to foster the development of First Nation and rural communities through the use and development of clean or renewable resources. BC Hydro sought to understand First Nations' perspectives on clean and renewable energy development in their communities.

There was substantial interest in creating revenue and jobs for First Nations communities through participation in clean or renewable energy development. There was also substantial interest in connecting remote communities to the

electricity grid or alternatively having remote communities achieve energy self sufficient through clean or renewable generation projects. The following are First Nations' comments and recommendations associated with the topic of clean or renewable energy development in First Nation communities.

5.1.6.1 Comments & Recommendations — Clean or Renewable Energy Development in First Nation Communities

Business and Employment Opportunities

- There was significant interest in business and employment opportunities with BC Hydro.

Supply Clean or Renewable Energy to Remote Communities

- There was interest in providing clean energy supply to off-grid remote communities by either connecting them to the grid, or alternatively, developing renewable energy to replace diesel generation.

Revenue and Jobs from Clean or Renewable Energy Development

- There was significant interest in both revenue and jobs that could potentially result from clean or renewable energy development.

Develop Capacity in Clean Energy Development with Assistance from BC Hydro

- There was a focus on developing capacity within First Nations' communities (with the assistance of BC Hydro) so that First Nations could effectively participate in clean or renewable energy development.

Partnerships between First Nations and BC Hydro and Revenue Sharing

- There was significant interest in BC Hydro and government partnering with First Nations on clean energy development by entering agreements on the following:
 - Revenue sharing and accommodation;
 - First Nations' ownership in projects;
 - Respect for First Nations' approval processes; and
 - A right of first refusal on a project by a First Nation.

First Nations and Independent Power Production

- There were many comments and recommendations regarding BC Hydro's power acquisition processes:
 - Some participants expressed frustration about their lack of success in obtaining energy purchase agreement with BC Hydro.
 - A related concern that BC Hydro was not paying enough for electricity purchased from independent power producers.
 - Frustration with the cost and complexity of the power acquisition process;
 - It was indicated that the power acquisition process strains the resources of First Nations proponents.
 - The strain of power calls on First Nations is compounded when they are asked to consult with multiple proponents. This is particularly troublesome when they know that many proponents will not move forward with building the projects.
 - There was concern expressed about the cost and BC Hydro's decision making regarding access to the grid.
 - There was an interest in receiving more support from BC Hydro for First Nations involvement in energy development.
 - There was a concern about the consultation process for power acquisitions from independent power producers. One participant wanted BC Hydro to set clear guidelines about how First Nations should be consulted on projects seeking an Energy Purchase Agreement with BC Hydro.
- There was some opposition to independent power producers and their impact on the environment and aboriginal rights and title.

Resource Options for Clean or Renewable Energy Development

- There was interest expressed in developing specific resource options, including biomass, wind, solar, geothermal and cogeneration.

Environmental Considerations

- There was an interest in seeing proponents involve First Nations in their projects so their projects are consistent with First Nations' values and land use plans.

Definition of Clean and Renewable Energy

- There were objections to the definition of clean and renewable energy and many First Nations were of the view that Site C is not clean or renewable.

BC Hydro's relationships with First Nations and Historical Grievances

- There are unresolved historical grievances that affect BC Hydro's relationship with some First Nations and make it more difficult for these First Nations to work together with BC Hydro on clean or renewable energy development opportunities.

Incentives for First Nations involvement in Clean or Renewable Energy Development

- Undertake a feasibility study (with the involvement of key people) to determine how best to create incentives for First Nations involvement in Clean or Renewable Energy Development.

Carbon Credits

- Provide First Nations with carbon credits from projects that are located in their traditional territory.

Capacity

- It was recommended that capacity and advisory services be provided to First Nations to participate effectively in clean or renewable energy development.
- Study successes involving First Nations and independent power production.

Business and Employment Opportunities with BC Hydro

- Require BC Hydro contractors to employ a certain percentage of First Nations labour.

Other Comments and Recommendations on Clean or Renewable Energy Development in First Nation Communities

- There was interest in business opportunities relating to the disposal of LED blubs.
- There was an interest in business opportunities relating to implementing conservation measures.

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- There was interest by one participant in a benefit package relating to the Northwest Transmission Line.
 - It was recommended that BC Hydro have a First Nations only power acquisition process.
 - BC Hydro should be involved in a proponent's consultation with First Nations on projects that are being submitted into BC Hydro's energy acquisition programs.
 - It was recommended that BC Hydro create a fast track process for First Nations' independent power projects.

5.1.7 First Nations' Comments on BC Hydro's Consultation Process

At several of the regional workshops participants expressed significant concern about the First Nations consultation process for the Integrated Resource Plan. Many participants did not consider the process "consultation" and there was a wide range of views regarding what was required for consultation to occur. The following is a summary of the input BC Hydro heard on the consultation process for the development of the Integrated Resource Plan.

- Many participants stated that they did not consider BC Hydro's approach to be consultation.
- Only one participant acknowledged that the process was consultation.
- There was a concern about calling the process "consultation" because of the legal implications of the word.
- Many participants said that the process could not be consultation without accommodation.
- It was indicated that consultation requires an understanding of the impacts and environmental impact of the Integrated Resource Plan at the territory level.
- There was an interest in approaching planning from the community, territorial level, before planning at the province-wide level.

- It was indicated that accommodation requires recognition of aboriginal rights and title in the planning process.
- It was stated that revenue sharing is a key component of accommodation.
- Many participants were of the view that the Integrated Resource Plan requires deeper consultation.
- It was indicated that there is a need for more information on the Integrated Resource Plan, including its technical components and the capacity to understand technical information.
- It was indicated that there must be a partnership in decision-making with earlier involvement of First Nations, including pre-planning discussions about process.
- It was stated that there must be political level decision making involving senior leaders from BC Hydro and the Province.
- It was stated that consultation must occur at the community level.

Observations on Consultation

- There was concern that First Nations do not have access to the BC Utilities Commission process in the development of the Integrated Resource Plan.
- It was stated that consultation can be unique to different First Nations.
- There was an interest in BC Hydro policy on consultation and accommodation.
- The United Nations declaration on Indigenous Rights, relationship building and respectful communication were all identified as important to consultation.

Consultation Schedule

- There was concern expressed about the schedule for consultation. The timeline to develop the Integrated Resource Plan and the related consultation is too short and there is too long a time gap between the first and second rounds of regional workshops.

Stage in the Process First Nations are being Consulted

- There was recognition and appreciation by some participants that BC Hydro was consulting before a draft plan was developed; other participants stated they believed a draft plan had already been developed.
- It was stated that there must be a partnership between First Nations and BC Hydro in decision-making along with much earlier involvement of First Nations in the decision making process.

Future Impacts to First Nations' Rights and Title that may Arise from the IRP

- It was unclear to participants what the implications of the Integrated Resource Plan will be to First Nations' rights and title.
- There was concern that the Integrated Resource Plan would be used to justify later decisions, such as Site C.
- It was asserted that Site C cannot be developed without the prior consent of Northern First Nations.
- There was a concern about the relationship between the Integrated Resource Plan and the project review and approval process for Site C. There was a concern that the process favours approval of the project.

Historic Grievances

- Past grievances must be addressed and compensated before discussing future plans.

Site C

- It was stated that Site C is the only large project being considered and that some First Nations need to be engaged at a different level, which it was noted was not happening here.

5.1.7.1 Attributed Comments Regarding the Consultation Process

BC Hydro explained to the participants in the regional workshops that the note-taker would not be attributing comments unless a specific request was made by a participant to have a comment attributed to their First Nation. The following are

comments made during the workshops where the participant asked that the comment be attributed.

Harold Harry, Canoe Creek [Kamloops]

I have concerns with this being First Nations consultation. We are not here for consultation. We understand this to be information sharing. The obligation rests somewhere else, not here.

Gary Alexcee and Don Roberts, Kitsumkalum Band [Terrace]

Today's session has been described as consultation but it is not consultation to Kitsumkalum Band. Proper consultation needs to come home to our office and to our managing team, treaty and band on putting our imprint into any management plan.

Chief Carol Ann Johnny, Dease River First Nation [Terrace]

I consider this as an information session to be introduced to the Integrated Resource Plan. Our definition of consultation is different from BC Hydro's. I consider this information sharing.

Chief Larry Nooski, Nadleh Whut'en [Prince George]

I would like to state that I am not here for consultation. I have a serious problem with someone coming to our territory and talking consultation without accommodation. Whenever there are activities in our territories it creates damages. In 1956, Alcan came to our territory and destroyed our river. We have been here since 1272 A.D. and we have been fishing. In 1911 we stopped because people consulted with us and we let them in to share our resources, but we have gotten nothing from them. Anything we have ever got from the governments is welfare, disease and damage to our territory. I have a problem when someone says they are consulting without accommodating for the damages that will be and has been occurring.

Chief Geronimo Squinas, Lhatko Dene Nation (Red Bluff) [Prince George]

I would like to go on the record to say that my community and I do not see this as consultation and we would like BC Hydro to come to our community and talk to my members.

Jackie Brown, Lheidli T'enneh [Prince George]

I do not consider this consultation. Be proactive in having discussions with Lheidli T'enneh. Not just your administrative staff but to speak at a higher level.

Carrier Chilcotin Tribal Council, Bert Groenenberg [Prince George]

As an employee, I am not representing any member communities or their First Nations, so we are not consulting on their behalf and I am just here to receive information.

Kwadacha, Nak'azdli, Tsay Keh'dene, Gitxsan, Takla Lake, Nazko, Lake Babine Nation, Nadleh Whuten, Lheidli T'enneh [Prince George]

We do not consider this to be consultation.

Chief John Ridsdale, Wet'suwet'en [Prince George]

I am getting confused here. I absolutely get what you just said, this is the same story. You are going to get a 60 per cent rate hike but we will save 30 per cent. Where is anything for First Nations, what about compensation? We know what they are going to do, they are going to sell energy, and it is a corporation. Everybody has been through this process and it is the same old thing. You take notes and bring it back to your headquarters. You are affecting peoples land and rights and there should not be a dollar figure put on that. British Columbians want surety but you cannot get that at the expense of First Nations. You are getting great feedback because it is the truth. We know there are plans out there. When it comes to First Nations consultation, when you go to the public are they put first and foremost and you just switch it to who you meet with? There are certain criteria that industry and government must meet before they move forward with anything on First Nations. When you get into BC Utilities Commission, BC Hydro, and government, they tell you to speak to different people and the wheels are spinning and we cannot get on board. It is the same old story and this is the truth. Please be truthful with us.

5.2 Written Comments from First Nations

BC Hydro received written comments from First Nations in three ways: the First Nations Input Form; reports from the BCFNEMC; and additional letters and emails received from First Nations, Tribal Councils and First Nations Organizations.

5.2.1 Comments Received in First Nation Input Forms

The verbatim written input that BC Hydro received from First Nations in the Input Forms is set out in the tables below and organized by topic.

5.2.1.1 Conservation and Efficiency

The input received on conservation and efficiency is set out in Table 5.2.1.1.

Table 5.2.1.1 Input on Conservation and Efficiency

First Nation	Considering the information provided what do you think about pursuing greater conservation & efficiency?	What are your First Nation's interests that BC Hydro should consider if it were to pursue greater conservation and efficiency?
Bonaparte Indian Band	Energy gaps are still prominent, management of water efficiency within First Nations has been drastically reduced over the past 20 years and yet demand for electricity is expected to grow 40% over the next 20 years.	The conservation of water and supply efficiency to clean water for not only our wildlife, riparian rehabilitation but to also to the domestic use. Increasing damn usage generating electrical supply in the remote northern areas of BC are affecting the interior tribes/bands of the province.
Kwakiutl District Council	May benefit BC Hydro customers (lower hydro bill) individual, but overall growth (e.g. new households) will negate conservation benefit. Hard sell if more electricity overall is being consumed At odds with 'growth' economy Efficiency-Local opportunity for self-generation and sale of excess power to BC Hydro Just 'moving' peak demand from one time period to the other."	"Opportunity for generating electricity (and sale) locally. (feed in Tariff opportunities Assistance with exploring energy efficient building design (new and retro-fits of homes) Local/household electricity generation opportunities a bigger incentive than efficiency savings"
Little Shuswap Lake Indian Band	Conservation and efficiency should be target #1. A workable system of incentives and disincentives should be implemented. The prevailing policy that all demands should be met needs to be re-examined with a particular focus on the questionable notion of unlimited growth.	We are highly concerned with the limited options presented, in particular the emphasis on IPP's. While the logic of a more diverse power supply is relatively strong on a number of issues, the current situation with IPP's and the commodification of water is very troublesome.

First Nation	Considering the information provided what do you think about pursuing greater conservation & efficiency?	What are your First Nation's interests that BC Hydro should consider if it were to pursue greater conservation and efficiency?
Samahquam	It is important! We have to do what it takes to protect our World for our next generations. Will it be a tax right off? To apply conservation rates require transparency and policies where this would apply or (Not Apply) to low income families. What relationship exists w/ social development ministry? What is CMHC input on this?	*Make these efficiencies available to FNs: Resource the. Make "Save the Planet" mandate Affordable! Promote Building code requirements inspection: renovations and new construction
Toquaht Nation	The Toquaht Nation believes in the necessity to pursue greater conservation and efficiency.	Toquaht has expansion plans for its community - we are interested in building energy efficient homes and buildings.
Tsawout First Nation	Yes we feel this is definitely the path that BC Hydro should pursue.	The interests that we wish to protect in our territory is less destruction of the environment and resources in our territory
Tsawwassen First Nation	In general, Tsawwassen is supportive of conserving electricity; however there are significant issues with "Conservation Rates" (e.g. increasing block pricing) and feel that they need to be adjusted to address equity issues. In First Nations communities any conservation rate policy must consider the poor quality of First Nations housing stock, the large family size, and the low annual incomes. First Nations housing in general, including much of that in Tsawwassen, is substandard. Difficulties in acquiring financing on reserve lands make it difficult to upgrade homes. In the absence of financing to perform upgrades, many First Nations Members will be unable to pay Hydro bills, and given the inefficiencies with their houses, they will incur large bills. Also, First Nations families tend to have larger families. This means that on average they draw more power per household. Also, average annual income among Tsawwassen families is lower than the regional average, meaning that increasing hydro rates will have a greater impact on our Members.	If a strategy of more conservation rates is pursued, it is crucial that BC Hydro provide sufficient funding for housing retrofits for First Nations communities that would reduce the impact of higher rates on low-income members. In the absence of such funding, Tsawwassen is not supportive of that plank of a conservation strategy.

5.2.1.2 Electricity Generations Options

In the Input Form BC Hydro provided three example portfolios of electricity generation options. First Nations were asked to provide their perspectives on these example portfolios.

5.2.1.2.1 Example Portfolio 1: Renewable Mix

The input received on Example Portfolio 1: Renewable Mix is set out in Table 5.2.1.2.1

Table 5.2.1.2.1 – Input on Example Portfolio 1: Renewable Mix

First Nation	Considering the information provided what do you think about this example Portfolio?	What are your First Nation's interests that BC Hydro should consider with respect to this example portfolio?
Bonaparte Indian Band	Because most of the First Nation communities are assigned adjacent to run-of-river geographies under the implication that the reserves have arable lands. This portfolio will automatically be the most expensive for any First Nation community as a result of the intermittent water body levels from area to area.	Will need to definitely define a number of trade-offs for backup resources to sufficiently and adequately supply electricity and water for all First Nation residence assigned adjacent to run-of-river geographically.
Kwakiutl District Council	"How much of the mix is 'un-firm' power; and how much firm power will need to be generated for establishing a buffer? What is the potential for local/household electrical generation and how much additional 'firm' buffer would be required? What are the electricity consumption projections for next 20 years; will this portfolio (1) be enough?"	"Whatever the mix; energy development within a First Nation's must respect the Nation's vision for the use of the land. Whatever, the mix; any energy developments will have to reach accommodation agreements with affected First Nations"
Little Shuswap Lake Indian Band	Although this should not be construed as a blanket endorsement of IPP's, windpower, and/or bio-generation, or any other proposed alternatives, it does mean that alternative power generation should be aggressively and creatively pursued. There are many emerging technologies coming onstream that are not mentioned at all in this process. Furthermore, the associated cost for this alternative is not based on true cost accounting. In fact, none of the costing in this exercise is based on true cost. The cost inputs, by design, are very narrow and seem to promote an agenda already determined by BC Hydro and the Province to be optimal according to their own needs and ideologies.	IPP's should, at a minimum, only be developed with full participation of First Nations. Other alternative power sources, which will be predominantly located in Aboriginal Interest Areas and as such will trigger the commitment "Title" questions, must also be developed with the full involvement of First Nations.
Toquaht Nation	There are obvious pros and cons to this portfolio	Toquaht is interested in 4 run-of-the-river power generating sites within its territories. These would largely produce power during high usage winter months as our streams do not freeze up.

First Nation	Considering the information provided what do you think about this example Portfolio?	What are your First Nation's interests that BC Hydro should consider with respect to this example portfolio?
Tsawout First Nation	This example is more environmentally friendly therefore would get more support from the Tsawout First Nation.	Projects in our territory that take up resources, require lands or have an environmental impact require a fully informed and equitable consultation process with the Tsawout First Nation
Tsawwassen First Nation	Given the limited information, it is difficult to provide significant input.	<p>"It is our view that there should be space for First Nation's specific projects made within this portfolio mix. For example, if there is to be a significant amount of IPP's, the portfolio mix should mandate that some minimum percentage of those projects would have to be developed in partnership with First Nation's communities.</p> <p>While costs in and of themselves should not be a barrier to moving towards more sustainability and lowering emissions, the questions of who pays and who benefits are important. The cost impacts on First Nations must be considered, again given that the housing quality and the average family size on Reserves make it difficult to reduce energy consumption."</p>
Ucluelet First Nation	Next best option to Portfolio 2	

5.2.1.2.2 Example Portfolio 2: Renewable Mix with Site C

The input received on Example Portfolio 2: Renewable Mix with Site C is set out in Table 5.2.1.2.2

Table 5.2.1.2.2 –Input on Example Portfolio 2: Renewable Mix with Site C

First Nation	Considering the information provided what do you think about this example Portfolio?	What are your First Nation's interests that BC Hydro should consider with respect to this example portfolio?
Bonaparte Indian Band	The interior First Nation Communities already do not have adequate supply for general use and greatly rely on the capacity of back-up resources. To have Portfolio#2 considered for the Interior nations with poor water supply would not really benefit any of the small rivers, creeks or low wind supply areas.	Consider planning an individual generated back-up system/resource for the small interior First Nation communities to always have a supply of electrical energy on demand regardless of the amount of water supply or a source of water within the reserve boundaries.
Kwakiutl District Council	"Are there other system storage opportunities besides Site C? What are the smaller hydro dam opportunities remaining in the Province?"	"Whatever the mix; energy development within a First Nation's must respect the Nation's vision for the use of the land. Whatever, the mix; any energy developments will have to reach accommodation agreements with affected First Nations"
Little Shuswap Lake Indian Band	"The flooding of another important and productive valley should not even be considered. The loss of the Columbia system for fisheries, hunting, gathering, not to mention agriculture, tourism and recreation values is still far from resolved Another mega-project and consequently vulnerable generation facility is definitely not cutting edge. In terms of system design and management, this is an antiquated approach. We see from any number and scale of examples that diversity is key. Why does BC Hydro think they are exempt from this operating principle? The same comments from above re: true cost accounting are relevant here, and throughout this response."	As in all of these, Rights and Title questions are far from settled, and will be triggered by all of these alternatives.
Toquaht Nation	Toquaht likes this portfolio in that fewer green house gases are produced and hence less impact on the environment	Again we are interested in 4 run-of-the-river projects that would tie-in to this proposal.
Tsawout First Nation	Example 1 was more agreeable with us even though Site C is questionable in regard to us supporting this option. Example 2 is a second choice of options that you have made available.	Any projects that impact our territory require fully informed and equitable consultation.

First Nation	Considering the information provided what do you think about this example Portfolio?	What are your First Nation's interests that BC Hydro should consider with respect to this example portfolio?
Tsawwassen First Nation	<p>"Given the limited information, it is difficult to provide significant input. That said, consideration of the impacts of site C on aboriginal rights and title in the Peace must be considered.</p> <p>Beyond likely incremental impacts of a large scale hydro facility, the same comments provided above in respect of portfolio 1 apply."</p>	As in respect of portfolio 1.
Ucluelet First Nation	Support this as long as there are strong planned commitments to the wind/small hydro/wave portfolios which include more realistic pricing structures to promote and catalyze development.	greater support for renewable development in other regions of the province

5.2.1.2.3 Example Portfolio 3: Renewable Mix with Site C and Gas-fired Generation

The input received on Example Portfolio 3: Example Portfolio 1: Renewable Mix with Site C and Gas-fired Generation is set out in Table 5.2.1.2.3

Table 5.2.1.2.3 Input on Example Portfolio 3: Renewable Mix with Site C and Gas-fired Generation

First Nation	Considering the information provided what do you think about this example portfolio?	What are your First Nation's interests that BC Hydro should consider with respect to this example portfolio?
Bonaparte Indian Band	Natural gas generation will need to be safely stationed outside of any main village or individual residence for safety of any leak or possible explosion due to unforeseen circumstance. But I do like the idea of the 93% Clean Energy Act target.	Should consider the possible cost of Natural Gas as it is subject to the uncertainty of natural gas and carbon emission prices. Most First Nation communities can barely meet their heating expenses due to the location and the lack of available employment for each residential unit utilizing this portfolio - cost could be to grad for payment monthly.
Kwakiutl District Council		<p>"Whatever the mix; energy development within a First Nation's must respect the Nation's vision for the use of the land.</p> <p>Whatever, the mix; any energy developments will have to reach accommodation agreements with affected First Nations"</p>

First Nation	Considering the information provided what do you think about this example portfolio?	What are your First Nation's interests that BC Hydro should consider with respect to this example portfolio?
Little Shuswap Lake Indian Band	Most strongly oppose this option, again with the strong objection that this entire exercise does not incorporate a full suite of alternatives and real cost accounting.	In addition to the previous comments re: Rights and Title, most of the requirements for additional power will be coming from the urban population base concentrated in the lower mainland. Any move towards reducing the rest of BC to a resource mine for the city dwellers is not only highly objectionable, it is a very short sighted view of the direction we should be taking as a society.
Toquaht Nation	Toquaht does not like the concept of increased gas fired generation. We are concerned with additional emissions and also the anticipated increases in cost of gas & oil from American desire to reduce dependence on offshore sources.	Again we have 4 run-of-river sites that produce most in high demand periods with open winters on the west coast of Vancouver Island.
Tsawout First Nation	The inclusion of Gas fired generation makes this option disagreeable with the Tsawout First Nation.	Any projects or plans that have an impact on our territory or environment require a fully informed and equitable consultation process.
Tsawwassen First Nation	Given the limited information, it is difficult to provide significant input.	In general, TFN believes there is a net benefit to reducing greenhouse gas emissions,- but care must be taken to ensure that the relative cost impacts are not greater on First Nations communities than they are on other British Columbians. When considering relative cost impacts, it is important to consider the percentage of a household's income spent on energy generation.
Ucluelet First Nation	Not a good idea.	

5.2.1.3 Electrification

The input received on electrification is set out in Table 5.2.1.3.

Table 5.2.1.3 Input on Electrification

First Nation	Considering the information provided what do you think about pursuing a proactive approach to encouraging electrification?	What are your First Nation's interests that BC Hydro should consider if it were to pursue a proactive approach to electrification?
Bonaparte Indian Band	Chances of a First Nation individual purchasing an electric vehicle is very low and to have to assist with increased electrical usage payments as a result of the additional need for electricity would be a burden of seeking the finances for a product no First Nation member can ever afford.	Consider that First Nation communities will be a part of the formula of governmental regulations when the increase in electricity rates are generated as a result of the electrical vehicles BC Hydro and government are partnering to encourage reducing green house gas.
Kwakiutl District Council	"Will increase demand; impact conservation goal How much more demand would be created?"	Again; will increase land use pressure-more land needed for electricity generation; must fit within Nation's land use vision
Little Shuswap Lake Indian Band	Although electrification in relation to greenhouse gas emissions looks beneficial, the increased power generation and the corollary de-emphasis on alternative means of propulsion results in a less than optimal outcome.	Electric vehicles for a rural setting are far from mature in their development, and as such have very little cachet or draw among remote and/or isolated First Nations communities. Once again, we will be asked to sacrifice land and environment to create a better life for urban dwellers.
Toquaht Nation	Anything to reduce green house gas production is felt to be a good thing by the Toquaht Nation.	Increased electricity rates would improve opportunities for the Toquaht's run-of-river projects.
Tsawout First Nation	We think BC Hydro needs to investigate this avenue fully.	"Same answer as given previously to this question".
Tsawwassen First Nation	Significant public sector investment (including investment by BC Hydro) should not be contributed UNLESS the market has clearly indicated that electric vehicles and the like are going to be 'winners' over other alternative fuel technologies (e.g. fuel cell). Given the current uncertainty over what type of technology will 'win' in the market, significant capital investments of public dollars does not make sense.	While it may not affect TFN, care should be taken to avoid the regional impacts of such a strategy. More remote First Nation's would likely not see any benefits to this policy over the medium- to long-term.
Ucluelet First Nation	Yes for sure, however rather than raising utility rates these infrastructure projects should be funded from gas tax, car sales tax, and a stronger commitment to federal CAP & trade policy & commercial exchange systems.	dedicated electric public transit lanes on Tofino-Ucluelet corridor

5.2.1.4 Transmission Planning

The input received on transmission planning is set out in Table 5.2.1.4.

Table 5.2.1.4 Input on Transmission Planning

First Nation	Considering the information provided what do you think about a proactive approach to transmission planning?	What are your First Nation's interests that BC Hydro should consider if it were to pursue a proactive approach to transmission planning?
Bonaparte Indian Band	It sounds like the transmission in bulk would better serve the interior First Nations communities significantly but would need surrounding communities to support 100% in order for the plan to be successful for all electrical consumers.	Significant potential benefits with a high risk and increased rate pay to benefit from the transmission plan - a cost that most First Nation communities are under funded presently and have been continually ignored when seeking economic development or settlement of infringements of our Rights and Title within the transmission footprints already in place.
Kwakiutl District Council	Before planning transmission discuss with affected First Nations to determine if additional transmission and subsequent generation fits in land use vision	BC Hydro transmission lines should also have had negotiated Impact Benefit Agreements
Little Shuswap Lake Indian Band	Local generation, locally owned and run, coupled with a decrease in reliance on a monolithic corporate and infrastructure approach makes more sense.	Any planning has to be done with the direct and meaningful involvement of First Nations. Emphasis on "meaningful".
Toquaht Nation	Planning & forecasting is necessary and prudent. 30 year horizon is better than 20 year.	Our 4 run-of-river projects would become more viable with a regional approach to transmission.
Tsawout First Nation	We think that wherever possible, BC Hydro should try to increase capacity along existing avenues thereby lessening the impact on environment and lands.	Same answer as previously to this question
Tsawwassen First Nation	Reduced transmission impacts seem beneficial, but it is difficult to provide significant input given the limited information.	Question of who pays is important. If new load is brought on-stream to provide electricity for large mines/industrial projects, that industrial ratepayer (not individual consumers) should pay.
Ucluelet First Nation	Proactive planning is the best way to meet long term efficient transmission planning & construction as well as enabling for more strategic IPP development.	Renewable Energy Production projects (Wind & Wave & Run-of-river) are currently being planned for the Ucluelet Territory. SPECIFICALLY with a 30M.W wind farm planned for Mercantile Creek watershed and Effington (run-of-river) Inlet (transmission could be thru to Canoe Creek Hwy 4) and wave energy from Ucluelet proper.

5.2.1.5 Export Market Potential

The input received on Export Market Potential is set out in Table 5.2.1.5.

Table 5.2.1.5 Input on Transmission Planning

First Nation	Considering the information provided what do you think about building generation for the purpose of exporting electricity to other jurisdictions?	What are your First Nation's interests that BC Hydro should consider in clean generation for the purpose of export?
Bonaparte Indian Band	The existing Hydro dams in place were built in grand size to adequately supply electricity to markets outside of BC and yet the BC residents - First Nations and otherwise - have had to make adjustments for outside markets reneging on their electrical bill.	The promise of benefits and additional revenue flowing to the First Nations for the next 30 years will need to also address the past 60 years of lack of consultation and compensation to our First Nation community. As we presently receive only a mediocre financial supplement for the transmission hub travelling thru 80% of our community. More discussions will need to take place before plans for the next 30 years can be considered.
Kwakiutl District Council	Export of clean firm power, will reduce availability for providing renewable electrical generation	"Land use impact for out of province benefit; premium price paid for this electricity should also reward affected First Nation, not just BC Hydro Customers determine energy 'cleanliness'"
Little Shuswap Lake Indian Band	This is already happening, is already being pushed further, is part of the underlying agenda, and we strongly oppose any further moves in this direction.	All of the above comments for the previous questions apply here as well. Additionally, we do not see the sense in encouraging our neighbours to the south to continue in their mad race to overconsumption, over development, over population, and Californication of the Pacific Northwest.
Samahquam	It is important that we do this - as other jurisdiction grow in their own generation our own demands in future will have been taken care of as surplus begging? to become obvious.	
Toquaht Nation	Excellent as it may discourage or replace other forms of generation	are export rates higher and therefore more likely to support our run-of-river proposals?
Tsawout First Nation	WE don't agree with this avenue.	Same answer as previously to this question.
Tsawwassen First Nation	Difficult to support unless the revenue generated from the export either reduces rates for consumers or provides some benefit to First Nations.	Should electricity be marketed and exported outside the community, First Nation's should benefit through some form of revenue sharing given that much of the electricity will be passing through transmission lines that cross Treaty lands, Reserve lands, or traditional territories.
Ucluelet First Nation	Yes of course!	

5.2.1.6 Clean or Renewable Energy Development in First Nation Communities

The input received on clean or renewable energy development in First Nation communities is set out in Table 5.2.1.6.

Table 5.2.1.6 Input on Clean or Renewable Energy Development in First Nation Communities

First Nation	What are your interests in clean or renewable energy development for your community?
Kwakiutl District Council	"Local electricity generation-cost savings and possible revenues (a bigger incentive than using less electricity). Alternative to diesel generation in remote communities. Large scale developments fit with the affected First Nation's land use vision; reach an Impact benefit Agreement with affected First Nation(s); provide employment, training and contracting opportunities; government shares its revenues with affected First Nation(s); and First Nations have an opportunity to invest in project(s). What are the transmission limitations? Is it for export or within Province?"
Little Shuswap Indian Band	We have, and will continue to explore alternative and local solutions for the energy requirements of our communities.
Penelakut Tribe	In my opinion, BC Hydro needs to go to First Nations communities to meet with Chief and Council rather than meeting with one or two from a community to tell them about these plans. One person cannot form an opinion for an entire community. One meeting should not be considered a consultation regarding plans but should be considered a stepping stone to consultation- is an information session only. In order to get input I believe that BC Hydro should plan on meeting with Chief and Council in the very near future. I applaud the efforts that were made in holding this info session and Penelakut looks forward to further discussion.
Samahquam	1. I truly believe that our community has potential in "Low level" run of the river project: and bigger turbine projects 'seasonal' but sustainable. 2. smart-grid at early stage; currently 20 + buildings in our communities. 3. investigate 'geothermal' in our area; probably for local use! But provide two forms of energy 'if hot enough'. 1, heating the buildings, 2, generating electricity.
Toquaht Nation	Our community is very small. Only 2 years ago we came on the grid and were able to shut down our diesel fired generator. We are concerned with energy efficiency in our future construction.
Tsawout First Nation	We support clean energy development. We recommend BC Hydro look deeper in the development of Wind Generation and Solar Project development
Tsawwassen First Nation	Depending on the outcome of the Metro Vancouver regional integrated waste management plan, Tsawwassen is interested in pursuing waste-to-energy technology. Depending on the approach decided on by both the region, and the province, there is a significant opportunity for Tsawwassen and BC Hydro to bring new, clean energy on-stream. Additionally, Tsawwassen is planning for significant growth over the next 5 to 10 years, and has identified residential, commercial, and industrial development opportunities. Over the next decade there will be as many as 1,700-1,900 new housing units, 150acres plus of commercial development, and up to 300 acres of industrial development. This will add significant new energy demand. The community is well-positioned to incorporate sustainable energy design into how the community develops its lands. Initiatives such as district heating could help Tsawwassen reduce its energy demand from a Business As Usual (BAU) baseline developed with consideration of Tsawwassen's growth plans. One challenge for Tsawwassen however, is that much of BC Hydro's policy support or other funding initiatives target communities of a minimum size, not those that are planning for significant growth. There is a significant opportunity to achieve incremental energy savings over the BAU case of the planned growth, if BC Hydro can tailor programs to support communities such as Tsawwassen who are planning for growth.
Ucluelet First Nation	Better pricing for Wind Power

5.2.1.7 Additional Comments on the Development of the Integrated Resource Plan

The First Nations Input Form offered an opportunity to provide additional comments on the development of the Integrated Resource Plan. The input received is provided in Table 5.2.1.7

Table 5.2.1.7 Additional Input on the Development of the Integrated Resource Plan

First Nation	Comments
Kwakiutl District Council	"More specific engagement locally with First Nations-for example discussion with First Nations located on Northern Vancouver Island about region's potential generation and how would that be transmitted/moved. Specifically involve First Nations at the beginning of planning for regional transmission upgrades and additional transmission capacity to be built; the earlier the better."
Little Shuswap Lake Indian Band	This process, similar in many ways to the WAM process appears to have an underlying and predetermined agenda. It sure feels like window dressing, optics, smoke and mirrors, to keep the public happy. While we understand and appreciate the difficulties of this immensely complicated undertaking, we find that an examination of the fundamental underlying assumptions, which should be part of the discussion, are lacking. These are then characterised as not within the mandate or the Terms of Reference. This is disingenuous at best.
Samahquam	1. start w/ negotiating a 'revenue sharing agreement'(s) w/ FN. BCH to get mandate to negotiate. 2. present a better and current understanding of the GHG CO2 issue with time frame & global goals set: 300 million tonnes of CO2 recovered by 2050, for example. 3. seek out potential proponents of FNs for 'parking lots' venues! 4.provide awareness up to date smart-grid options/opportunity!
Tsawout First Nation	This is not to be construed in any way as consultation with the Tsawout First Nation on this matter.
Tsawwassen First Nation	As was discussed at the meeting, it is Tsawwassen's view, that participation in this workshop and the provision of input does not represent a formal Consultation, and that any decision(s) made by BC Hydro subject to the Integrated Resource Plan (IRP), which impact Tsawwassen's Treaty rights, must be subject to a separate Consultation, as is required under the Tsawwassen Final Agreement. In addition to this submission, Tsawwassen's in-house legal counsel (Tina Dion) will submit a more detailed and formal letter to that effect."

5.2.2 BC First Nations Energy and Mining Council Input

The BCFNEMC provided BC Hydro with their input on the development of the Integrated Resource Plan and the related consultation. The input from the BCFNEMC has been provided in two separate documents, one relating to their involvement in the First Nations regional workshops (**Appendix 16**), and the other relating to their involvement in the Technical Advisory Committee (**Appendix 17**).

In the following sections, the key comments and recommendations provided by the BCFNEMC are set out verbatim as they appear in the two attached documents.

5.2.2.1 BCFNEMC Regional Workshop Comments and Recommendations

The input from the regional workshops addresses all of the six topics BC Hydro addressed at the First Nations regional workshops as well as the issue of consultation process.

5.2.2.1.1 Conservation and Efficiency

- Remote Community Electrification: BC Hydro's Remote Community Electrification Program or similar programs to extend reliable BC Hydro service into all First Nations communities must be a first priority. It is simply not possible for First Nations individuals and governments to seriously consider efficiency and conservation measures until they are receiving levels of service comparable to other communities.
- Program Design and First Nations Access: First Nations must be included in Demand Side Management related program design discussions to ensure that they are relevant to local conditions, and members can actually access them and take advantage of possible savings. In addition, easy access for First Nations to residential and commercial energy consumption data is necessary for effective planning. Housing conditions, overcrowding, unemployment and low incomes work against effective First Nations participation, and these must be taken into account to garner First Nations support and achieve expected results.

-
- **Housing:** Shortages and generally substandard housing conditions in many First Nations communities need to be considered by BC Hydro and government at all levels. FNEMC recommends consideration of a multilateral housing advisory body, with First Nations, Government, and BC Hydro participation. This body should assess and develop new building standards, renovation and incentive programs. This work could be in conjunction with the Assembly of First Nations new green building policy project.
 - **Coordination with other government goals and objectives:** Government has a wide range of objectives, policies, and legislation outside the scope of, but nevertheless substantially affecting possible objectives and targets of BC Hydro's IRP. Economic development policies, population and immigration policies, building and transportation policies may all contribute to or be in conflict with IRP goals. Several workshop participants expressed concern that ordinary people might be expected to conserve only to serve the interests of more growth and lower costs in other sectors. FNEMC shares that concern. As with Housing above, FNEMC

5.2.2.1.2 Electrification

- **Service to First Nation communities:** As noted above, numerous First Nations in the province do not have or have inadequate, fossil-fuel based electrical generation systems in their communities. FNEMC recommends that extension of full and reliable electrical service to all First Nations communities in the province be the first priority, be properly resourced and a requirement of electrification initiatives.
- **Impacts on First Nations:** FNEMC is supportive of electrification to reduce GHG emissions and encourage innovation – but we are concerned that increased demand will mean higher rates for First Nations consumers, and will require additional generation and transmission facilities, with consequently higher impacts on First Nations lands and environment. Decisions on electrification made at a provincial level or in one area of the province should not impose pressure for unwanted developments, impacts, or costs on First Nations in another.

-
- Not an industry incentive program: FNEMC is also concerned that electrification should not become an industry incentive program, simply reducing costs and encouraging greater expansion for beneficiaries, at the expense of existing electrical consumers. New electrical system customers should pay full costs, including any marginal cost increases accruing to existing consumers.

5.2.2.1.3 Transmission Planning

- A proactive approach is necessary: FNEMC is very supportive and encourages BC Hydro to take a more proactive approach to transmission planning. We recognize that some degree of reactivity is unavoidable, but from the perspective of rational land-use, environmental protection, and long-term economic efficiency, it should be minimized to the extent possible.
- Risk of stranded investment: FNEMC believes that these risks can be managed and reduced to acceptable levels. It is possible to plan pro-actively, without fully committing to or actually constructing ahead of established triggers or thresholds. Potential environmental and economic benefits should considerably outweigh the cost of occasional error or miscalculation.
- Distribution of benefits and impacts are not the same: Requirements for new or expanded transmission correspond directly, although not always in proportion, with generation requirements. But we note that the geographic nature or effects of transmission are very different – generation projects usually are situated in and impact a fairly contained area, transmission lines often extending long distances and traversing large areas of unrelated and distant territory. Transmission disproportionately affects First Nations and rural lands, while serving the needs or interests of large demand centres elsewhere (typically urban centres). First Nations must be involved at all levels of planning for transmission projects involving First Nations lands and impacting on First Nations communities or citizens.
- Local First Nations involvement is essential: Smaller scale and distributed generation facilities may require proportionately less transmission than do large scale facilities; remote facilities may require more new transmission than would centrally located plants of similar scale; and transmission needs

may be reduced through planning and coordination to greater or lesser degrees in conjunction with or in advance of expected new generation. As above, generation decisions to satisfy needs of one area (Vancouver or the Lower Mainland for example) or one industry (oil and gas in Northeast BC for example) should not drive transmission decisions and impose disproportionate and avoidable adverse impacts on First Nations or other rural interests. Local consultation and involvement are necessary before project decisions are made.

5.2.2.1.4 *Export Market Potential*

As a matter of broad public policy, FNEMC submits that seeking First Nations support to meet recognized provincial needs is fundamentally very different than asking for such support to satisfy export interests. We note again the irony of pursuing additional exports while First Nations and some other communities within the province remain underserved.

FNEMC recommends the following to be applied to any further consideration and development of export markets:

- Priority to domestic requirements: Exports beyond system reliability requirements should be subordinate to conservation and efficiency objectives and to long-term provincial supply requirements.
- Financial protection of First Nations and other domestic consumers: Ratepayers must be protected from financial risk and rate increases associated with export market expansion.
- Protection against adverse impacts: First Nations must be protected from unwanted development impacts associated with generation and transmission projects required to serve export interests.
- First Nations participation essential: First Nations must be full participants in and beneficiaries of export oriented development. First Nations should be given clear priority rights to propose, develop, and operate any projects on or crossing First Nations lands.

-
- Coordination of IRP and government objectives: Government is clearly interested in pursuing economic development opportunities in all sectors and areas of the province. While that interest is legitimate and understood, it again raises the potential of conflict between recommended or agreed IRP directions and more general government economic ambitions. FNEMC submits that ongoing dialogue among government, BC Hydro, First Nations and stakeholders will be required to avoid future conflicts.

5.2.2.1.5 Clean or Renewable Energy Development in First Nation Communities

FNEMC strongly supports a greater emphasis on clean or renewable energy and on locally owned First Nations projects. Meaningful involvement of First Nations in renewable energy project could significantly assist in meeting BC Hydro's objectives and requirements of the IRP, and could foster substantially greater First Nations interest, participation, and support for the IRP and subsequent BC Hydro processes.

- BC Hydro policy review: Working with First Nations, BC Hydro should review procurement, energy purchase, and related policies to facilitate First Nations developments and reduce financial or other barriers that currently discourage First Nations participation.
- Local focus and support essential: Projects must be suitable to local conditions and be supported by the community. Early successes are essential. BC Hydro should establish services to provide technical, business, and other resource support to assist interested First Nations in planning, assessing, and developing local facilities on a pilot or demonstration project basis.

5.2.2.1.6 General and Process Related Issues

- Capacity funding for effective First Nations participation is necessary, particularly to assist with technical issues and analysis: As it includes both generation and transmission, the IRP is arguably a more comprehensive exercise than the BCUC Transmission Inquiry initiated in 2009. At the same time, the opportunities for input and assistance provided to First Nations have been significantly reduced. Fewer regional workshops are planned, those

recently completed were considerably later in the overall process, there will be no public hearings and opportunity for examination of BC Hydro plans, and resource support to First Nations and First Nations organizations has been reduced or, in the case of technical assistance, eliminated.

- BC Hydro must provide additional opportunities for First Nations input, and must if necessary extend timelines for the process to accommodate such input: First Nations in British Columbia are entitled to meaningful consultation – including the receipt of full and timely information, reasonable time and opportunity to respond, and the expectation that First Nations positions will be considered and accommodated. The changes noted above raise serious doubts about BC Hydro’s commitment to consultations, and they may bring into doubt the validity of the process and decisions made.
- Either during the IRP process or following it, but before government decisions are made, discussion and consultations are necessary to reconcile related policy directions: The process implies and raises expectations of decisions and policy directions to guide future electrical developments across the province. But the process also leaves out some players and other issues critical to a provincial strategy or plan. It is our understanding that Fortis BC, Columbia Power, and Alcan operations are not formally part of the IRP and thus may not be bound by certain policy directions. More importantly, the IRP understandably cannot incorporate or impose conditions on government policy beyond the mandate of BC Hydro, but it is not at all clear what consultations and inter-agency mechanisms are contemplated to harmonize and minimize inconsistencies or conflict.
- It is critical to First Nations that local issues be fully acknowledged and given appropriate weighting: It is similarly unclear how the IRP process will integrate regional and community interests and priorities with provincial ones. Site C is a particularly obvious example of this issue and potential conflict between local or regional and provincial interests, as well as between First Nations and public or other stakeholder interests.
- If First Nations support or endorsement of the IRP is desired, First Nations must be more fully included in the process: Notwithstanding early representations to the contrary, First Nations engagement in the IRP has

been late and inadequate to-date, and further engagement is not planned until after a draft plan has been produced by BC Hydro. Recent regional workshops were, for most First Nations, their first information and exposure to the process. Most came without, and do not have, technical support or capacity to obtain the same. They were asked to provide feedback at the workshops and within a few weeks following on very complex and consequential issues. Most will not be involved again until a plan has been drafted and they are asked to comment. None were involved or provided with detailed information prior to the first workshops, and none are planned to be involved until the second. At that time, as one participant noted, 90% of all the decisions will have been made.

- Prior to emergence of a draft plan, not after it has been internally produced, is the appropriate time for discussion of these connections: Similarly, the separation and connections between the technical and public and First Nations “consultation” streams is not clear. To this time, the two have been proceeding largely in isolation of each other, but the analysis and recommendations of each will necessarily need to be merged at some point. Designation of some issues as “technical” and others not is also a matter of perspective. First Nations characterization and emphasis given to various social, environmental, cultural, and even economic factors may be quite different than those of BC Hydro planners, technicians, and financial analysts.
- BC Hydro and provincial policy must be changed to encourage participation and to offer revenue-sharing, royalty, or other financial incentives to First Nations: The distribution and effects of “benefits” and “impacts” associated with energy developments are very different. Local areas, usually rural disproportionately bear the adverse effects, while consumers and industry participants, usually urban, reap the majority of benefits. First Nation communities must be full participants in all stages of development from planning through to operations, and they must be full beneficiaries of local developments.
- Affected lands should be mapped and given “protected” status during planning and pending resolution of Claims: First Nations rights and title interests, treaty rights, First Nations traditional territories, and lands subject to

Land Claims negotiations must be recognized and accommodated in all stages of the IRP.

5.2.2.2 BCFNEMC Technical Advisory Committee Comments and Recommendations

The input from the BCFNEMC's involvement in the Technical Advisory Committee does not include comments on Clean or Renewable Energy Development or consultation process as these were not addressed in the Technical Advisory Committee.

5.2.2.2.1 *Conservation & Efficiency*

Based on the information provided to the Technical Advisory Committee to date, the BCFNEMC provides the following comments:

- **Sustainability:** As stewards of the land, First Nations are committed to the responsible use of lands and waters to ensure their availability for future generations. Improving conservation and efficiency is consistent with sustainability and sustainable development which are core principles of the BC First Nations Energy Action Plan.
- **Pursue Economic Conservation/DSM Opportunities:** Given the benefits of improved conservation and efficiency, (including reduced environmental impacts; improved efficiency and lower energy costs) BC Hydro should pursue all economic conservation/DSM opportunities.
- **BC Hydro and the Province of British Columbia should provide capacity funding for energy managers to support energy conservation in First Nations communities.**
- **Access to Conservation Initiatives:** Access to DSM/Conservation initiatives is a challenge for many First Nation communities – particularly those in rural and remote locations. BC Hydro needs to ensure its DSM programs are accessible to all First Nations communities. Relevant considerations in this regard include:

-
- In First Nations communities housing costs and electricity bills may be paid by the Band and not the individual or family residing in the home. Therefore conservation programs involving financial incentives/assistance for repairs and upgrades or reduced electricity bills may not be as effective as in other communities.
 - Access to capital dollars for repairs and improvements to community facilities (both residential and commercial) may be limited compared to other communities.
 - Codes and standards applicable in First Nations communities may differ from provincial standards.
 - Funding for First Nation Community Energy Managers: In recognition of the specific challenges associated with conservation/DSM initiatives in First Nations communities, BC Hydro and the Province of British Columbia should provide capacity funding for energy managers to support energy conservation in First Nations communities.
 - Communication: Much of BC Hydro's communication related to DSM and conservation in the IRP process focuses on the need to make sacrifices and the consequences if conservation targets are not achieved. BC Hydro should instead focus its communication on conservation initiatives on the benefits to First Nations and British Columbia, including reduced environmental impacts, less waste and lower energy costs.

5.2.2.2.2 Electricity Generation Options

Electricity Generation Options: Portfolio 1

Based on the information provided to the Technical Advisory Committee to date, the BCFNEMC provides the following comments:

- Support for Renewable Energy Projects: First Nations strongly support the development of clean, renewable sources of electricity to meet future energy requirements. Many First Nations are currently experiencing the direct negative effects of climate change. Ensuring future electricity needs are supplied by clean and renewable sources will help respond to the impacts of climate change and stabilize greenhouse gas concentrations.

-
- **Support for Locally Developed and Owned Projects:** In the past, resource developments imposed environmental damages without ensuring benefits for local communities. First Nations support projects that are developed and owned directly by the community or through partnerships. This helps to ensure projects are developed in a manner that is consistent with the broader plans and objectives of local communities in mind.
 - **Balancing of Costs and Benefits:** It is recognized that the cost of future development projects must be taken into account in long-term planning. A focus on conservation and sustainability can help to ensure increasing electricity prices do not become a burden on local residents or become a barrier to other types of economic development.

Electricity Generation Options: Portfolio 2

Based on the information provided to the Technical Advisory Committee to date, the BCFNEMC provides the following comments:

- **Conflicts between Provincial Level Planning and Regional/Local Environmental Impacts:** Site C highlights the conflict between provincial level energy planning and regional environmental impacts. In order to develop Site C, local First Nations and communities would be asked to bear significant impacts on lands and water. One of the core principles of the First Nations Energy Action Plan is recognition of the autonomy of individual First Nations in decision-making for their traditional areas. No decisions or plans with respect to Site C can be made without meaningful consultation and accommodation with First Nations whose lands and waters would be impacted.
- **Funding Required for Local and Regional Development Plans:** There is a need for better development and coordination of energy planning with regional and local planning processes. BC Hydro and the provincial government should address funding for local and regional development plans.
- **Early Engagement Necessary:** Site C also highlights the need for early engagement of First Nations and local communities in resource development projects. First Nations must have the opportunity and the necessary resources to understand and evaluate development proposals.

-
- **Full Impacts of Development must be Understood:** In order to make informed decisions on new developments, a complete understanding of the potential environmental and human effects of the development must be undertaken. This includes an assessment of impacts at the regional level and an assessment of cumulative effects with other activities in the region.
 - **Benefits must be Shared:** If new projects, including Site C, can be developed in a manner that is acceptable to the impacted First Nations and communities, mechanisms must be in place to ensure the economic benefits of the project are shared fairly with the local communities. Benefit sharing must extend beyond simply offering short-term construction-related employment to local residents. Revenue sharing and project ownership must be included as benefits for local First Nations and communities. Best practices from other Canadian jurisdictions should be reviewed and incorporated into project planning and development
 - **Capital Costs of Site C must be Reviewed:** Capital costs for major hydro-electric facilities can change dramatically in a short period of time. For example, Manitoba Hydro has recently updated its capital cost estimates for the Keeyask and Conawapa generating stations. The most recent 2010 capital cost forecasts are both 50% higher than the 2008 forecasts. Manitoba Hydro notes these cost increases are due to more current market information and delays in the in-service dates for both facilities.

Electricity Generation Options: Portfolio 3

Based on the information provided to the Technical Advisory Committee to date, the BCFNEMC provides the following comments:

- **Concerns Related to Site C:** The BCFNEMC reiterates its concerns with potential effects of Site C noted above.
- **Role of Natural Gas Requires Careful Consideration:** First Nations are currently experiencing negative impacts of climate change and support efforts and policies to stabilize and reduce greenhouse gas emissions. However, natural gas generation may still have a role to play in long-term energy planning. For example, planning to include natural gas based resources, to be used particularly during infrequent low-water years, may provide cost-benefits

and improve reliability and energy security. Natural gas may also have a role in helping to displace electricity that is currently imported from other jurisdictions that primarily use coal for generation. These potential benefits need to be weighed against the greenhouse gas and potential environmental implications. To date, insufficient information has been produced on the trade-offs involved to allow for informed decision making

5.2.2.2.3 *Electrification*

Based on the information provided to the Technical Advisory Committee to date, the BCFNEMC provides the following comments:

- **Electrification of Remote Communities:** Electrification should include extending BC Hydro grid service to remote communities as a priority. In particular those communities currently served by diesel or non-renewable generation.
- **Greenhouse Gas Benefits need to be Weighed Against Other Environmental Impacts:** First Nations are supportive of actions that reduce greenhouse gas emissions. However, increased electricity generation and transmission projects involve their own environmental impacts. The potential greenhouse gas benefits need to be weighed against these environmental impacts.

5.2.2.2.4 *Transmission Planning*

Based on the information provided to the Technical Advisory Committee to date, the BCFNEMC provides the following comments:

- **Transmission Planning must be Coordinated with Local and Regional Development Plans:** A proactive approach to transmission planning may provide benefits to local regions and communities by reducing costs in the long-term, reducing environmental impacts associated with transmission developments and supporting local and regional economic development. However, for this planning approach to be successful it must be conducted in partnership with First Nations and local communities.

-
- **Isolated Communities should be Priority:** At present, many First Nation and rural communities are isolated from the provincial electricity grid. Isolated communities, in particular those currently served by diesel generation, should be a priority for new transmission access in order to ensure the economic benefits of clean, low-cost electricity are provided to all communities in the province.

5.2.2.2.5 *Export Market Potential*

Based on the information provided to the Technical Advisory Committee to date, the BCFNEMC provides the following comments:

- ***Clean Energy Act* Requirements Already Ensure Substantial Energy Available for Export:** As a result of implementing the planning requirements contained in the *Clean Energy Act*, BC Hydro will already have a substantial amount of clean and renewable electricity available for export in most years. Despite this amount of energy being available for export, BC Hydro is projecting substantial rate increase requirements over the next several years. It is difficult to understand how a case could be made that acquiring additional electricity resources to serve the export market could result in economic benefits to British Columbia.
- **Domestic and Export Markets Require Different Policy Context:** In the BCFNEMC's view development of energy resources to support local communities and businesses is a different policy concept than the development of energy resources for sale to customers in other jurisdictions. Local First Nations and communities should not be asked to bear increased environmental impacts to serve customers in other jurisdictions without ensuring the local communities and regions benefit substantially from these developments. The concept that the economic benefits would flow primarily to the provincial government is not acceptable.

5.2.3 Additional Comments & Input

Ten letters and emails were received by BC Hydro that contain additional comments and input about the workshops and/or the development of the Integrated Resource Plan and the related consultation process (**Appendix 18**).

Appendix 1 — Letter from Ministry of Energy and Mines



FEB 17 2011

Mr. David Cobb
 President and Chief Executive Officer
 BC Hydro
 18th Floor, 333 Dunsmuir Street
 Vancouver, BC V6B 5R3

Dear Mr. Cobb:

As you know, the *Clean Energy Act* (CE Act) requires BC Hydro to prepare an Integrated Resource Plan (IRP) that is consistent with good utility practice and includes a description of how BC Hydro plans to achieve self-sufficiency and respond to British Columbia's 15 other energy objectives set out in the CE Act. The IRP must also describe potential opportunities to sell electricity in the export market. The first IRP is to be submitted to the Minister of Energy no later than December 2, 2011 for consideration by Cabinet.

In order to inform Cabinet's decision whether or not to approve the IRP and whether to exempt certain export projects or energy supply contracts from the British Columbia Utilities Commission review, Cabinet may require information on related First Nations interests and concerns. I therefore ask that BC Hydro engage with First Nations with a view to identifying First Nations perspectives. I also ask that BC Hydro report to the Minister of Energy on BC Hydro's discussions with First Nations.

The report should describe the following:

1. Which First Nations have been contacted by BC Hydro or its representatives in relation to the development of the IRP;
2. What information was provided to the First Nations at various stages of the IRP development process and the efforts made to meet with First Nations, including when letters were sent and follow-up phone calls and meetings occurred;
3. A list of issues and concerns that First Nations identified; and
4. Any opportunities for follow up discussion that were made available to First Nations in response to their issues and concerns, along with a summary of the substance of those discussions.

.../2

Ministry of
 Energy

Office of the
 Deputy Minister

Mailing Address:
 PO Box 9319 Stn Prov Govt
 Victoria BC V8W 9N3
 Telephone: 250 952-0504
 Facsimile: 250 952-0269

Location:
 1810 Blanshard Street
 Victoria

RECEIVED
 FEB 22 2011
 Office of the
 President & CEO
 BC Hydro
 333 Dunsmuir Street
 Vancouver, BC
 V6B 5R3

Feb 22
Action: BVR/Clatheson
please draft response
for DC's signature
my Mar 1, 2011
please work with KSVs
office on this
Thanks.

- 2 -

I understand that activities to develop BC Hydro's IRP have begun and that BC Hydro has planned a separate consultation stream for First Nations. The purpose of this letter is to outline Ministry of Energy's expectations regarding the role BC Hydro is to perform in engaging with First Nations during the development of BC Hydro's first IRP under the CE Act.

Please contact Mr. Les MacLaren, Assistant Deputy Minister, at 250-952-0204, if you have questions regarding the Ministry of Energy's expectations for First Nations consultations relating to the development of the IRP.

If you have any concerns, please let me know. Otherwise it is our expectation that you will agree with the process we have outlined.

Sincerely,



Robin Junger
Deputy Minister

pc: Les MacLaren
Assistant Deputy Minister
Electricity and Alternative Energy Division

Appendix 2 — BC Hydro Letter to Ministry of Energy and Mines



FOR GENERATIONS

David Cobb

President & Chief Executive Officer

March 2, 2011

Deputy Minister Robin Junger
Ministry of Energy
PO Box 9319 Stn. Prov. Gov't.
Victoria, B.C.
V8W 9N3

Re: First Nations Consultation on the Development of the Integrated Resource Plan

Dear Deputy Minister Junger:

Thank you for your letter dated February 17, 2011 regarding BC Hydro's consultation with First Nations on the development of the Integrated Resource Plan (IRP). We have reviewed and confirmed our agreement with the Ministry of Energy's expectations regarding BC Hydro's role to engage with First Nations to identify their perspectives during the development of the IRP.

We understand and agree that BC Hydro's First Nations Consultation Report to the Ministry of Energy will include:

- A list of First Nations that have been contacted by BC Hydro or its representatives in relation to the development of the IRP.
- A record of information that was provided to First Nations at various stages of the IRP development process and an explanation of the efforts made to meet with First Nations, including a record of when letters were sent, follow-up calls were made and when meetings occurred.
- A list of issues and concerns that First Nations identified during our consultation process including a summary of the input received from the First Nations participants at each of the regional workshops.
- A record of opportunities for follow-up discussion made available to First Nations in response to their issues and concerns, along with a summary of the substance of those discussions.

BC Hydro is committed to engaging in meaningful discussions with First Nations during the development of the IRP.

Sincerely,

A handwritten signature in black ink, appearing to read "David Cobb", written over a horizontal line.

David Cobb

CC: Les MacLaren, Assistant Deputy Minister, Electricity and Alternative Energy Division
Bev Van Ruyven, Deputy CEO and Executive Vice-President, BC Hydro
Cam Matheson, Executive Director, Integrated Resource Planning, BC Hydro
Lyle Viereck, Director, Aboriginal Relations and Negotiations, BC Hydro
Sheila Reynolds, Manager, Aboriginal and Corporate Relations, BC Hydro

Appendix 3 — Summary of Input and Advice Received on BC Hydro's Proposed Approach to Consultation



2011 Integrated Resource Plan

**First Nations Workshop
Simon Fraser University, Downtown Campus (Segal Graduate School of Business)
September 24, 2010**

BC Hydro

Summary of Input and Advice Received on BC Hydro's Proposed Approach to Province-Wide
First Nations Consultation

October 14, 2010

1.0 Introduction

This document summarizes the results of a workshop held on September 24, 2010 on BC Hydro's proposed approach to province-wide First Nations consultation on the development of the 2011 Integrated Resource Plan. The workshop involved the participation of First Nations organizations and individuals, who were asked to provide input and advice on BC Hydro's proposed approach, with a view to increasing the effectiveness and efficacy of that approach within stated timeline and resource constraints. A total of 15 invitations were extended.

First Nations participants were as follows:

- Paul Blom, First Nations Energy and Mining Council
- John Lawson, First Nations Energy and Mining Council
- Bob Luke, Ktunaxa Nation Council
- Shawn Thomas, Sechelt Indian Band
- Grand Chief Clarence Pennier, Stó:lō Tribal Council
- Judith Sayers, Strategic Advisor to BC Hydro
- Michelle Thut, T'Sou-ke Nation

The input and advice received from First Nations participants on the proposed approach has been organized thematically in this summary and does not attribute statements to specific individuals. Participants and invitees who were unable to attend have been provided a draft of this summary for review and comment. BC Hydro fully acknowledges that the input and advice received from the participants represents their own personal views and does not consider this to be consultation. BC Hydro appreciates the advice and input provided by the attendees.

BC Hydro will be generating a final version of this document for distribution to First Nations invitees to the workshop and for submission to the Ministry of Energy, Mines and Petroleum Resources for consideration in the context of the province-wide consultation that will be carried out by BC Hydro during the development of the 2011 Integrated Resource Plan. The

results of the province-wide consultation will form part of BC Hydro's submission of the finalized 2011 Integrated Resource Plan to the Province in November 2011.

2.0 Background

There are three consultation streams planned for the 2011 Integrated Resource Plan: technical, public, and First Nations. Targeted discussions are underway with First Nations and the public on the proposed approaches to province-wide consultation, which is currently scheduled to begin in January of 2011.

In advance of the consultation, BC Hydro is updating data on the energy resource potential in BC. On September 14, 2010, BC Hydro hosted a Resource Options Update workshop. The purpose of this workshop was to initiate gathering input from technical energy experts on the resource potential within BC, and to foster a mutual understanding of the resource potential prior to BC Hydro undertaking an analysis. Invitations to the September 14 workshop were extended to ten First Nations individuals with technical knowledge of or considerable experience working with clean energy resources, including the First Nations Energy and Mining Council.

Consultation on the resource options will begin once a revised draft Resource Options Report, containing updated data on the energy resource potential in BC, has been developed. This draft is expected to be ready some time in December.

For the Resource Options Update workshop on September 14 and the dedicated First Nations workshop on September 24, BC Hydro offered First Nations invitees \$250.00 and reimbursement of eligible travel expenses.

3.0 Proposed Approach to Province-Wide First Nations Consultation

BC Hydro proposed two rounds of five workshops in regional locations to be determined. All 203 First Nations in the province would be invited to attend these workshops, as well as First Nations organizations, such as the First Nations Energy and Mining Council.

As proposed, the first round of five workshops would be held in January and February 2011 to obtain input on the development of a draft of the 2011 Integrated Resource Plan. The second round of five workshops would be held in September and October 2011 to obtain input on the completed draft, which is planned for completion by the end of July 2011.

BC Hydro's presentation from the September 24 workshop is appended to this summary (Appendix A).

4.0 Key Input and Advice

While all input and advice on the proposed approach was encouraged at the September 24 workshop, BC Hydro provided participants with a series of questions to assist in facilitating the discussion. The primary guiding question was as follows:

Given the constraints BC Hydro is operating under, and the recognized capacity constraints of First Nations, are there ways to increase the efficiency and efficacy of BC Hydro's proposed approach to consultation with First Nations on the development of the 2011 Integrated Resource Plan?

Participants were also asked to consider the following specific questions in providing input and advice:

1. What information is the most critical to build a common understanding of the content and use of an integrated resource plan?
2. What aspects of the 2011 Integrated Resource Plan are likely to be of most interest to First Nations?
3. What resource options are likely to be of most interest to First Nations?
4. What are the most significant issues likely to be identified by First Nations in the development of the 2011 Integrated Resource Plan?
5. Would it be helpful to provide pre-workshop reading material?
6. What can BC Hydro do to assist in providing continuity throughout the consultation period, particularly if First Nations have changes in representatives over the course of the consultation?

7. What locations in the province would likely maximize First Nations participation in workshops on the development of the 2011 Integrated Resource Plan?
8. What changes would you make to BC Hydro's proposed approach, again recognizing the constraints?
9. Is there anything else BC Hydro should consider?

The input and advice received during the workshop have been summarized in this document along four major themes:

- Meaningful consultation and relationship building
- Technical stream participation
- Timing of province-wide consultation
- Capacity funding

Details on each of these themes are presented below.

4.1 Meaningful Consultation and Relationship Building

There was broad consensus among the participants that two rounds of five workshops were not enough for meaningful consultation to occur on the development of the 2011 Integrated Resource Plan, and that there was time available prior to November 2011 to increase opportunities for participation. In particular, BC Hydro was advised that First Nations participation needed to be broadened prior to January 2011 with respect to both the consultation approach and the data collection for the Resource Options Update components; this is discussed further below in Sections 4.2 and 4.3. BC Hydro also heard that it should consider measures that would assist in building relationships with First Nations and preparing them for informed discussion in the development of the 2011 Integrated Resource Plan.

Recommended measures proposed to BC Hydro included:

- a political level meeting between the Chiefs, the Minister, BC Hydro executive, and possibly others, to discuss healing the relationship between the Province, BC Hydro, and First Nations before discussing the development of the 2011 Integrated Resource Plan;

- BC Hydro providing written notification of the 2011 Integrated Resource Plan to all First Nations in the province immediately, with a non-technical explanation of what an integrated resource plan is and is not, as well as the major milestones in its development (there was the suggestion that this written notification should be directed to the Chiefs and come from the Minister of Energy, Mines and Petroleum Resources and/or BC Hydro's Chief Executive Officer, rather than from BC Hydro Aboriginal Relations and Negotiations representatives);
- for each round of regional workshops, there should be at least 8 or 9 workshops rather than 5 to increase the opportunities for participation; and
- providing the means for First Nations to convene on their own, prior to each round of workshops, to be briefed about the content of the pending round of workshops in non-technical language by technical experts that they trust, thereby fostering the means for informed discussion at the BC Hydro-led workshops.

4.2 Technical Stream Participation

Several participants indicated that the Resource Options Update that is already underway needs to be more inclusive of First Nations. BC Hydro clarified at the workshop that the Resource Options Update is a factual updating of the inventory of resource potential in the province that serves as one of numerous inputs to subsequent 2011 Integrated Resource Plan analysis and decision-making, a process that does not begin until the new year. At this juncture, no decisions related to the 2011 Integrated Resource Plan are being made, including any that might result in specific impacts to territories.

Recommendations provided to BC Hydro for consideration in facilitating increased participation prior to January 2011 included:

- providing the means for First Nations to understand the technical information being collected and considered in the resource options update period, between now and December 2010, possibly by funding one or two technical experts trusted by First Nations to generate feedback on the supply-side resource options material produced by BC Hydro to date, for the purposes of providing a response to the request for input prior to the middle of October 2010; and

- providing a broader opportunity for First Nations to learn about the resource options update and provide input prior to December 2010, perhaps through the addition of a round of regional workshops in November 2010.

4.3 Timing of Province-Wide Consultation

A common concern among the participants was the proposed timing of the province-wide consultation sessions, not set to begin until January 2011. While it was recognized that there is a need to update the technical information on the resource options, which is the work that is occurring between September and December 2010, participants cautioned that holding off on province-wide consultation until the new year could leave First Nations with the impression that decisions have been made prior to the consultation workshops commencing. As discussed in Section 4.2, BC Hydro clarified that the nature of the work being done between September and December 2010 was the collection of technical information on potential resource options.

Recommendations provided to BC Hydro on how it might minimize the perception that consultation is occurring after decisions are made are included in Section 4.2.

4.4 Capacity Funding

Perhaps the most prominent concern voiced at the workshop was that, for meaningful consultation to take place on the development of the 2011 Integrated Resource Plan, sufficient capacity funding would be required to support that consultation. Funding recommendations advanced to BC Hydro included:

- funding one to two technical advisors for the duration of the development of the 2011 Integrated Resource Plan;
- funding an organization like the First Nations Energy and Mining Council to coordinate with communities on the development of the 2011 Integrated Resource Plan;
- providing opportunities to access financial resources at both the umbrella organization and community level; and

- increasing the honorarium rate of \$250 per day for First Nations representatives would encourage higher levels of participation at the workshops.

4.5 First Nations Comments on BC Hydro's Summary of the September 24th workshop

BC Hydro sent all invitees to the September 24, 2010 workshop a copy of the above summary of input and advice received at the workshop and invited further comment. BC Hydro has received the following additional comments:

- In Section 4, Key Input and Advice, "expected most significant issues" are not addressed, although the question was raised. Discussion on this was admittedly quite brief, but we did indicate that recognition of FN land interests and tenure would in all likelihood be a key issue (and potentially affect many others); and we noted that increased focus on export opportunities separately and in addition to meeting domestic requirements could significantly change analysis and support or opposition to some development scenarios. I believe it was also mentioned that careful consideration of local/region-based vs. province-wide analysis of various scenarios will be important; much of consultation input and participant concerns or interests will be local - subsequent analysis and decisions, if disproportionately made on a much larger scale, will create inconsistencies and contradictions.
- Section 4.1, 4.2, and 4.3 all address the issues of adequacy and timing of FN consultations. We agree with the comments contained, but would note that FNEMC also specifically recommended a quick initial round of regional meetings/workshops, ideally in November, as a means to increase FN contact, participation, and understanding of the process at the earliest stage possible. Our experience in the 2009 Inquiry process was that, regardless of other communication efforts that might have been made, the first round of workshops provided the first real information and understanding of the process to most participants. Rounds two and three as planned can only be successful if participants are reasonably well informed, active, and at least conditionally supportive of the overall process before they occur. We continue to support this recommendation.
- Section 4.2 and 4.3 both speak to the concerns expressed by several participants regarding the Resource Options updates currently underway. While we accept that the summary is

accurate of the conversation, we would still respectfully disagree with Hydro's contention that because of the technical focus of the Resource Options updates, they will not affect FN interests in any significant way. In our view, the methodology, scope and parameters of these updates might well potentially colour later analysis and decisions. And even if the Hydro view is correct, Hydro's task to gain support for that phase of work and later decisions will be more difficult if only "the experts" have been involved to that point, and others feel they have been deliberately left out.

- A significant issue not raised in the workshop owing to lack of time, but discussed between us on September 14 and again Friday, is the need for integration of public consultations with the separate FN consultations. We agree and support the need for a FN consultation stream, but it will be essential that the two streams are connected and communicating with each other on a more or less ongoing basis throughout the IRP. Failure to recognize this need and integrate/reconcile input and concerns from both streams as the process moves along will later create a scenario of "two ships passing in the night", with resulting conflicts and frustrations for all involved.
- Finally, in Section 4.4, your report speaks to capacity funding, and we again agree with the statements made. I must note, however, that these are not only important considerations, but they are very time sensitive. The FNEMC would like to participate fully and constructively in the IRP, but I am advised that we cannot provide responses on the Resource Options papers or further input until the Council receives adequate funding commitments. Anything that can be done to expedite a positive decision on this within Hydro will be appreciated.

Appendix A



2011 Integrated Resource Plan First Nations Workshop

September 24, 2010

*Simon Fraser University, Downtown Campus,
Vancouver, B.C.*

BChydro 
FOR GENERATIONS

Welcome & Workshop Overview

Daniel Johnston



Workshop Overview

9:00 – 9:15	Welcome, Introductions & Workshop Overview
9:15 – 10:15	2011 Integrated Resource Plan
10:15 – 10:30	Questions
10:30 – 10:45	Break
10:45 – 12:15	Discussion
12:15 – 12:30	Next Steps & Wrap Up

Workshop Overview

What is the main objective of today's workshop?

- To receive input and advice on an effective and efficient approach to province-wide consultation with First Nations on the development of the 2011 Integrated Resource Plan

Workshop Overview

What information will we be providing in this workshop?

- An **overview** of what is in and what is not in an integrated resource plan
- The context in which an integrated resource plan is **produced** and how it is **used**
- The **constraints** that BC Hydro is operating under to produce the 2011 Integrated Resource Plan, the first under the new Clean Energy Act
- Considering those constraints, BC Hydro's **proposed approach to consultation** with First Nations province-wide on the development of the 2011 Integrated Resource Plan

Workshop Overview

What information are we seeking from you?

- **Input and advice** on BC Hydro's proposed approach to consulting First Nations province-wide on the development of the 2011 Integrated Resource Plan, considering BC Hydro's constraints (BC Hydro does not characterize today's workshop as consultation)

Workshop Overview

How will we be using the information we gather today?

- BC Hydro will **prepare and provide you with a draft high-level summary** of the input and advice received on the consultation approach to ensure that what we heard is fairly represented
- We will e-mail this draft summary to you on September 27 and ask for **your feedback** by end of day on October 4 **for incorporation into the final summary**
- The final summary will then be **forwarded to you and the provincial government** for its consideration in the context of BC Hydro's consultation on the development of the 2011 Integrated Resource Plan

2011 Integrated Resource Plan

Randy Reimann



2011 Integrated Resource Plan

What is an integrated resource plan?

- A long-range, high-level plan for meeting customers' electricity needs and addressing electricity export opportunities over the next 20 years
- Considers conservation measures as well as generation resources and transmission options and draws conclusions on the degree to which to rely upon each option
- In considering options and drawing conclusions, an integrated resource plan does not approve construction of any particular project

2011 Integrated Resource Plan

How does an integrated resource plan differ from previous plans produced by BC Hydro?

- An integrated resource plan is submitted to Cabinet for approval
- In addition to resource options for domestic customers, an integrated resource plan includes electrification, export opportunities, and transmission
- Puts increased emphasis on consultation in the course of the plan's development, including input on the approach to consultation

2011 Integrated Resource Plan

What is driving the development of an integrated resource plan?

- The new Clean Energy Act, which requires BC Hydro to submit the first integrated resource plan to Cabinet in November 2011
 - Clean Energy Act has 16 objectives – e.g., achieving self-sufficiency, encouraging clean renewable energy/reducing greenhouse gasses, encouraging economic development and job creation – and the integrated resource plan must show how BC Hydro will respond to these objectives
 - Clean Energy Act includes 11 exempted projects, programs, contracts, and expenditures

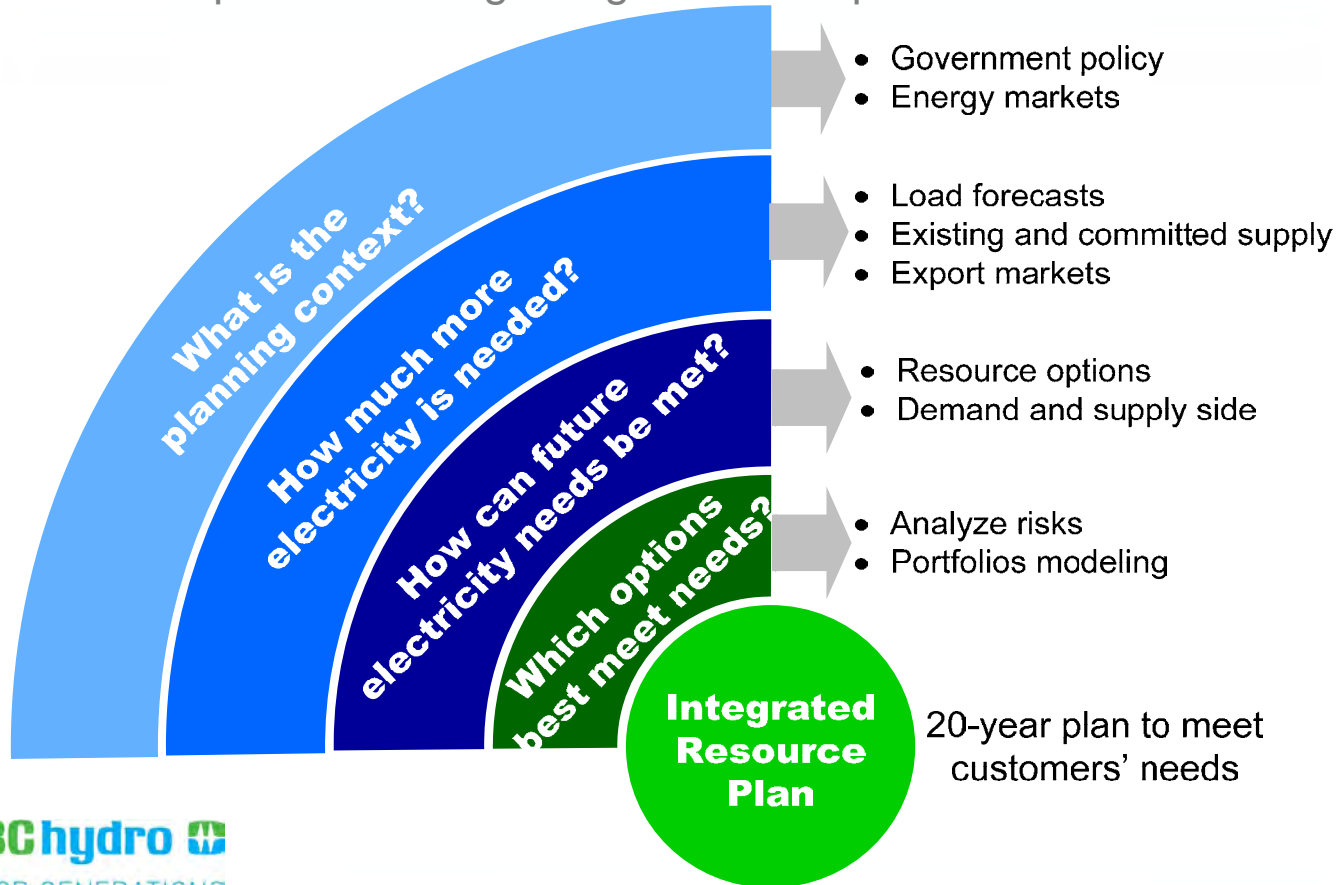
2011 Integrated Resource Plan

Clean Energy Act Exempted Projects, Programs, Contracts and Expenditures

- Northwest Transmission Line
- Bio-Energy Phase 2 – up to 1000 GWh/yr
- Integrated Power Offer – up to 1200 GWh/yr
- Clean Power Call – up to 5000 GWh/yr (actual: 3266 GWh)
- Standing Offer Program
- Feed-in Tariff Program
- Installation of smart meters by end of 2012
- Installation of a smart grid
- Mica Units 5 and 6
- Revelstoke Unit 6
- Site C (currently in stage 3 of 5)

2011 Integrated Resource Plan

What sort of questions are guiding the development of the 2011 IRP?



2011 Integrated Resource Plan

What are some of the considerations in addressing these questions?

- Load forecasts (including both peak demand and total energy) to serve loads in various locations in BC and respond to suitable export demand opportunities
- The potential for conservation to reduce the forecasted load (demand side)
- Existing and potential generation facilities and their locations in BC (supply side)
- The existing transmission system
- Requirements for new transmission lines to connect new and existing generation facilities to the forecasted load centres

2011 Integrated Resource Plan

Examples of what is considered in addressing the question
“Which options best meet needs?”

- The Clean Energy Act requires that BC Hydro hold the rights to 3,000 GWh/year of energy above self-sufficiency by 2020, and each year after
- The 2011 Integrated Resource Plan will examine how BC Hydro could meet this legislated requirement
- Part of this examination will include comparing demand side options to clean generation resources, including Site C
- Will examine costs, technical aspects (e.g., firm or intermittent energy), and environmental footprint (e.g., number of hectares of land)

2011 Integrated Resource Plan

What constraints are we operating under in developing the 2011 Integrated Resource Plan?

- Legislation – the Clean Energy Act directs BC Hydro to develop an integrated resource plan that is responsive to the objectives of that Act and that aligns with good utility practice (e.g., environmentally responsible, economical, and responsive to the concerns of First Nations and the public)
- Timeline for development of the 2011 Integrated Resource Plan, which is due for submission to the Ministry of Energy, Mines and Petroleum Resources for Cabinet approval in November 2011
- Resources that are limited

2011 Integrated Resource Plan

Once developed, what will the 2011 Integrated Resource Plan do?

- Does not, by itself, approve the construction of any specific capital projects, which remain subject to applicable regulatory approval and permitting processes, including consultation requirements
- Provides direction on, for example, future capital projects, demand side management targets, future power calls (timing, type, and design), export expenditures, and transmission infrastructure needs
 - BCUC to consider and be guided by the approved IRP
 - May be used as evidence in other regulatory proceedings (e.g., environmental assessments), for instance to present the need for Site C as compared to IPP alternatives
- Must be updated every 5 years



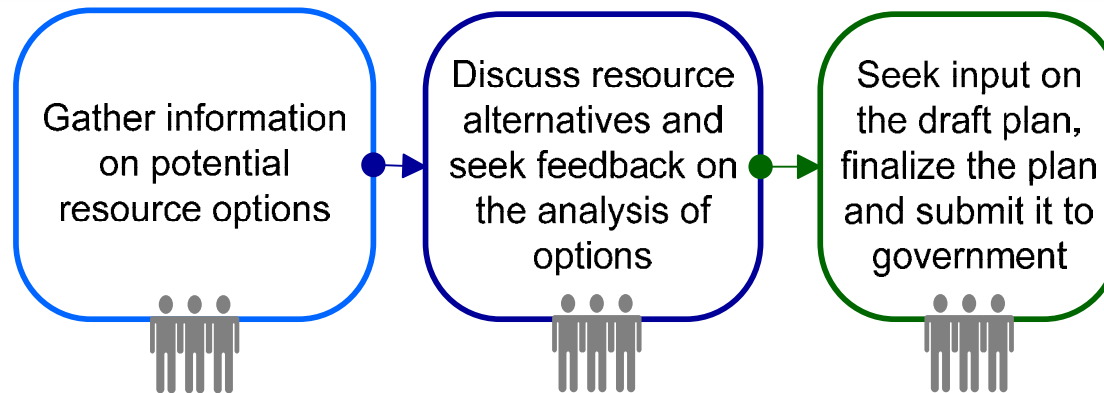
FOR GENERATIONS

2011 Integrated Resource Plan – Proposed Consultation Approach

Shauna McRanor

2011 Integrated Resource Plan – Consultation Streams

Who are we consulting on the development of the 2011 Integrated Resource Plan?



Three consultation streams

- Technical stream
- Public stream
- First Nations stream

2011 Integrated Resource Plan – Consultation Opportunities

September – December 2010

- Consultation on technical inputs into 2011 Integrated Resource Plan, such as resource options data (Resource Options Update) - Targeted discussions with First Nations and public on resource potential and methodology for assessing that potential
- Seeking input and advice in targeted discussions with First Nations and public on province-wide consultation for respective streams

January – October 2011

- Province-wide consultation

Ongoing (Post-2011 Integrated Resource Plan Approval)

- Consultation on Demand-Side Management Plan - Electricity Conservation & Efficiency Advisory Committee (First Nations participants)
- Consultation on all capital projects (future and Clean Energy Act-exempted) - Specific generation and transmission project regulatory and permitting processes

2011 Integrated Resource Plan – Resource Options Update

All resource options are being updated as part of the technical inputs into the 2011 Integrated Resource Plan, as follows:

- Transmission options
- Demand-side management options – Energy-Focused , Capacity-Focused
- Supply-side generation options
 - Biomass - Wood-Based
 - Biomass - Biogas
 - Biomass - Municipal Solid Waste
 - Wind - Onshore, Offshore
 - Geothermal
 - Thermal - Natural Gas
 - Thermal - Coal with Carbon Capture & Sequestration
 - Hydro - Run of River
 - Hydro - Pumped Storage
 - Ocean - Wave
 - Ocean – Tidal/Hydrokinetic
 - Storage Technologies
 - Solar
 - Miscellaneous Distributed Generation

2011 Integrated Resource Plan – Proposed Consultation Approach

What are we proposing for province-wide First Nations consultation?

- BC Hydro is proposing two rounds of five regional workshops to enable meeting the timeline for delivery of the 2011 Integrated Resource Plan to Cabinet, with the resources available
 - First round of five workshops – January-February 2011
 - Obtain input into development of a draft of the 2011 Integrated Resource Plan
 - Proposed locations?
 - Second round of five workshops – September-October 2011
 - Obtain input into the draft 2011 Integrated Resource Plan prior to finalization and submission to Cabinet for approval
 - Proposed locations?.

2011 Integrated Resource Plan – Proposed Consultation Approach

- Opportunities for further input will continue after each round of workshops
- Invitations will be sent to all First Nations in BC to participate in both rounds of regional workshops
- Timeline for the delivery of the 2011 Integrated Resource Plan to Cabinet in November 2011 and resource constraints do not allow for separate consultation with each First Nation in BC

Questions & Discussion

Daniel Johnston

Questions to Consider

Given the constraints BC Hydro is operating under, and the recognized capacity constraints of First Nations, are there ways to increase the efficiency and efficacy of BC Hydro's proposed approach to consultation with First Nations on the development of the 2011 Integrated Resource Plan?

Questions to Consider

1. What information is the most critical to build a common understanding of the content and use of an integrated resource plan?
2. What aspects of the 2011 Integrated Resource Plan are likely to be of most interest to First Nations?
3. What resource options are likely to be of most interest to First Nations?
4. What are the most significant issues likely to be identified by First Nations in the development of the 2011 Integrated Resource Plan?
5. Would it be helpful to provide pre-workshop reading material?

Questions to Consider

6. What can BC Hydro do to assist in providing continuity throughout the consultation period, particularly if First Nations have changes in representatives over the course of the consultation?
7. What locations in the province would likely maximize First Nations participation in workshops on the development of the 2011 Integrated Resource Plan?
8. What changes would you make to BC Hydro's proposed approach, again recognizing the constraints?

Questions to Consider

9. Is there anything else BC Hydro should consider?
10. Are there any other questions?

Next Steps & Wrap Up

Daniel Johnston

2011 IRP – How to Stay Informed

Visit the 2011 IRP website
www.bchydro.com/irp

Join the 2011 IRP
 Mailing List to
 receive updates

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2011 Integrated Resource Plan



British Columbia's new [Clean Energy Act](#) re-terms, integrated resource plan by November approval.

The 2011 Integrated Resource Plan (2011 IRP) is a long-term plan for acquiring generation and transmission resources to meet anticipated future electricity needs.

Upcoming event

September 14, 2010 – Resource Options D first steps in developing the 2011 IRP involve potential in B.C. To initiate gathering input, workshop.




Get involved

BC Hydro is currently developing opportunities for interested parties to get involved in the 2011 IRP. More information will be available this fall.



Join the 2011 IRP Mailing List

Sign up for email updates on the 2011 IRP. 

2011 IRP – How to Contact Us

Phone: **1-877-461-0161**

E-Mail: **2011IRP@bchydro.com**

Appendix 4 — List of First Nations, Tribal Councils and First Nations Organization Notified



Integrated Resource Plan First Nations Workshops

List of First Nations/Organization Invited

Adams Lake Indian Band
 Ahousaht First Nation
 Aitchelitz Band
 Akisq'nuk First Nation
 Ashcroft Indian Band
 Blueberry River First Nations
 Bonaparte Indian Band
 Boothroyd
 Boston Bar First Nation
 Burns Lake Band
 Campbell River Indian Band
 Canim Lake Band
 Chawathil
 Cheam First Nation
 Chehalis Indian Band
 Cheslatta Carrier Nation
 Coldwater Indian Band
 Cook's Ferry Indian Band
 Council of Haida Nation/Secretariat of the Haida Nation
 Cowichan Tribes
 Da'naxda'xw First Nation
 DANE-ZAA ADISHTS'SH (Doig River First Nation)
 Daylu Dena Council
 Dease River First Nation
 Dene Tsaa Tse K'Nai First Nation
 Ditidaht First Nation
 Dzawada'enuxw First Nation
 Ehattasht Tribe
 Esdilagh First Nation
 Esketemc First Nation
 Esquimalt Nation
 Fort Nelson First Nation
 Gitanmaxx Band
 Gitanyow Band
 Gitanyow Hereditary Chiefs
 Gitga'at Nation (Hartley Bay)
 Gitsegukla Band
 Gitwangak
 Gitxaala Nation
 Gitxsan Treaty Society (Hereditary Chiefs)
 Gwa'Sala-Nakwaxda'xw Nation
 Gwawaenuk Tribe
 Hagwilget Village
 Halalt First Nation
 Halfway River First Nation
 Heiltsuk Nation
 Hesquiaht First Nation
 High Bar First Nation - Llenlney'ten
 Homalco First Nation
 Hupacasath First Nation
 Huu-ay-aht First Nations

Iskut First Nation
 Ka:'yu:'k't'h'/che:k'tles7et'h'
 Kanaka Bar Indian Band
 Katzie First Nation
 Kispiox Band Council
 Kitamaat Village Council (Haisla)
 Kitasoo/XaiXais Nation
 Kitselas First Nation
 Kitsumkalum
 Kitsumkalum Hereditary Chiefs
 Klahoose First Nation
 K'omoks First Nation
 Kwadacha Nation
 Kwakiutl Indian Band
 Kwantlen First Nation
 Kwaw-kwaw-Apilt First Nation
 Kwiakah First Nation
 Kwicksutaineuk-Ah-Kwaw-Ah-Mish
 Kwikwetlem First Nation
 Lake Babine Nation
 Lake Cowichan First Nation
 Lax Kw'Alaams Band
 Leq' a: mel First Nation
 Lhatko Dene Nation (Red Bluff)
 Lheidli T'enneh First Nation
 Lhoosk'uz Dene Nation
 Liard First Nation
 Lil'wat Nation (Mount Currie)
 Little Shuswap Lake Indian Band
 Lower Kootenay Band
 Lower Nicola Indian Band
 Lower Similkameen Indian Band
 Lyackson First Nation
 Lytton First Nation
 Malahat First Nation
 Mamalilikula-Qwe'Qwa'Sot'Em
 Matsqui First Nation
 Metlakatla
 Moricetown Band Council
 Mowachaht/Muchalaht First Nation
 Musqueam Indian Band
 Nadleh Whut'en First Nation
 Nak'azdli Band
 Namgis First Nation
 Nazko First Nation
 Nee-Tahi-Buhn Band
 Neskonalith Band
 Nicomen Indian Band
 Nisga'a Village of Gingolx
 Nisga'a Village of Gitwinksihlkw
 Nisga'a Village of Laxgalts'ap
 Nisga'a Village of New Aiyansh
 Nooaitch Indian Band
 N'Quatqua First Nations

Nuchatlaht First Nation
 Nuxalk Nation
 Okanagan Indian Band
 Old Massett Village Council
 Oregon Jack Creek Band
 Osoyoos Indian Band
 Oweekeno/Wuikinuxv Nation
 Pacheedaht First Nation
 Pauquachin First Nation
 Penelakut Tribe
 Penticton Indian Band
 Peters Band
 Popkum First Nation
 Qayqayt First Nation (New Westminster Indian Band)
 Qualicum First Nation
 Quatsino First Nation
 Saik'uz First Nation
 Samahquam
 Saulteau First Nations
 Scia'new First Nation (Beecher Bay)
 Scowltz First Nation
 Seabird Island Indian Band
 Sechelt (shishálh) First Nation
 Sekw'elw'as (Cayoose Creek)
 Semiahmoo First Nation
 Shackan Indian Band
 Shuswap Indian Band
 Shxw'ow'hamel First Nation
 Shxwhá:y Village
 Sik-e-dakh (Glen Vowell Band)
 Simpcw First Nation
 Siska Indian Band
 Skatin Nations
 Skawahlook First Nation
 Skeetchestn Indian Band
 Skidegate Band Council
 Skii km Lax Ha
 Skin Tyee Nation
 Skowkale First Nation
 Skuppah
 Skwah First Nation
 Sliammon First Nation
 Snaw-Naw-As First Nation (Nanoose)
 Snuneymuxw First Nation
 Songhees First Nation
 Soowahile Indian Band
 Splats'in First Nation
 Spuzzum First Nation
 Squamish Nation
 Squiala First Nation
 St. Mary's Band
 St'át'imc Nation/Hydro Office
 Stelat'en First Nation



Integrated Resource Plan First Nations Workshops

List of First Nations/Organization Invited

Stswecem'c/Xgat'tem (Canoe Creek Band)
 Stz'uminus First Nation
 Sumas First Nation
 Tahltan Indian Band
 Takla Lake First Nation
 Taku River Tlingit First Nation
 T'it'q'et
 Tk'emlups Indian Band (Kamloops)
 Tla-o-qui-aht First Nations
 Tlatlasikwala
 Tl'azt'en Nation
 Tl'etinqox-t'in Government Office
 Tlowitsis Tribe
 Tobacco Plains Indian Band
 Toosey Indian Band
 Toquaht Nation
 Tsalalh (Seton Lake: Chalalh)
 Tsartlip First Nation
 Tsawout First Nation
 Tsawwassen First Nation
 Tsay Keh Dene
 TseK'hene First Nation
 Tseshaht First Nation
 Tseycum First Nation
 Tsi Del Del
 Ts'kw'aylaxw First Nation
 Tsleil-Waututh First Nation (Burrard)
 T'Sou-ke First Nation
 Tzeachten First Nation
 Uchucklesaht Tribe
 Ucluelet First Nation
 Ulkatcho First Nation
 Union Bar Band
 Upper Nicola Band
 Upper Similkameen Indian Band
 We Wai Kai Nation
 West Moberly First Nations
 Westbank First Nation
 Whispering Pines/Clinton Indian Band
 Williams Lake Indian Band
 Xa'xtsa (Douglas) First Nation
 Xat'sull First Nation (Soda Creek)
 Xaxli'p
 Xeni Gwet'in First Nations Government
 Xwisten (Bridge River Indian Band)
 Yakweakwoose Band
 Yale First Nation
 Yekooche First Nation
 Yunesit'In Government (Stone Band)

Tribal Councils and Organizations

Carrier Chilcotin Tribal Council
 Carrier-Sekani Tribal Council
 Coastal First Nations
 First Nations Energy and Mining Council
 Hul'Qumi'Num Treaty Group
 In-Shuck-Ch Tribal Council
 Kaska Dena Council
 Ktunaxa Nation Council Society
 Kwakiutl District Council
 Lillooet Tribal Council
 Lower St'át'imc Tribal Council
 Maa-Nulth First Nations
 Musgamagw Tsawataineuk Tribal Council
 Naut'sa Mawt Tribal Council
 Nicola Tribal Association
 Nisga'a Lisims Government
 Nlaxa'Pamux Nation Tribal Council
 Nuw-Chah-Nulth Tribal Council
 Office of the Wet'suwet'en
 Okanagan Nation Alliance
 Oweekeno-Kitasoo-Nuxalk Tribal Council
 Sencoten Alliance
 Sto:Lo Nation
 Sto:Lo Tribal Council
 Tahltan Central Council
 Treaty 8 Tribal Association
 Tsilhqot'in National Government
 Tsimshian Tribal Council

Appendix 5 — Letter January 31, 2011 Notification of Integrated Resource Plan



Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations
6911 Southpoint Drive
Burnaby, BC V3N 4X8

January 31, 2011

Re: BC Hydro's Integrated Resource Plan

We are writing to notify you that BC Hydro is developing an Integrated Resource Plan. The Integrated Resource Plan is a 20-year, province-wide plan that describes how BC Hydro will meet future demand for electricity through such measures as energy conservation and clean energy generation. The plan will be updated every five years.

BC Hydro's Integrated Resource Plan will support the Province of British Columbia to achieve the objectives contained within the *Clean Energy Act*, including the requirements for electricity self-sufficiency, promoting economic development, reducing greenhouse gas emissions, exploring potential export market opportunities, and investing in new clean and renewable energy. As well, given the long transmission construction lead times, the plan will contain an assessment of transmission requirements looking out 30 years into the future.

BC Hydro would like to consult with First Nations to learn about your interests as they relate to the Integrated Resource Plan. Please note that this does not replace the consultation that BC Hydro undertakes on capital projects. Consultation on the Integrated Resource Plan represents very early consultation at the long-term planning phase. Understanding First Nations interests in energy and transmission development, both from a place of aboriginal rights as well as economic development plans, will be very useful input to shape BC Hydro's Integrated Resource Plan.

BC Hydro will be holding two rounds of regional workshops and invites you to participate. We will be seeking input into the development of the draft Integrated Resource Plan during the first round (March 2011). In the second round (Fall 2011) we will be seeking your feedback on the draft Integrated Resource Plan. In addition, BC Hydro will invite written comments from First Nations following each of the two rounds of regional workshops.

In advance of the March workshops, BC Hydro will be sending out further information about the Integrated Resource Plan topics. Information on the development of the Integrated Resource Plan can

be found at: bchydro.com/planning_regulatory/long_term_electricity_planning/irp.html. This webpage will continue to be updated as the planning process unfolds.



The *Clean Energy Act* requires BC Hydro to submit an Integrated Resource Plan to the Provincial Government by the end of November 2011 for their review and approval. The input and comments BC Hydro receives from First Nations will be summarized in a consultation report that will be submitted to the Provincial Government when we submit our Integrated Resource Plan.

Participant funding of \$250.00/person is available for two designated representatives from each First Nation and Tribal Council to attend a First Nation workshop in both rounds 1 and 2. BC Hydro will also reimburse eligible travel expenses for all designated representatives who attend a First Nation workshop in the region where their First Nation or Tribal Council office is located.

For background information on BC Hydro, the Integrated Resource Plan, and participant registration, please find enclosed:

- A First Nations workshop Schedule and Registration Form;
- Travel Funding Guidelines and a Travel Expense Claim Form;
- An Integrated Resource Plan Information Sheet; and
- Quick Facts on BC Hydro and the provincial electricity system.

In addition to the First Nations regional consultation workshops, BC Hydro also invites First Nations to attend stakeholder meetings and public open houses on the Integrated Resource Plan (the schedule for these sessions is also enclosed). Please note that participant and travel funding is not available to attend the stakeholder meetings and public open houses.

We look forward to receiving your registration form and hearing your input into the development of the Integrated Resource Plan. For those unable to attend the First Nations consultation workshops please contact us if you would like to receive information on the Integrated Resource Plan.

If you have any questions, please do not hesitate to email us at 2011IRP@bchydro.com or call 1-877-461-0161 extension 3.

Sincerely,

Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations



Integrated Resource Plan First Nations Workshop Registration

Please send registration to the attention of **Loretta James**

Phone: 1.877.461.0161 extension 3

Email: 2011irp@bchydro.com

Fax: 604.528.2822

PLEASE PRINT CLEARLY

Workshop Community: _____

Workshop Date: March _____ 2011

 First Nation, Tribal Council

1. _____ 2. _____
 Designated Representatives (eligible for participant funding)

 Additional Participants (not eligible for participant funding)

 Phone

 Fax

 Email

Community	Date	Time	Location
Nanaimo	March 2, 2011	9:00am-3:00pm	Vancouver Island Convention Centre 101 Gordon Street - 250.244.4050
Campbell River	March 3, 2011	9:00am-3:00pm	Coast Discovery Inn & Marina 975 Shoppers Row - 250.287.7155
Abbotsford	March 4, 2011	9:00am-3:00pm	Ramada Inn & Conference Centre 36035 North Parallel Road – 1.888.411.1070
Kamloops	March 7, 2011	9:00am-3:00pm	Coast Canadian Inn 339 Paul Street - 250.372.5201
Vancouver	March 11, 2011	9:00am-3:00pm	SFU School of Business, Rix Room 500 Granville Street - 778.782.5000
Terrace	March 14, 2011	9:00am-3:00pm	Terrace Best Western 4553 Greig Avenue - 250.635.0083
Fort St. John	March 16, 2011	9:00am-3:00pm	Quality Inn Northern Grand 9830 100th Avenue - 250.787.0521
Prince George	March 17, 2011	9:00am-3:00pm	Coast Inn of the North 770 Brunswick Street - 250.563.0121
Castlegar	March 21, 2011	9:00am-3:00pm	Fireside Inn 1810 8th Avenue - 250.365.2128

Integrated Resource Plan Travel Expense Claim Form

ELIGIBLE EXPENSES

Dinner per diem – continental breakfast and lunch will be provided at the workshop	\$26.00
Mileage – from the First Nation, Tribal Council or First Nation Organization Office to the nearest consultation workshop. Applicable for travel of 25 km or more.	\$0.52 per kilometre
Hotel Accommodation – Applicable when travelling more than 50 km and subject to providing a receipt	\$125.00
Airfare – If you are unable to attend a session in your region please check with our office regarding costs to be reimbursed, prior to booking travel	Full cost of an economy class ticket

Name (please print): _____

First Nation (please print): _____

Detail of Expenses	Amount
TOTAL	

I hereby certify that all expenses claimed were incurred to attend BC Hydro's Integrated Resource Plan First Nations workshop

Workshop Location & Date _____

Signature of Claimant

Date Signed

Reimbursement cheques for Travel Expenses will be issued to the applicable First Nation, Tribal Council, or First Nation Organization. Please return this completed form with applicable receipts attached, by mail or fax to:

ATTN: Loretta James Fax: 604.528.2822 Tel: 1.877.461.0161 extension 3

BC Hydro, Aboriginal Relations and Negotiations

6911 Southpoint Drive – 10th Floor

Burnaby, BC V3N 4X8

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August 2013



Integrated Resource Plan Consultation Schedule

First Nations Workshops			
<i>Participant funding available for 2 designated representatives of each First Nation & Tribal Council</i>			
Community	Date	Time	Location
Nanaimo	March 2, 2011	9:00am-3:00pm	Vancouver Island Convention Centre 101 Gordon Street - 250.244.4050
Campbell River	March 3, 2011	9:00am-3:00pm	Coast Discovery Inn & Marina 975 Shoppers Row - 250.287.7155
Abbotsford	March 4, 2011	9:00am-3:00pm	Ramada Inn & Conference Centre 36035 North Parallel Road – 1.888.411.1070
Kamloops	March 7, 2011	9:00am-3:00pm	Coast Canadian Inn 339 Paul Street - 250.372.5201
Vancouver	March 11, 2011	9:00am-3:00pm	SFU School of Business, Rix Room 500 Granville Street - 778.782.5000
Terrace	March 14, 2011	9:00am-3:00pm	Terrace Best Western 4553 Greig Avenue - 250.635.0083
Fort St. John	March 16, 2011	9:00am-3:00pm	Quality Inn Northern Grand 9830 100th Avenue - 250.787.0521
Prince George	March 17, 2011	9:00am-3:00pm	Coast Inn of the North 770 Brunswick Street - 250.563.0121
Castlegar	March 21, 2011	9:00am-3:00pm	Fireside Inn 1810 8th Avenue - 250.365.2128

Stakeholder Meeting & Public Open Houses			
<i>No participant funding available to attend the stakeholder or public sessions</i>			
Community	Date	Type & Time	Location
Victoria	March 9, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Hotel Grand Pacific, 463 Belleville Street
Campbell River	March 10, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Coast Discovery Inn & Marina, 975 Shoppers Row
Vancouver	March 15, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	SFU Morris J Wosk Centre, Room 420, 580 West Hastings SFU Harbour Centre, Segal Room, 515 West Hastings
Abbotsford	March 16, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Clearbrook Community Centre, 2825 Clearbrook Road
Kamloops	March 17, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Ramada Kamloops, 555 West Columbia Street
Terrace	March 22, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Terrace Sportsplex, 3320 Kalum Street
Prince George	March 23, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Prince George Ramada, 444 George Street
Fort St John	March 24, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Quality Inn Northern Grand, 9830 100 th Avenue
Vernon	March 29, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Vernon Recreational Complex, 3310 37 th Avenue
Castlegar	March 30, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Castlegar & District Community Centre, 2101 – 6 th Avenue
Fort Nelson	March 31, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Woodlands Inn & Suites, 3995 50 th Avenue South
Cranbrook	April 8, 2011	Public Open House - 5:00-9:00pm	Prestige Rocky Mountain Resort, 209 Van Horne Street South



Integrated Resource Plan – Information Sheet

Why are we developing the Integrated Resource Plan?

While British Columbians are doing more than ever to conserve electricity, B.C.'s overall electricity use is expected to continue to increase as a result of projected population growth and projected development in the energy-intensive industrial sector. BC Hydro forecasts that the province's electricity needs will grow by 20 to 40 per cent over the next 20 years. The Integrated Resource Plan is BC Hydro's long-term plan for acquiring the resources needed to meet customers' needs for the next 20 years.

What objectives will the Integrated Resource Plan address?

BC Hydro's Integrated Resource Plan will support the province in meeting the objectives contained within the *Clean Energy Act*, including achieving electricity self-sufficiency, promoting economic development, reducing greenhouse gas emissions, exploring potential export market opportunities, and investing in new clean and renewable energy. As well, given long transmission construction lead times, the plan will contain an assessment of transmission requirements looking 30 years out. As BC Hydro implements the long-term vision contained in the *Clean Energy Act*, the fundamental electricity planning objectives to provide customers with reliable power in a cost-effective manner continue to be central to the planning process and reflective of good utility practice.

What is B.C.'s Clean Energy Act?

B.C.'s new *Clean Energy Act* establishes a long-term vision for B.C. to become a clean energy leader. The Act guides government, BC Hydro and the British Columbia Utilities Commission in advancing the province's ambitious sustainable energy vision. The Act advances 16 specific energy objectives. BC Hydro's Integrated Resource Plan will support the province in achieving the objectives contained within the *Clean Energy Act*, including achieving electricity self-sufficiency, promoting economic development, reducing greenhouse gas emissions, exploring potential export market opportunities, and investing in new clean and renewable energy. For more information on the *Clean Energy Act* please visit:

bchydro.com/news/articles/press_releases/2010/new_act_powers_bc_forward.html

How will BC Hydro meet future electricity requirements?

BC Hydro's core strategy to meet future electricity requirements is to 'conserve, build and buy'. Conservation is the first priority, and is targeted to meet approximately two-thirds of B.C.'s future electricity needs, as per the *Clean Energy Act*. Building a sustainable future also includes reinvesting in heritage hydroelectric assets, exploring new clean energy infrastructure projects such as Site C, and acquiring renewable energy from independent clean energy producers.

What are the key topics related to the development of the Integrated Resource Plan?

The key topics for the Integrated Resource Plan include conservation options, electricity generation options, long-range transmission options, the potential for electrification (switching from other fuel sources to electricity, such as may happen in the transportation sector), and the potential market opportunity to export clean power.

If I have questions about the Integrated Resource Plan and the related consultation what should I do?

Details of how to get involved in the First Nations consultation workshops or the public open houses is available by calling us at 1.877.461.0161 extension 3, or on the BC Hydro website at: bchydro.com/irp

Where can I get further information about BC Hydro?

Each year BC Hydro prepares *Quick Facts* which summarized information on BC Hydro's operations for the year. The *Quick Facts* provides an overview of the corporate purpose, annual facts, financial information, and operating statistics.

If you would like to know more about opportunities, such as contracting and employment, please call 1-877-461-0161 or visit us online at: bchydro.com/community/aboriginal_relations.html

QUICK FACTS



FOR THE YEAR ENDED MARCH 31, 2010

Corporate Purpose

BC Hydro's corporate purpose is to provide reliable power, at low cost, for generations.

Our Business

BC Hydro is a commercial Crown corporation owned by the Province of British Columbia. BC Hydro is one of North America's leading providers of clean, renewable energy, and the largest electric utility in British Columbia, serving approximately 95 per cent of the province's population and approximately 1.8 million customers.

We are responsible for reliably generating between 42,000 and 52,000 gigawatt hours (GWh) of electricity. Electricity is delivered to our customers through a network of over 18,000 kilometres of transmission lines and 57,000 kilometres of distribution lines.

2010 Facts

- Net income was \$447 million, compared with \$365 million the year before, resulting in a return on equity of 12.49 per cent.
- Water inflows were five per cent lower than the prior year resulting in less hydro generation than in the prior year, which was partially offset by reduced domestic load requirements, primarily as a result of lower sales to large industrial customers impacted by the economic downturn during the year.
- Power Smart conservation programs continued to deliver cost-effective energy, producing cumulative annual energy savings of 1,778 GWh in fiscal 2010.
- Property, plant and equipment expenditures of \$2,406 million are 72 per cent higher than the prior year primarily due to BC Hydro's acquisition of a one-third interest in Teck Metals Ltd.'s Waneta Dam and generating facility in March 2010, the Vancouver Island Transmission Reinforcement project, Revelstoke Unit 5 installation and system improvements to the distribution network. This is a positive result given the significant capital expenditure requirements over the next several years to be able to meet load growth requirements and maintain aging infrastructure.

Energy Facts

Definitions

power = how much electricity is consumed by customers (or produced by power generators) at any instant in time

energy = how much is consumed (or produced) over a period of time

capacity = the maximum sustainable amount of energy that can be produced or carried at any instant. Example: a car engine's horsepower rating is its energy capacity

Units of power

- 1 kilowatt (kW) = 1,000 watts
- 1 megawatt (MW) = 1,000 kilowatts (or 1 million watts)
- 1 gigawatt (GW) = 1,000 megawatts (or 1 billion watts)

Units of energy

- 1 kilowatt hour (kWh) = 1,000 watts for 1 hour (1,000 watt hours)
- 1 megawatt hour (MWh) = 1,000 kWh
- 1 gigawatt hour (GWh) = 1,000 MWh

(Note that the abbreviations for prefixes follow metric convention, so kilo is k, while mega and giga are capitalized. The abbreviation for watt is W.)

Power to Energy ratios – rule of thumb

- Power to energy – for thermal electric: MW x 8 = GWh per year
- Power to energy – for large hydro: MW x 5 = GWh per year

Comparison statistics

- The average household in BC Hydro's service area uses about 11,000 kWh per year.
- A large industrial customer, such as a pulp mill, might use 400 GWh in a year, equal to the consumption of 40,000 households.
- A typical large office building of 20–25 storeys might consume 5 GWh in a year, equal to the consumption of 500 households.
- A large "big box" retail outlet might consume 3.5 GWh per year, or roughly the equivalent of 350 households.
- A 1 MW micro hydro plant produces about 5 GWh per year of green energy.

Financial Information (in millions)

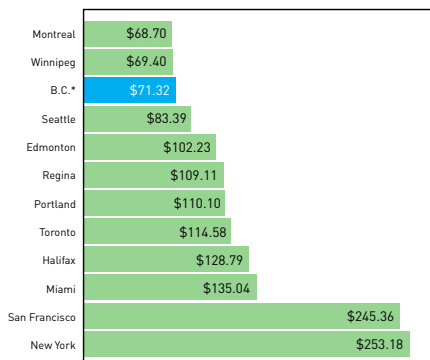
For the years ended as at March 31

	2010	2009
Revenues	\$ 3,822	\$ 4,269
Net income	\$ 447	\$ 365
Property, plant and equipment and intangible assets	\$ 14,104	\$ 12,099
Property, plant and equipment and intangible additions	\$ 2,406	\$ 1,397
Net long-term debt ¹	\$ 10,696	\$ 9,135

¹Consists of long-term debt, including the current portion, net of sinking funds and cash and cash equivalents.

Residential Rates

Monthly \$ Bills per 1,000 KWH



Source: "Comparison of Electricity Prices in Major North American Cities—Rates Effective on April 1, 2010"—Hydro Quebec.

Note: All bills and average rates are in Canadian currency and exclude taxes. "B.C." refers to BC Hydro service territory.

BC Hydro

333 Dunsmuir Street, Vancouver
British Columbia, Canada V6B 5R3

A downloadable version of this information is available at:

bchydro.com/quickfacts

Operating Statistics

For the years ended as at March 31

	2010	2009
Customers		
Residential	1,633,558	1,606,156
Light industrial and commercial	193,522	191,286
Large industrial	163	162
Other	3,455	3,434
Trade	287	290
Total	1,830,985	1,801,328
Electricity sold (gigawatt hours)		
Residential	17,593	17,861
Light industrial and commercial	17,811	18,265
Large industrial	13,020	14,303
Other energy sales	1,809	2,083
Total domestic	50,233	52,512
Trade (electricity and gas)	48,842	50,799
Total	99,075	103,311
Domestic Change Over Previous Year (%)	(4.3)	(1.5)
Revenues (in millions)		
Residential	\$ 1,300	\$ 1,197
Light industrial and commercial	1,133	1,054
Large industrial	485	481
Other energy sales	172	82
Total domestic	3,090	2,814
Trade	732	1,455
Total	\$ 3,822	\$ 4,269
Average revenue (per kilowatt-hour)		
Residential	7.4¢	6.7¢
Light industrial and commercial	6.4	5.8
Large industrial	3.7	3.4
Other	9.5	3.9
Trade ¹	4.4	6.6
Average annual kilowatt hour use per residential customer	10,857	11,258
Peak one-hour demand integrated system (megawatts)	9,847	10,010
Lines in service		
Distribution (kilometres)	57,278	56,780
Transmission (circuit kilometres)	18,603	18,531
Number of employees ²	5,842	5,844

¹The method used to calculate trade revenue per kWh is based on gross trade revenues.

²Includes full and part-time employees of BC Hydro and its subsidiaries.

Generating Capacity in kW

Hydroelectric*	Kilowatts (kW)
Aberfeldie.....	25,000
Alouette.....	9,000
Ash River.....	28,000
Bridge River.....	478,000
Cheakamus.....	158,000
+ Clayton Falls.....	2,002
Clowhom.....	33,000
Elk River.....	12,000
Falls River.....	7,000
V GM Shrum.....	2,730,000
John Hart.....	126,000
Jordan.....	170,000
Kootenay Canal.....	583,000
Ladore.....	47,000
La Joie.....	25,000
R Lake Bunzton.....	72,800
Mica.....	1,805,000
V Peace Canyon.....	694,000
R Puntledge.....	24,000
V Revelstoke.....	1,980,000
Ruskin.....	105,000
R Seton.....	48,000
Seven Mile.....	805,000
R Shuswap.....	6,000
Spillimacheen.....	4,000
V R Stave Falls.....	91,000
R Strathcona.....	64,000
R Wahleach.....	65,000
Walter Hardman.....	8,000
Whatshan.....	54,000
	10,258,802

* Maximum sustained generating capacity

R Has recreational area

V Has visitor centre

+ Non-integrated area

Thermal

Burrard.....	950,000
Fort Nelson.....	47,000
Prince Rupert.....	46,000
	1,040,500

Diesel Generation

+ Ah-Sin-Heek.....	6,580
+ Anahim Lake.....	3,650
+ Atlin.....	2,650
+ Bella Bella.....	3,300
+ Dease Lake.....	3,450
+ Eddontenajon.....	2,550
+ Masset.....	12,945
+ Sandspit.....	9,150
+ Telegraph Creek.....	1,800
	46,075

Total Capacity..... 11,345,377

Generation capacity figures may vary slightly from those stated in BC Hydro's Annual Report due to recent plant upgrades/updates.

Appendix 6 — Letter February 18, 2011 Notification of Integrated Resource Plan



Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations
6911 Southpoint Drive
Burnaby, BC V3N 4X8

February 18, 2011

Re: First Nation Workshops on the development of BC Hydro's Integrated Resource Plan

On January 31, 2011, we wrote to invite you to one of the regional workshops that BC Hydro is holding in March 2011 on the development of the Integrated Resource Plan. The Integrated Resource Plan is a 20-year, province-wide plan that describes how BC Hydro will meet future demand for electricity through such measures as energy conservation and clean energy generation. The plan will be updated every five years.

In our previous letter we committed to providing further information about the Integrated Resource Plan topics which are set out in the enclosed document with that title. The topics are:

- *Conservation and Efficiency*
- *Electricity Generation Options*
- *Electrification*
- *Transmission*
- *Export Market Potential*

BC Hydro's Integrated Resource Plan will support the Province of British Columbia to achieve the objectives contained within the *Clean Energy Act*, including the requirements for electricity self-sufficiency, promoting economic development, reducing greenhouse gas emissions, exploring potential export market opportunities, and investing in new clean and renewable energy. As well, given the long transmission construction lead times, the plan will contain an assessment of transmission requirements looking out 30 years into the future.

BC Hydro is seeking to consult with all First Nations, Tribal Councils, stakeholders and the public on both the development of Integrated Resource Plan and the draft Integrated Resource Plan. BC Hydro will be holding two rounds of regional workshops for First Nations. In the first round of workshops that will be held in March 2011, we will be seeking input into the development of the draft Integrated Resource Plan. In the second round of workshops, which will be held in the fall, we will be seeking your feedback on the draft Integrated Resource Plan. In addition, BC Hydro will invite written comments from First Nations following each of the two rounds of regional workshops.

BC Hydro is providing participant funding to First Nations and Tribal Councils to attend the First Nations-only workshops. Participant funding of \$250.00/person is available for two designated representatives from each First Nation and Tribal Council to attend a First Nation workshop in both rounds 1 and 2. BC



Hydro will also reimburse eligible travel expenses for all designated representatives who attend a First Nation workshop in the region where their First Nation or Tribal Council office is located. The input received from First Nations will be summarized in a consultation report that will be submitted to the Provincial Government in November 2011 as part of the Integrated Resource Plan.

In addition to the First Nations regional workshops BC Hydro also invites First Nations to attend stakeholder meetings and public open houses on the Integrated Resource Plan. (the schedule for these sessions is also enclosed). Please note that participant and travel funding is not available to attend the stakeholder meetings and public open houses. Pre-registration is required for the stakeholder meetings and space is limited. To register for a stakeholder meeting please contact us at the email address or telephone number below.

Also enclosed are the following documents which were included in our previous letter:

- A First Nations Workshop Schedule and Registration Form
- Travel Funding Guidelines and a Travel Expense Claim Form
- An Integrated Resource Plan Information Sheet,
- Quick Facts on BC Hydro and the provincial electricity system

Information updates will be posted on the BC Hydro website throughout the development of the Integrated Resource Plan and we encourage you to visit www.bchydro.com/irp

It is important to note that the consultation on the Integrated Resource Plan does not replace the consultation that BC Hydro undertakes on capital projects. Consultation on the Integrated Resource Plan represents very early consultation at the long-term planning phase. Understanding First Nations interests in energy and transmission development, both from a place of aboriginal rights as well as economic development plans, will be very useful input to shape BC Hydro's Integrated Resource Plan.

We look forward to your participation and hearing your input into the development of the Integrated Resource Plan. If you have any questions, please do not hesitate to email us at 2011IRP@bchydro.com or call 1-877-461-0161 extension 3.

Sincerely,

Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations



INTEGRATED RESOURCE PLAN TOPICS

BC Hydro's Electricity System

Currently BC Hydro serves 1.8 million customers in an area containing more than 94 per cent of British Columbia's population. BC Hydro provides electricity through an interconnected network of transmission lines, distributions lines and substations. This interconnected network, or "integrated grid" connects our generating stations to one another and to our customers. In addition, BC Hydro serves some communities that are not connected to the integrated grid.

Approximately 85 per cent of British Columbia's domestic supply comes from generation resources owned and operated by BC Hydro. The remaining 15 per cent of our customers' electricity needs are met from power purchased from Independent Power Producers in British Columbia. The majority of B.C.'s electricity demand is located in the Lower Mainland and on Vancouver Island while the majority of the generation supply is located in remote areas of the province. This requires BC Hydro to move the electricity over long distances across rugged terrain, through a relatively small number of transmission lines. More than 93 per cent of BC Hydro's electricity supply is from renewable resources and creates very little greenhouse gases, making it desirable at a time when the world faces climate change.

Integrated Resource Planning

The Integrated Resource Plan is BC Hydro's long-term plan for acquiring the resources to meet customers' needs for the next 20 years. As BC Hydro plans to meet British Columbia's future electricity needs it must consider the following:

British Columbians' electricity needs over the next 20 years

BC Hydro's Electricity Load Forecast indicates demand for electricity will increase by approximately 40 per cent in the next 20 years before accounting for savings that can be achieved through conservation and efficiency. Trends that influence future electricity needs include economic growth, population growth as well as predictions on how electricity use will change as a result of changes in lifestyle, electricity rates, legislation and technology.

The "gap" between existing supply and forecasted electricity demand

BC Hydro assesses how much electricity it can produce and rely upon from its current generating facilities and existing contracts with Independent Power Producers. Even after the future increase in demand for electricity is adjusted to account for savings from BC Hydro's current conservation and efficiency plan, an energy gap between future electricity needs and current resources still exists, particularly after 2020. The planning challenge begins with the task of how best to fill the gap.



How the gap between future electricity needs and existing resources can be closed

As we examine how to close the gap, BC Hydro considers:

- How much savings can be achieved from conservation and efficiency?
- What portfolio of electricity generation options BC Hydro should plan on?
- How much electrification will contribute to growth in electricity demand?
- What the transmission requirements will be?
- What the export market potential may be?

BC Hydro is seeking input from First Nations, stakeholders and the public on the following topics:

Conservation and Efficiency: Conservation – often referred to as demand side management – is BC Hydro’s first strategy for closing the gap between future electricity demands and existing resources. The latest forecasts show that demand for electricity in British Columbia will grow by approximately 40 per cent over the next 20 years.

Conservation occurs when customers change their behaviours, business operations, equipment purchases or capital investment decisions in ways that reduce electricity use. Methods of conservation include programs, electricity rates and government regulations designed to encourage or require customers to conserve electricity. The current conservation and efficiency plan is designed to reduce the forecast growth in demand by 79 per cent by 2020. This is above the new *Clean Energy Act* target of 66 per cent. One of the important questions in the Integrated Resource Plan is whether BC Hydro should target additional savings from conservation and efficiency over and above our current significant plan.

From a planning perspective, it is difficult to guarantee a particular volume of conservation over time as it is dependent upon customer response. Depending on what combination of conservation and efficiency measures are undertaken, BC Hydro can target different levels of savings. For this Integrated Resource Plan BC Hydro is evaluating a range of options that could provide savings of between 66 per cent and 83 per cent of the gap between current capacity and anticipated demand for electricity.

2. Electricity Generation Options: While British Columbians are doing more than ever to conserve electricity, electricity use is expected to continue to increase over the coming decades. BC Hydro will develop and analyze various combinations of resource options (portfolios) that may be used to meet future electricity needs and clean energy objectives. Each portfolio is described in terms of the resources it would contain.

Electricity generation options under consideration include a combination of BC Hydro projects, such as the Site C Clean Energy Project on the Peace River, as well as electricity purchases from potential projects representing a range of resource types including: biomass, wind, run-of-river and natural gas.



3. Electrification: Electrification describes the process of switching from other fuel sources to electricity; for example, switching vehicles from petroleum to electricity. Efficient electrification is one way of supporting the province's greenhouse gas emission reduction targets. The transportation sector is the largest source of greenhouse gas emissions in B.C., and replacing vehicles that use gasoline and diesel with electric vehicles could be one of the most significant long-term actions British Columbians could take to reduce emissions.

BC Hydro currently does not encourage fuel switching; rather it responds to the fuel switching that occurs. As part of the Integrated Resource Plan, BC Hydro is considering how it needs to respond to forecast growth in electricity demand from electrification and what role it should play in electrification going forward. For example, it could take a more proactive approach, working with government and other partners to promote and encourage efficient electrification to benefit customers and reduce greenhouse gas emissions.

4. Transmission: The transmission system, the essential link between electrical generators and energy consumers, is planned and designed to deliver energy efficiently and reliably. Because transmission lines require long lead times to plan and construct, the Integrated Resource Plan will assess electricity demand forecasts and the transmission options that will most effectively meet those demands over the next 30 years. When assessing future transmission requirements, planners need to consider:

- The need to maintain an optimal level of reliability for customers;
- Growth in electricity demand by geographic area;
- Potential location and size of new generation resources;
- The need to minimize electricity losses that occur when electricity is carried over long distances; and
- The expected retirement or refurbishment of existing transmission resources.

Transmission systems typically have been planned in response to generation projects and electricity demand growth that are expected to occur. In this Integrated Resource Plan BC Hydro is now looking farther into the future to anticipate potential transmission needs over a 30 year horizon. While BC Hydro is likely to use both approaches going forward, emphasis can be placed on one or the other.

5. Export Market Potential: While BC Hydro currently trades electricity when it has a short-term surplus, the *Clean Energy Act* includes the objective that the province be a net exporter of clean and renewable power. The Integrated Resource Plan will assess the export market potential, including the share of the clean energy market that British Columbia could expect to capture, and make recommendations to the provincial government about what actions, if any, are required now.



Integrated Resource Plan First Nations Workshop Schedule & Registration

Please send registration to the attention of **Loretta James**

Phone: 1.877.461.0161 ext 3

Email: 2011irp@bchydro.com

Fax: 604.528.2822

Community	Date	Time	Location
Nanaimo	March 2, 2011	9:00am-3:00pm	Vancouver Island Convention Centre 101 Gordon Street - 250.244.4050
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Castlegar	March 21, 2011	9:00am-3:00pm	Fireside Inn 1810 8th Avenue - 250.365.2128

PLEASE PRINT CLEARLY

Workshop Community _____

First Nation, Tribal Council _____

1. _____ 2. _____
Designated Representatives (eligible for participant funding)

Additional Participants (not eligible for participant funding) _____

Phone _____ Fax _____

Email _____



Integrated Resource Plan Travel Expense Claim Form

ELIGIBLE EXPENSES

Dinner per diem – continental breakfast and lunch will be provided at the workshop	\$26.00
Mileage – from the First Nation, Tribal Council or First Nation Organization Office to the nearest consultation workshop. Applicable for travel of 25 km or more.	\$0.52 per kilometre
Hotel Accommodation – Applicable when travelling more than 50 km and subject to providing a receipt	\$125.00
Airfare – If you are unable to attend a session in your region please check with our office regarding costs to be reimbursed, prior to booking travel	Full cost of an economy class ticket

Name (please print): _____

First Nation (please print): _____

Detail of Expenses	Amount
TOTAL	

I hereby certify that all expenses claimed were incurred to attend BC Hydro's Integrated Resource Plan First Nations workshop

Workshop Location & Date _____

Signature of Claimant

Date Signed

Reimbursement cheques for Travel Expenses will be issued to the applicable First Nation, Tribal Council, or First Nation Organization. Please return this completed form with applicable receipts attached, by mail or fax to:

ATTN: Loretta James Fax: 604.528.2822 Tel: 1.877.461.0161 extension 3

BC Hydro, Aboriginal Relations and Negotiations

6911 Southpoint Drive – 10th Floor

Burnaby, BC V3N 4X8

146 of 263

August 2013



Integrated Resource Plan Consultation Schedule

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Vancouver	March 15, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	SFU Morris J Wosk Centre, Room 420, 580 West Hastings SFU Harbour Centre, Segal Room, 515 West Hastings
Abbotsford	March 16, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Clearbrook Community Centre, 2825 Clearbrook Road
Kamloops	March 17, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Ramada Kamloops, 555 West Columbia Street
Terrace	March 22, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Terrace Sportsplex, 3320 Kalum Street
Prince George	March 23, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Prince George Ramada, 444 George Street
Fort St John	March 24, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Quality Inn Northern Grand, 9830 100 th Avenue
Vernon	March 29, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Vernon Recreational Complex, 3310 37 th Avenue
Castlegar	March 30, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Castlegar & District Community Centre, 2101 – 6 th Avenue
Fort Nelson	March 31, 2011	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Woodlands Inn & Suites, 3995 50 th Avenue South
Cranbrook	April 7, 2011 DATE CHANGE	Stakeholder Meeting - 1:00-4:00pm Public Open House - 5:00-9:00pm	Prestige Rocky Mountain Resort, 209 Van Horne Street South



Integrated Resource Plan – Information Sheet

Why are we developing the Integrated Resource Plan?

While British Columbians are doing more than ever to conserve electricity, B.C.'s overall electricity use is expected to continue to increase as a result of projected population growth and projected development in the energy-intensive industrial sector. BC Hydro forecasts that the province's electricity needs will grow by 20 to 40 per cent over the next 20 years. The Integrated Resource Plan is BC Hydro's long-term plan for acquiring the resources needed to meet customers' needs for the next 20 years.

What objectives will the Integrated Resource Plan address?

BC Hydro's Integrated Resource Plan will support the province in meeting the objectives contained within the *Clean Energy Act*, including achieving electricity self-sufficiency, promoting economic development, reducing greenhouse gas emissions, exploring potential export market opportunities, and investing in new clean and renewable energy. As well, given long transmission construction lead times, the plan will contain an assessment of transmission requirements looking 30 years out. As BC Hydro implements the long-term vision contained in the *Clean Energy Act*, the fundamental electricity planning objectives to provide customers with reliable power in a cost-effective manner continue to be central to the planning process and reflective of good utility practice.

What is B.C.'s Clean Energy Act?

B.C.'s new *Clean Energy Act* establishes a long-term vision for B.C. to become a clean energy leader. The Act guides government, BC Hydro and the British Columbia Utilities Commission in advancing the province's ambitious sustainable energy vision. The Act advances 16 specific energy objectives. BC Hydro's Integrated Resource Plan will support the province in achieving the objectives contained within the *Clean Energy Act*, including achieving electricity self-sufficiency, promoting economic development, reducing greenhouse gas emissions, exploring potential export market opportunities, and investing in new clean and renewable energy. For more information on the *Clean Energy Act* please visit:

bchydro.com/news/articles/press_releases/2010/new_act_powers_bc_forward.html

How will BC Hydro meet future electricity requirements?

BC Hydro's core strategy to meet future electricity requirements is to 'conserve, build and buy'. Conservation is the first priority, and is targeted to meet approximately two-thirds of B.C.'s future electricity needs, as per the *Clean Energy Act*. Building a sustainable future also includes reinvesting in heritage hydroelectric assets, exploring new clean energy infrastructure projects such as Site C, and acquiring renewable energy from independent clean energy producers.

What are the key topics related to the development of the Integrated Resource Plan?

The key topics for the Integrated Resource Plan include conservation options, electricity generation options, long-range transmission options, the potential for electrification (switching from other fuel sources to electricity, such as may happen in the transportation sector), and the potential market opportunity to export clean power.

If I have questions about the Integrated Resource Plan and the related consultation what should I do?

Details of how to get involved in the First Nations consultation workshops or the public open houses is available by calling us at 1.877.461.0161 extension 3, or on the BC Hydro website at: bchydro.com/irp

Where can I get further information about BC Hydro?

Each year BC Hydro prepares *Quick Facts* which summarized information on BC Hydro's operations for the year. The *Quick Facts* provides an overview of the corporate purpose, annual facts, financial information, and operating statistics.

If you would like to know more about opportunities, such as contracting and employment, please call 1-877-461-0161 or visit us online at: bchydro.com/community/aboriginal_relations.html

QUICK FACTS



FOR THE YEAR ENDED MARCH 31, 2010

Corporate Purpose

BC Hydro's corporate purpose is to provide reliable power, at low cost, for generations.

Our Business

BC Hydro is a commercial Crown corporation owned by the Province of British Columbia. BC Hydro is one of North America's leading providers of clean, renewable energy, and the largest electric utility in British Columbia, serving approximately 95 per cent of the province's population and approximately 1.8 million customers.

We are responsible for reliably generating between 42,000 and 52,000 gigawatt hours (GWh) of electricity. Electricity is delivered to our customers through a network of over 18,000 kilometres of transmission lines and 57,000 kilometres of distribution lines.

2010 Facts

- Net income was \$447 million, compared with \$365 million the year before, resulting in a return on equity of 12.49 per cent.
- Water inflows were five per cent lower than the prior year resulting in less hydro generation than in the prior year, which was partially offset by reduced domestic load requirements, primarily as a result of lower sales to large industrial customers impacted by the economic downturn during the year.
- Power Smart conservation programs continued to deliver cost-effective energy, producing cumulative annual energy savings of 1,778 GWh in fiscal 2010.
- Property, plant and equipment expenditures of \$2,406 million are 72 per cent higher than the prior year primarily due to BC Hydro's acquisition of a one-third interest in Teck Metals Ltd.'s Waneta Dam and generating facility in March 2010, the Vancouver Island Transmission Reinforcement project, Revelstoke Unit 5 installation and system improvements to the distribution network. This is a positive result given the significant capital expenditure requirements over the next several years to be able to meet load growth requirements and maintain aging infrastructure.

Energy Facts

Definitions

power = how much electricity is consumed by customers (or produced by power generators) at any instant in time

energy = how much is consumed (or produced) over a period of time

capacity = the maximum sustainable amount of energy that can be produced or carried at any instant. Example: a car engine's horsepower rating is its energy capacity

Units of power

- 1 kilowatt (kW) = 1,000 watts
- 1 megawatt (MW) = 1,000 kilowatts (or 1 million watts)
- 1 gigawatt (GW) = 1,000 megawatts (or 1 billion watts)

Units of energy

- 1 kilowatt hour (kWh) = 1,000 watts for 1 hour (1,000 watt hours)
- 1 megawatt hour (MWh) = 1,000 kWh
- 1 gigawatt hour (GWh) = 1,000 MWh

(Note that the abbreviations for prefixes follow metric convention, so kilo is k, while mega and giga are capitalized. The abbreviation for watt is W.)

Power to Energy ratios – rule of thumb

- Power to energy – for thermal electric: MW x 8 = GWh per year
- Power to energy – for large hydro: MW x 5 = GWh per year

Comparison statistics

- The average household in BC Hydro's service area uses about 11,000 kWh per year.
- A large industrial customer, such as a pulp mill, might use 400 GWh in a year, equal to the consumption of 40,000 households.
- A typical large office building of 20–25 storeys might consume 5 GWh in a year, equal to the consumption of 500 households.
- A large "big box" retail outlet might consume 3.5 GWh per year, or roughly the equivalent of 350 households.
- A 1 MW micro hydro plant produces about 5 GWh per year of green energy.

Financial Information (in millions)

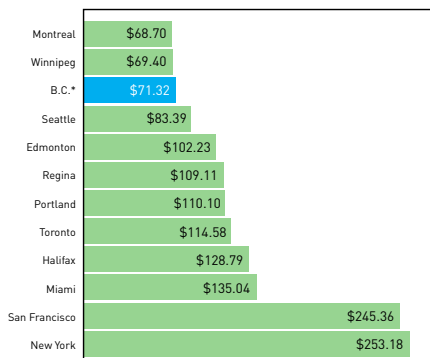
For the years ended as at March 31

	2010	2009
Revenues	\$ 3,822	\$ 4,269
Net income	\$ 447	\$ 365
Property, plant and equipment and intangible assets	\$ 14,104	\$ 12,099
Property, plant and equipment and intangible additions	\$ 2,406	\$ 1,397
Net long-term debt ¹	\$ 10,696	\$ 9,135

¹Consists of long-term debt, including the current portion, net of sinking funds and cash and cash equivalents.

Residential Rates

Monthly \$ Bills per 1,000 KWH



Source: "Comparison of Electricity Prices in Major North American Cities—Rates Effective on April 1, 2010"—Hydro Quebec.

Note: All bills and average rates are in Canadian currency and exclude taxes. "B.C." refers to BC Hydro service territory.

BC Hydro

333 Dunsmuir Street, Vancouver
British Columbia, Canada V6B 5R3

A downloadable version of this information is available at:

bchydro.com/quickfacts

Operating Statistics

For the years ended as at March 31

	2010	2009
Customers		
Residential	1,633,558	1,606,156
Light industrial and commercial	193,522	191,286
Large industrial	163	162
Other	3,455	3,434
Trade	287	290
Total	1,830,985	1,801,328
Electricity sold (gigawatt hours)		
Residential	17,593	17,861
Light industrial and commercial	17,811	18,265
Large industrial	13,020	14,303
Other energy sales	1,809	2,083
Total domestic	50,233	52,512
Trade (electricity and gas)	48,842	50,799
Total	99,075	103,311
Domestic Change Over Previous Year (%)	(4.3)	(1.5)
Revenues (in millions)		
Residential	\$ 1,300	\$ 1,197
Light industrial and commercial	1,133	1,054
Large industrial	485	481
Other energy sales	172	82
Total domestic	3,090	2,814
Trade	732	1,455
Total	\$ 3,822	\$ 4,269
Average revenue (per kilowatt-hour)		
Residential	7.4¢	6.7¢
Light industrial and commercial	6.4	5.8
Large industrial	3.7	3.4
Other	9.5	3.9
Trade ¹	4.4	6.6
Average annual kilowatt hour use per residential customer	10,857	11,258
Peak one-hour demand integrated system (megawatts)	9,847	10,010
Lines in service		
Distribution (kilometres)	57,278	56,780
Transmission (circuit kilometres)	18,603	18,531
Number of employees ²	5,842	5,844

¹The method used to calculate trade revenue per kWh is based on gross trade revenues.

²Includes full and part-time employees of BC Hydro and its subsidiaries.

Generating Capacity in kW

Hydroelectric*	Kilowatts (kW)
Aberfeldie.....	25,000
Alouette.....	9,000
Ash River.....	28,000
Bridge River.....	478,000
Cheakamus.....	158,000
† Clayton Falls.....	2,002
Clowhom.....	33,000
Elk River.....	12,000
Falls River.....	7,000
V GM Shrum.....	2,730,000
John Hart.....	126,000
Jordan.....	170,000
Kootenay Canal.....	583,000
Ladore.....	47,000
La Joie.....	25,000
R Lake Bunzton.....	72,800
Mica.....	1,805,000
V Peace Canyon.....	694,000
R Puntledge.....	24,000
V Revelstoke.....	1,980,000
Ruskin.....	105,000
R Seton.....	48,000
Seven Mile.....	805,000
R Shuswap.....	6,000
Spillimacheen.....	4,000
V R Stave Falls.....	91,000
R Strathcona.....	64,000
R Wahleach.....	65,000
Walter Hardman.....	8,000
Whatshan.....	54,000
	10,258,802
* Maximum sustained generating capacity	
R Has recreational area	
V Has visitor centre	
† Non-integrated area	
Thermal	
Burrard.....	950,000
Fort Nelson.....	47,000
Prince Rupert.....	46,000
	1,040,500
Diesel Generation	
† Ah-Sin-Heek.....	6,580
† Anahim Lake.....	3,650
† Atlin.....	2,650
† Bella Bella.....	3,300
† Dease Lake.....	3,450
† Eddontenajon.....	2,550
† Masset.....	12,945
† Sandspit.....	9,150
† Telegraph Creek.....	1,800
	46,075
Total Capacity.....	11,345,377

Generation capacity figures may vary slightly from those stated in BC Hydro's Annual Report due to recent plant upgrades/updates.

Appendix 7 — List of Workshop Registrants & Participants

Integrated Resource Plan First Nations Workshops

		145 Registrations	121 Attendees
Nanaimo	02-Mar-11	17 Registrations	11 Attendees
Comox		Jennifer Knox	<input checked="" type="checkbox"/>
Comox		Jenny Milar	<input type="checkbox"/>
FIRST NATIONS ENERGY AND MINING COUN		John Lawson	<input checked="" type="checkbox"/>
Lake Cowichan First Nation		Chief Cyril Livingstone	<input type="checkbox"/>
Lake Cowichan First Nation		Geneva Livingstone	<input type="checkbox"/>
Lyackson		Kathleen Johnnie	<input checked="" type="checkbox"/>
Pauquachin		Herman Henry	<input checked="" type="checkbox"/>
Penelakut		Denise James	<input checked="" type="checkbox"/>
Toquaht		Kevin Mack	<input checked="" type="checkbox"/>
Toquaht		Rick Shafer	<input type="checkbox"/>
Tsawout First Nation		Adeline Claxton	<input checked="" type="checkbox"/>
Tsawout First Nation		Eric Pelksy	<input checked="" type="checkbox"/>
Tsawout First Nation		Lou Claxton	<input checked="" type="checkbox"/>
Tseshah		Lisa Gallic	<input checked="" type="checkbox"/>
Uchucklesah		Chief Carlie Cootes	<input type="checkbox"/>
Ucluelet First Nation		Chuck McCarthy	<input type="checkbox"/>
Ucluelet First Nation		Trevor Jones	<input checked="" type="checkbox"/>
Campbell River	03-Mar-11	7 Registrations	6 Attendees
Campbell River		Jason Price	<input checked="" type="checkbox"/>
Cowichan		Fred Bosma	<input checked="" type="checkbox"/>
Cowichan		Jenn George	<input checked="" type="checkbox"/>
FIRST NATIONS ENERGY AND MINING COUN		John Lawson	<input checked="" type="checkbox"/>
KWAKIUTL DISTRICT COUNCIL		Ken Barth	<input checked="" type="checkbox"/>
Mowachaht/Muchalaht		Wayne Lord	<input type="checkbox"/>
Quatsino		David Schmidt	<input checked="" type="checkbox"/>
Abbotsford	04-Mar-11	19 Registrations	17 Attendees
Cheam		Chief Lincoln Douglas	<input checked="" type="checkbox"/>
Cheam		Eric Alex	<input checked="" type="checkbox"/>
FIRST NATIONS ENERGY AND MINING COUN		John Lawson	<input checked="" type="checkbox"/>
FIRST NATIONS SUMMIT		Stacey Fox	<input checked="" type="checkbox"/>
Katzie		Debbie Miller	<input checked="" type="checkbox"/>
Leq' a: mel First Nation		Debbie Kelly	<input checked="" type="checkbox"/>
Leq' a: mel First Nation		Mike Kelly	<input checked="" type="checkbox"/>
Matsqui		Cindy Collins	<input checked="" type="checkbox"/>
Matsqui		Stan Morgan	<input type="checkbox"/>
Samahquam		Pauline J. Peters	<input checked="" type="checkbox"/>
Samahquam		William Schneider	<input checked="" type="checkbox"/>
Skatin Nations		Chief Patrick Williams	<input type="checkbox"/>
Skatin Nations		Gabe Williams	<input checked="" type="checkbox"/>
Skawahlook First Nation		Debra Schneider	<input checked="" type="checkbox"/>
Soowahlie		Larry Commodore	<input checked="" type="checkbox"/>
STO:LO TRIBAL COUNCIL		CarrieLynn Victor	<input checked="" type="checkbox"/>
STO:LO TRIBAL COUNCIL		Frank Andrew	<input checked="" type="checkbox"/>
Tsawwassen First Nation		Colin Ward	<input checked="" type="checkbox"/>
Tsawwassen First Nation		Tina Dion	<input checked="" type="checkbox"/>

Kamloops	07-Mar-11	17 Registrations	14 Attendees
Adams Lake		David Nordquist	<input checked="" type="checkbox"/>
Bridge River		Bradley Jack	<input checked="" type="checkbox"/>
Canim Lake		Jessie Archie	<input checked="" type="checkbox"/>
Canim Lake		Pamela Theodore	<input checked="" type="checkbox"/>
Canoe Creek		Chief Hank Adam	<input checked="" type="checkbox"/>
Canoe Creek		Harold Harry	<input checked="" type="checkbox"/>
FIRST NATIONS ENERGY AND MINING COUN		John Lawson	<input checked="" type="checkbox"/>
Kanaka Bar		Chief James Frank	<input checked="" type="checkbox"/>
Neskonlith		Richard Manuel	<input type="checkbox"/>
Neskonlith		Sarina Wood	<input type="checkbox"/>
Nooaitch		Douglas Shackley	<input checked="" type="checkbox"/>
Nooaitch		Hector Fountain	<input checked="" type="checkbox"/>
Simpcw First Nation		Sam Phillips	<input type="checkbox"/>
Spallumcheen		Sunny LeBourdais	<input checked="" type="checkbox"/>
St'át'imc Chiefs Council		Jim MacArthur	<input checked="" type="checkbox"/>
T'it'a'et		Chief Shelley Leech	<input checked="" type="checkbox"/>
Xaxli'p		Howard Bob	<input checked="" type="checkbox"/>
Vancouver	11-Mar-11	24 Registrations	22 Attendees
Bonaparte		Nina Minnabarriet	<input checked="" type="checkbox"/>
Chawathil		Jolene Charlie	<input checked="" type="checkbox"/>
Chehalis		Morgan Ritchie	<input checked="" type="checkbox"/>
Douglas		Don Harris	<input checked="" type="checkbox"/>
Douglas		Lyle Leo	<input checked="" type="checkbox"/>
FIRST NATIONS ENERGY AND MINING COUN		Claire Marshall	<input checked="" type="checkbox"/>
Halalt		Jack Smith	<input type="checkbox"/>
Heiltsuk		Laurie Whitehead	<input checked="" type="checkbox"/>
Hupacasath First Nation		Chief Shaunee Casavant	<input type="checkbox"/>
IN-SHUCK-CH TRIBAL COUNCIL		Josh Alexander	<input checked="" type="checkbox"/>
IN-SHUCK-CH TRIBAL COUNCIL		Stephen Jimmie	<input checked="" type="checkbox"/>
Lower Nicola		John Keating	<input checked="" type="checkbox"/>
N'Quatqua		Chief A. Ralph Thevarge	<input checked="" type="checkbox"/>
N'Quatqua		Karen Thevarge	<input checked="" type="checkbox"/>
Old Massett Village Council		Cecil Brown	<input checked="" type="checkbox"/>
Old Massett Village Council		Judy Williams	<input checked="" type="checkbox"/>
Skii km Lax Ha		Chief Darlene Simpson	<input checked="" type="checkbox"/>
Skii km Lax Ha		George Simpson	<input checked="" type="checkbox"/>
Sliammon		Clint Williams	<input checked="" type="checkbox"/>
St. Mary's		Becky Pelkonen	<input checked="" type="checkbox"/>
St. Mary's		Chief Cheryl Casimer	<input checked="" type="checkbox"/>
STO:LO NATION		Jessica Morrison	<input checked="" type="checkbox"/>
STO:LO NATION		Sonny McHalsie	<input checked="" type="checkbox"/>
Tl'etingox-t'in Government Office		Blaine Grinder	<input checked="" type="checkbox"/>
Terrace	14-Mar-11	18 Registrations	16 Attendees
Dease River		Agneslyn Dennis	<input checked="" type="checkbox"/>
Dease River		Audrey Chief	<input checked="" type="checkbox"/>
Dease River		Chief Carol Ann Johnny	<input checked="" type="checkbox"/>
FIRST NATIONS ENERGY AND MINING COUN		Joanna Prince	<input checked="" type="checkbox"/>
Gitanmaax		Pauline Rubinato	<input checked="" type="checkbox"/>

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Gitanmaax	Richard Wright	<input checked="" type="checkbox"/>
Gitxaala Nation	Mark Iqnas	<input type="checkbox"/>
Hartley Bay	David Benton	<input checked="" type="checkbox"/>
Kitselas	Wilfred McKenzie	<input type="checkbox"/>
Kitsumkalum	Chief Don Roberts	<input checked="" type="checkbox"/>
Kitsumkalum	Gary Alexcee	<input checked="" type="checkbox"/>
Kitsumkalum	Terry Bennett	<input checked="" type="checkbox"/>
Lax-Kw'Alaams	Jerry Lawson	<input checked="" type="checkbox"/>
Metlakatla	Cory Stephens	<input checked="" type="checkbox"/>
Nisqa'a Village of Ginqolx	Nelson Clayton	<input checked="" type="checkbox"/>
Nisqa'a Village of New Aiyansh	Earl Monroe	<input checked="" type="checkbox"/>
Nisqa'a Village of New Aiyansh	Sherry Bejcar	<input checked="" type="checkbox"/>
Skidegate	Trent Moraes	<input checked="" type="checkbox"/>
<hr/>		
Fort St. John	16-Mar-11	6 Registrations
Blueberry River First Nations	Debbie Apsassin	<input checked="" type="checkbox"/>
Blueberry River First Nations	Grant Gardner	<input type="checkbox"/>
FIRST NATIONS ENERGY AND MINING COUN	John Lawson	<input checked="" type="checkbox"/>
Saulteau First Nations	Fernie May Garbitt	<input type="checkbox"/>
TREATY 8 TRIBAL ASSOCIATION	Jim Webb	<input checked="" type="checkbox"/>
TREATY 8 TRIBAL ASSOCIATION	Rick Hendrik	<input checked="" type="checkbox"/>
<hr/>		
Prince George	17-Mar-11	33 Registrations
CARRIER CHILCOTIN TRIBAL COUNCIL	Bert Groenenberg	<input checked="" type="checkbox"/>
Cheslatta Carrier Nation	James Rakochy	<input type="checkbox"/>
Cheslatta Carrier Nation	Michael Charlie	<input type="checkbox"/>
FIRST NATIONS ENERGY AND MINING COUN	Joanna Prince	<input checked="" type="checkbox"/>
Gitsequkla	Graham Brown	<input checked="" type="checkbox"/>
Gitsequkla	Vern Milton	<input checked="" type="checkbox"/>
Gitxsan Treaty Society (Hereditary Chiefs)	Barb Huson	<input checked="" type="checkbox"/>
Gitxsan Treaty Society (Hereditary Chiefs)	Cliff Sampare	<input checked="" type="checkbox"/>
Kwadacha	Darryl McCook	<input checked="" type="checkbox"/>
Kwakiutl	Lucille Brotchie	<input checked="" type="checkbox"/>
Lake Babine Nation	Frank Michell	<input checked="" type="checkbox"/>
Lake Babine Nation	John Bertacco	<input checked="" type="checkbox"/>
Lake Babine Nation	Verna Power	<input checked="" type="checkbox"/>
Lheidli T'enneh	Jackie Brown	<input checked="" type="checkbox"/>
McLeod Lake	Chief Derek Orr	<input checked="" type="checkbox"/>
McLeod Lake	Fred Inyallie	<input type="checkbox"/>
Nadleh Whut'en	Anne Ketlo	<input checked="" type="checkbox"/>
Nadleh Whut'en	Larry Nooski	<input checked="" type="checkbox"/>
Nak'azdli	Chief Fred Sam	<input checked="" type="checkbox"/>
Nak'azdli	Leonard Thomas	<input type="checkbox"/>
Nazko	Gerry Powell	<input checked="" type="checkbox"/>
Red Bluff	Chief Geronimo Squinas	<input checked="" type="checkbox"/>
Red Bluff	Craig Buchan	<input checked="" type="checkbox"/>
Saik'uz First Nation	Chief Jackie Thomas	<input checked="" type="checkbox"/>
Saik'uz First Nation	Lesley Raphael	<input type="checkbox"/>
Saulteau First Nations	Rick Publicover	<input type="checkbox"/>
Tahltan	Chief Rick McLean	<input checked="" type="checkbox"/>
Takla Lake First Nation	Keith West	<input checked="" type="checkbox"/>

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Tsay Keh Dene	Johnny Pierre	<input checked="" type="checkbox"/>
Wet'suwet'en First Nation	David de Wit	<input checked="" type="checkbox"/>
Wet'suwet'en First Nation	John Ridsdale	<input checked="" type="checkbox"/>
Xeni Gwet'in First Nations Government	Chris William	<input checked="" type="checkbox"/>
Xeni Gwet'in First Nations Government	Marcus William	<input checked="" type="checkbox"/>

Castlegar	21-Mar-11	4 Registrations	4 Attendees
FIRST NATIONS ENERGY AND MINING COUNCIL	John Lawson	<input checked="" type="checkbox"/>	
KTUNAXA NATION COUNCIL SOCIETY	Bob Luke	<input checked="" type="checkbox"/>	
KTUNAXA NATION COUNCIL SOCIETY	Marion Eunson	<input checked="" type="checkbox"/>	
KTUNAXA NATION COUNCIL SOCIETY	Norm Fraser	<input checked="" type="checkbox"/>	

Appendix 8 — Workshop Agenda



BC Hydro 2011 Integrated Resource Plan First Nations Consultation

Date
Location - Venue
9:00 am to 3:00 pm

Purpose of workshop:

- To share information regarding the development of the 2011 Integrated Resource Plan.
- To engage in open dialogue and capture your input.
- To identify further opportunities to provide input and feedback.

8:30	-	9:00	<i>Registration and Breakfast</i>	
9:00	-	9:15	Welcome and Introductory Remarks	Dan George
9:15	-	9:30	What is the Integrated Resource Plan?	Charlie Weiler
9:30	-	9:45	Developing an Integrated Resource Plan	Nadja Holowaty
9:45	-	10:15	Questions and Answers on the Integrated Resource Plan	Dan George
10:15	-	10:30	<i>Coffee Break</i>	
10:30	-	10:45	<ul style="list-style-type: none"> • Conservation & Efficiency • Electrification 	Nadja Holowaty
10:45	-	11:30	Small Group and/or Plenary Discussion	Dan George
11:30	-	11:45	<ul style="list-style-type: none"> • Electricity Generation Options • Transmission Planning 	Nadja Holowaty
11:45	-	12:30	Small Group and/or Plenary Discussion	Dan George
12:30	-	1:15	<i>Lunch</i>	
1:15	-	1:30	Export Market Potential	Nadja Holowaty
1:30	-	2:00	Small Group and/or Plenary Discussion	Dan George
2:00	-	2:10	Clean or Renewable Energy Development	Charlie Weiler
2:10	-	2:45	Small Group and/or Plenary Discussion	Dan George
2:45	-	3:00	Next Steps & Closing	Charlie Weiler

Appendix 9 — Workshop Presentation

Click [HERE](#) to access the webpage with links to the Workshop Presentation

Appendix 10 — First Nations Input Form

First Nations Input

Integrated Resource Plan

March 2011

Name: _____

First Nation/Tribal Council: _____

BC Hydro is collecting information with this form for the purpose of its Integrated Resource Plan in accordance with BC Hydro’s mandate under the *Hydro and Power Authority Act*, the BC Hydro Tariff, the *Clean Energy Act* and related Regulations and Directions. If you have any questions regarding the information collection undertaken on this form, please contact the Integrated Resource Plan First Nations Consultation Project Manager at 1.877.461.0161 extension 3.

For further information or to submit your feedback form:

BC Hydro, Aboriginal Relations & Negotiations

6911 Southpoint Drive

Burnaby, B.C. V3N 4X8

Phone: 1.877.461.0166 extension 3

Fax: 604.528.2822

2011irp@bchydro.com

www.bchydro.com/irp



FOR GENERATIONS

INTEGRATED RESOURCE PLAN TOPICS

BC Hydro’s Electricity System

Currently BC Hydro serves 1.8 million customers in an area containing more than 94 per cent of British Columbia’s population. BC Hydro provides electricity through an interconnected network of transmission lines, distributions lines and substations. This interconnected network, or “integrated grid” connects our generating stations to one another and to our customers. In addition, BC Hydro serves some communities that are not connected to the integrated grid.

Approximately 85 per cent of British Columbia’s domestic supply comes from generation resources owned and operated by BC Hydro. The remaining 15 per cent of our customers’ electricity needs are met from power purchased from Independent Power Producers in British Columbia. The majority of B.C.’s electricity demand is located in the Lower Mainland and on Vancouver Island while the majority of the generation supply is located in remote areas of the province. This requires BC Hydro to move the electricity over long distances across rugged terrain, through a relatively small number of transmission lines. More than 93 per cent of BC Hydro’s electricity supply is from renewable resources and creates very little greenhouse gases, making it desirable at a time when the world faces climate change.

Integrated Resource Planning

The Integrated Resource Plan is BC Hydro’s long-term plan for acquiring the resources to meet customers’ needs for the next 20 years. As BC Hydro plans to meet British Columbia’s future electricity needs it must consider the following:

British Columbians’ electricity needs over the next 20 years

BC Hydro’s Electricity Load Forecast indicates demand for electricity will increase by approximately 40 per cent in the next 20 years before accounting for savings that can be achieved through conservation and efficiency. Trends that influence future electricity needs include economic growth, population growth as well as predictions on how electricity use will change as a result of changes in lifestyle, electricity rates, legislation and technology.

The “gap” between existing supply and forecasted electricity demand

BC Hydro assesses how much electricity it can produce and rely upon from its current generating facilities and existing contracts with Independent Power Producers. Even after the future increase in demand for electricity is adjusted to account for savings from BC Hydro’s current conservation and efficiency plan, an energy gap between future electricity needs and current resources still exists, particularly after 2020. The planning challenge begins with the task of how best to fill the gap.

How the gap between future electricity needs and existing resources can be closed

As we examine how to close the gap, BC Hydro considers:

- How much savings can be achieved from conservation and efficiency?
- What portfolio of electricity generation options BC Hydro should plan on?
- How much electrification will contribute to growth in electricity demand?
- What the transmission requirements will be?
- What the export market potential may be?

BC Hydro is seeking input from First Nations, stakeholders and the public on the following topics:

1. Conservation and Efficiency: Conservation – often referred to as demand side management – is BC Hydro’s first strategy for closing the gap between future electricity demands and existing resources. The latest forecasts show that demand for electricity in British Columbia will grow by approximately 40 per cent over the next 20 years.

Conservation occurs when customers change their behaviours, business operations, equipment purchases or capital investment decisions, in ways that reduce electricity use. Methods of conservation include programs, electricity rates and government regulations designed to encourage or require customers to conserve electricity. The current conservation and efficiency plan is designed to reduce the forecast growth in demand by 79 per cent by 2020. This is above the new *Clean Energy Act* target of 66 per cent. One of the important questions in the Integrated Resource Plan is whether BC Hydro should target additional savings from conservation and efficiency over and above our current significant plan.

INTEGRATED RESOURCE PLAN TOPICS

From a planning perspective, it is difficult to guarantee a particular volume of conservation over time as it is dependent upon customer response. Depending on what combination of conservation and efficiency measures are undertaken, BC Hydro can target different levels of savings. For this Integrated Resource Plan BC Hydro is evaluating a range of options that could provide savings of between 66 per cent and 83 per cent of the gap between current capacity and anticipated demand for electricity.

2. Electricity Generation Options: While British Columbians are doing more than ever to conserve electricity, electricity use is expected to continue to increase over the coming decades. BC Hydro will develop and analyze various combinations of resource options (portfolios) that may be used to meet future electricity needs and clean energy objectives. Each portfolio is described in terms of the resources it would contain.

Electricity generation options under consideration include a combination of BC Hydro projects, such as the Site C Clean Energy Project on the Peace River, as well as electricity purchases from potential projects representing a range of resource types including: biomass, wind, run-of-river and natural gas.

3. Electrification: Electrification describes the process of switching from other fuel sources to electricity; for example, switching vehicles from petroleum to electricity. Efficient electrification is one way of supporting the province’s greenhouse gas emission reduction targets. The transportation sector is the largest source of greenhouse gas emissions in B.C., and replacing vehicles that use gasoline and diesel with electric vehicles could be one of the most significant long-term actions British Columbians could take to reduce emissions.

BC Hydro currently does not encourage fuel switching; rather it responds to the fuel switching that occurs. As part of the Integrated Resource Plan, BC Hydro is considering how it needs to respond to forecast growth in electricity demand from electrification and what role it should play in electrification going forward.

For example, it could take a more proactive approach, working with government and other partners to promote and encourage efficient electrification to benefit customers and reduce greenhouse gas emissions.

4. Transmission: The transmission system, the essential link between electrical generators and energy consumers, is planned and designed to deliver energy efficiently and reliably. Because transmission lines require long lead times to plan and construct, the Integrated Resource Plan will assess electricity demand forecasts and the transmission options that will most effectively meet those demands over the next 30 years. When assessing future transmission requirements, planners need to consider:

- The need to maintain an optimal level of reliability for customers
- Growth in electricity demand by geographic area
- Potential location and size of new generation resources
- The need to minimize electricity losses that occur when electricity is carried over long distances, and
- The expected retirement or refurbishment of existing transmission resources

Transmission systems typically have been planned in response to generation projects and electricity demand growth that are expected to occur. In this Integrated Resource Plan BC Hydro is now looking farther into the future to anticipate potential transmission needs over a 30-year horizon. While BC Hydro is likely to use both approaches going forward, emphasis can be placed on one or the other.

5. Export Market Potential: While BC Hydro currently trades electricity when it has a short-term surplus, the *Clean Energy Act* includes the objective that the province be a net exporter of clean and renewable power. The Integrated Resource Plan will assess the export market potential, including the share of the clean energy market that British Columbia could expect to capture, and make recommendations to the provincial government about what actions, if any, are required now.

INTEGRATED RESOURCE PLAN – FIRST NATIONS INPUT

1.0 CONSERVATION AND EFFICIENCY

Greater Conservation and Efficiency

To achieve higher energy savings from conservation and efficiency than BC Hydro already targets, BC Hydro would need to rely on additional changes to federal and provincial regulations, send stronger rate signals through specially designed electricity conservation rates and expand Power Smart programs. Greater emphasis would be placed on changing province-wide market parameters, and on changing societal norms and patterns that influence electricity savings

From a planning perspective, BC Hydro must be highly confident that savings from conservation and efficiency will be achieved as and when expected – otherwise it risks falling short of meeting future energy requirements. Increasing the current aggressive target carries risk that the savings will not materialize, meaning that BC Hydro would not have the adequate supply to meet legislated self-sufficiency requirements and would need to act quickly to procure a potentially more costly supply from Independent Power Producers.

Here are some trade-offs and other factors to consider:

- This approach would require you and your neighbours to reduce your electricity consumption by adopting additional energy-efficient technologies, responding to conservation rates, and making conserving energy a focus of your daily activity
- It would require additional regulations to make energy-efficient building practices and technologies mandatory
- If higher electricity savings are not achieved, higher cost electricity may need to be acquired from other jurisdictions on the open market or from accelerated power acquisition processes in B.C.

Input on Conservation and Efficiency

We would like to understand your First Nation’s perspective on whether BC Hydro should pursue greater conservation and efficiency.

1. Considering the information provided what do you think about pursuing greater conservation & efficiency?

2. What are your First Nation’s interests that BC Hydro should consider if it were to pursue greater conservation and efficiency?

INTEGRATED RESOURCE PLAN – FIRST NATIONS INPUT

2.0 ELECTRICITY GENERATION OPTIONS

These portfolios are offered as examples to illustrate key trade-offs that arise between generation options.

Example Portfolio 1: Renewable Mix

This portfolio includes a mix of renewable resources such as wind, run-of-river and biomass from Independent Power Producers. The Site C Project is specifically excluded. Given that wind and run-of-river hydro are intermittent resources, this portfolio requires backup resources when the intermittent sources are not available. These backup resources would generally consist of additions at existing BC Hydro generating facilities, or new pumped storage facilities, or gas-fired generation. This portfolio has low greenhouse gas emissions, with a geographically widespread environmental footprint. The cost of renewable resources and the need for backup resources make this the most expensive portfolio of the three.

Here are some trade-offs and other factors to consider:

- More diverse mix of renewable resources
- More dispersed regional jobs
- Lower greenhouse gas emissions and more dispersed environmental footprint
- Requires additional back-up (capacity) resources.
- Costs more than other portfolios

Input on Example Portfolio 1

We would like to understand your First Nation’s perspective on example Portfolio 1: Renewable Mix.

1. Considering the information provided what do you think about this example Portfolio?

2. What are your First Nation’s interests that BC Hydro should consider with respect to this example portfolio?

INTEGRATED RESOURCE PLAN – FIRST NATIONS INPUT

2.0 ELECTRICITY GENERATION OPTIONS

Example Portfolio 2: Renewable Mix with Site C

This portfolio includes a mix of renewable resources that includes Site C along with wind, run-of-river and biomass projects from Independent Power Producers. Site C is included to provide system storage and capacity to back up intermittent resources, but ongoing additions at existing BC Hydro generating facilities and additional capacity and storage still may be required if a large amount of intermittent resources are added. This portfolio has the lowest greenhouse gas emissions, with its environmental and social footprint concentrated in the Peace region. This portfolio will have a lower cost than Portfolio 1.

Here are some trade-offs and other factors to consider:

- Economic and environmental impacts are relatively more geographically concentrated
- Lowest greenhouse gas emissions
- Requires less back-up generation than Portfolio 1
- Relatively lower cost – lower than Portfolio 1, but higher than Portfolio 3

Input on Example Portfolio 2

We would like to understand your First Nation’s perspective on example Portfolio 2: Renewable Mix with Site C.

1. Considering the information provided what do you think about this example Portfolio?

2. What are your First Nation’s interests that BC Hydro should consider with respect to this example portfolio?

INTEGRATED RESOURCE PLAN – FIRST NATIONS INPUT

2.0 ELECTRICITY GENERATION OPTIONS

Example Portfolio 3: Renewable Mix with Site C and Gas-fired Generation (within 93 per cent *Clean Energy Act* Target)

This portfolio includes Site C, other potential renewable resources such as wind and run-of-river from Independent Power Producers, and gas-fired generation allowable under *Clean Energy Act* limits. Both Site C and gas-fired generation are available to back up intermittent resources. This portfolio has higher greenhouse gas emissions than Portfolios 1 and 2 due to its reliance on natural gas-fired generation, and has more concentrated environmental footprint in the Peace region. It has the lowest cost if the price of natural gas remains low but, again, this is subject to uncertain natural gas and carbon emission prices.

Here are some trade-offs and other factors to consider:

- Fewer renewable resources and relatively higher greenhouse gas emissions
- High degree of operating control (as a result of lower intermittency) and no backup resources required
- Lower initial cost, but higher risk of higher future costs due to volatile natural gas prices and greenhouse gas emissions offset costs

Input on Example Portfolio 3

We would like to understand your First Nation’s perspective on example Portfolio 3: Renewable Mix with Site C and Gas-fired Generation (within 93 per cent *Clean Energy Act* Target).

1. Considering the information provided what do you think about this example portfolio?

2. What are your First Nation’s interests that BC Hydro should consider with respect to this example portfolio?

INTEGRATED RESOURCE PLAN – FIRST NATIONS INPUT

3.0 ELECTRIFICATION

Electrification: Active Promotion by BC Hydro

With a proactive approach to electrification, BC Hydro would work with government and other partners to facilitate and encourage increased electrification where it can reduce greenhouse gas (GHG) emissions and benefits to customers. Under this approach, BC Hydro could support the early development of an electric vehicle charging infrastructure in advance of significant electric vehicle sales in B.C., thereby encouraging consumers to purchase these vehicles. BC Hydro could also introduce other programs to encourage electrification in other areas.

Here are some trade-offs and other factors to consider:

- Additional reductions in provincial greenhouse gas emissions can be achieved
- Additional electrification, over what will happen in B.C. on its own, would increase the need for electricity generation resources to be built in the province
- BC Hydro’s promotion of electrification could result in increased electricity rates for BC Hydro customers because of the additional resources needed to serve and promote the new demand

Input on Electrification

We would like to understand your First Nation’s perspective on whether BC Hydro should take a proactive approach to encouraging electrification.

1. Considering the information provided what do you think about pursuing a proactive approach to encouraging electrification?

2. What are your First Nation’s interests that BC Hydro should consider if it were to pursue a proactive approach to electrification?

INTEGRATED RESOURCE PLAN – FIRST NATIONS INPUT

4.0 TRANSMISSION PLANNING

Proactive Approach: Plan Transmission to Anticipate Future Need

This approach plans the transmission system in anticipation of future need. This planning process involves identifying and considering opportunities for developing the transmission system in the following ways:

- Building bulk transmission based on anticipated need over a 30-year time horizon rather than responding to need over a 20-year time horizon
- Building regional transmission to serve an area with significant generation resource potential rather individual generation projects under development
- Building regional transmission to serve an area with significant economic development potential (e.g. mines, natural gas) rather than responding to individual requests for service as they arise

Here are some trade-offs and other factors to consider:

- Higher short-term cost, but potentially lower long-term cost if new generation and load materialize
- Higher stranded investment risk if need does not materialize
- Increased ratepayer cost, but significant potential benefits from reduced transmission footprint, more concentrated generation footprint
- May facilitate economic development in certain regions or communities, as transmission has been planned to facilitate this

Input on Transmission Planning

We would like to understand your First Nation’s perspective on whether BC Hydro should take a proactive approach to transmission planning.

1. Considering the information provided what do you think about a proactive approach to transmission planning?

2. What are your First Nation’s interests that BC Hydro should consider if it were to pursue a proactive approach to transmission planning?

INTEGRATED RESOURCE PLAN – FIRST NATIONS INPUT

5.0 EXPORT MARKET POTENTIAL

Clean Generation for the Purpose of Export

Consistent with the *Clean Energy Act*, which requires BC Hydro to undertake an assessment of the export market demand for clean or renewable energy, the energy that would come from the aggregation of renewable energy acquired from Independent Power Producers in B.C. solely for the purpose of exporting this electricity to markets outside B.C.

Here are some trade-offs and other factors to consider:

- Additional electricity generation projects would be built by Independent Power Producers within the province
- The environmental footprint from additional clean or renewable electricity generation projects would occur in B.C. versus other jurisdictions
- Building generation resources across the province would lead to increased construction and maintenance jobs in the regions
- Rate payers are protected from bearing any negative financial consequences, as per the *Clean Energy Act*
- Economic benefits and additional revenue from this electricity generation would flow to the Province

Input on Export Market Potential

We would like to understand your First Nation’s perspective on whether BC Hydro should build clean generation for the purpose of exporting electricity to other jurisdictions.

1. Considering the information provided what do you think about building generation for the purpose of exporting electricity to other jurisdictions?

2. What are your First Nation’s interests that BC Hydro should consider in clean generation for the purpose of export?

INTEGRATED RESOURCE PLAN – FIRST NATIONS INPUT

6.0 CLEAN OR RENEWABLE ENERGY DEVELOPMENT IN FIRST NATION COMMUNITIES

What are your interests in clean or renewable energy development for your community?

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INTEGRATED RESOURCE PLAN – FIRST NATIONS INPUT

ADDITIONAL COMMENTS ON THE DEVELOPMENT OF THE INTEGRATED RESOURCE PLAN

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

Appendix 11 — Consultation Workbook

Click [HERE](#) to access the webpage link for the Consultation Workbook

Appendix 12 — Summary of Input from 9 Regional Workshops

Click [HERE](#) to access the links to the Summary of Input from the 9 Regional Workshops

Appendix 13 — Distribution Letter for Summary of Input



Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations
6911 Southpoint Drive
Burnaby, BC V3N 4X8

April 8, 2011

Participant Name
First Nation/Organization
Street
City, Prov, Postal

Sent by email & cc fax

Re: Summary Notes from BC Hydro's Integrated Resource Plan First Nation Workshop in Nanaimo

Dear Participant Name,

Thank you for attending the workshop on BC Hydro's Integrated Resource Plan.

Please find attached BC Hydro's summary of participant comments from the workshop. I would appreciate receiving any comments that you may have on the attached summary.

In addition, as discussed at the workshop, should you have any further comments you wish to provide to BC Hydro on the components of the Integrated Resource Plan that were presented and discussed at the workshop, an electronic copy of the First Nations Input Form provided at the workshop is attached to this email.

I would request that you provide your comments on the notes and/or the components of the Integrated Resource Plan via e-mail to 2011IRP@bchydro.com by April 30, 2011. Please note that the summary notes and all comments received on the notes will be posted in May on BC Hydro's website at: www.bchydro.com/irp

BC Hydro will be considering the input received from First Nations in the development of the draft Integrated Resource Plan. In addition we will be following up on questions and requests for additional information. Should you have any questions please do not hesitate to contact us. We look forward to receiving any further input you may have.

Sincerely,

Charlie Weiler
Integrated Resource Plan First Nation Consultation Project Manager

Appendix 14 — Workshop Follow-up Letter



Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations
6911 Southpoint Drive
Burnaby, BC V3N 4X8

March 24, 2011

Participant Name
First Nation / Organization
Sent by email:

Re: BC Hydro's Integrated Resource Plan

Dear Participant Name

Thank you for participating in the Integrated Resource Plan workshop we held in Ft. St. John. We appreciate you taking the time to learn about BC Hydro's integrated resource planning process and to share your perspective on the future of clean and renewable energy development in the province.

If you have still need to complete the First Nations Input Form provided at the workshop, we encourage you to complete the attached PDF Input Form or send us a letter with any further comments by April 30, 2011 to the address above.

Again, thank you for taking the time to participate in the workshop. We look forward to meeting with you again in the fall.

Sincerely,

Charlie Weiler

Appendix 15 — B.C. First Nations Energy and Mining Council Capacity Funding Agreement

CAPACITY FUNDING AGREEMENT

THIS AGREEMENT dated as of the 3rd day of march, ~~2010~~ ^{L.V.} 2011

BETWEEN:

The BC First Nations Energy and Mining Council, a society incorporated under the *Society Act*, R.S.B.C. 1996, c. 433, as amended, for and on behalf of itself, the First Nations Leadership Council, and its members organizations.

(The "BCFNEMC")

AND:

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY, a corporation continued under the authority of the *Hydro and Power Authority Act*, R.S.B.C. 1996, c. 212, as amended.

("BC Hydro")

WHEREAS:

- A. Pursuant to section 3 of the *Clean Energy Act*, BC Hydro is developing an integrated resource plan (IRP) that will be submitted to the Provincial government in December 2011 for its review and approval. BC Hydro is undertaking a consultation with First Nations on the development of the IRP and will be submitting to government a consultation report in respect of the development of the IRP.
- B. The BCFNEMC was created by the First Nations in BC as a result of the 2007 First Nations Energy Action Plan and the 2009 First Nations Mineral Exploration and Mining Action Plan. The Chiefs-in-Assembly, through resolutions of the BCAFN, FNS and UBCIC have established Councils to address a range of sectoral issues. These Councils are accountable to, and receive direction from, the First Nations Leadership Council (FNLC) and the First Nations in BC.
- C. The First Nations Leadership Council membership consists of the political executives of the BC Assembly of First Nations, First Nations Summit, and the Union of BC Indian Chiefs, as representatives of their respective organizations. The First Nations Leadership Council works together to represent the political interests of First Nations in British Columbia. The FNLC meets with the BCFNEMC regularly to identify priority issues for First Nations to address collectively. An important role of the BCFNEMC is to monitor and keep the FNLC and First Nations informed of emerging issues as well as to conduct research, analysis and options on energy and mining issues.

March 3, 2011

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- D. BC Hydro plans to consult with First Nations on its Integrated Resource Plan.
- E. BC Hydro invited the BCFNEMC to participate in the consultation with First Nations on BC Hydro's IRP.

NOW THEREFORE the Parties agree as follows:

1 DEFINITIONS

"Agreement" means this Agreement, including any appendices attached hereto;

"First Nation Community" means each Indian Band within the meaning of the *Indian Act*, R.S.C. 1985, c. I-5, as amended whose band office is located within the borders of the province of British Columbia, and "First Nations Communities" means all such bands;

"Aboriginal Title and Rights" means the aboriginal rights, including aboriginal title, individually or collectively asserted by the First Nations Communities;

"Consultation Process" means the process of consultation undertaken by BC Hydro in respect of BC Hydro's development of the IRP that BC Hydro will be submitting to government in November 2011 for government review and approval.

"Funding" means the funds paid by BC Hydro to the BCFNEMC in accordance with section 3;

"Integrated Resource Plan or "IRP" means, the plan that BC Hydro is developing to meet its customers' anticipated future electricity needs

"Parties" means BC Hydro and the BCFNEMC, and their respective successors and assigns, and "Party" means either one of the Parties;

"Technical Advisory Committee" means the committee of stakeholder and First Nations representatives that will assist BC Hydro in creating a thorough and well considered IRP for submission to the government in November 2011 by providing ongoing input and feedback into the development of the IRP.

2 PURPOSE

- 2.1 The Parties agree that the purpose of this Agreement, and the provision of the Funding by BC Hydro to the BCFNEMC, is to enable the BCFNEMC to participate in the Consultation Process and act as a resource for First Nations

March 3, 2011

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Communities who are also participating in the Consultation Process, including but not necessarily limited to:

- a. Attend, prepare and participate in all of BC Hydro's First Nations only regional workshops related to consultation on the IRP from the date of this Agreement until the conclusion of the Consultation Process.
- b. Attend, prepare and participate in all of the Technical Advisory Committee meetings throughout the development of the IRP.
- c. Undertake and provide a report(s) in connection with the development of the IRP in accordance with the deliverables and timelines identified in Appendix A and B;
- d. Act as a resource to First Nations Communities participating in the Consultation Process by providing their First Nations leadership with information about the development of the IRP and the involvement of the BCFNEMC in the Consultation Process.

3 CAPACITY FUNDING

- 3.1 BC Hydro will provide the Funding to the BCFNEMC to assist the BCFNEMC to implement this Agreement and to participate in the Consultation Process in accordance with the amounts and conditions of payment of the Funding as set out in Appendices A and B.

4 TIMELINES AND TERMINATION

- 4.1 This Agreement will remain in force until November 30, 2011 when the IRP is to be submitted to Government for its review and approval, unless the Parties agree in writing to extend the term of this Agreement.
- 4.2 Either Party may terminate this Agreement with 30 days written notice to the other Party.
- 4.3 If either Party terminates this Agreement, BC Hydro will provide the Funding for any costs or amounts incurred by the BCFNEMC and owing under this Agreement as of the date that written notice to terminate this Agreement is given.
- 4.4 Unless otherwise agreed to in writing by BC Hydro, BC Hydro shall have no further obligation to provide the Funding to the BCFNEMC after the termination of this Agreement.

5 EXISTING RIGHTS AND OBLIGATIONS OF THE PARTIES

- 5.1 Nothing in this Agreement creates any legal partnership, co-venture, or principal and agent relationship between the Parties.

- 5.2 Nothing in this Agreement shall be construed as an expressed or implied acceptance by BC Hydro or of the Province of British Columbia of any Aboriginal Title and Rights.

6 REPRESENTATIONS AND WARRANTIES

- 6.1 The BCFNEMC represents and warrants to BC Hydro that:
- a. It has the full authority and mandate to enter this Agreement, receive payments and fulfill the obligations under this Agreement on behalf of the First Nations Leadership Council and the First Nations Leadership Council member organizations; and
 - b. The execution and delivery of this Agreement and the completion of the transactions contemplated herein have been duly authorised by all requisite action on the part of the BCFNEMC.
- 6.2 Each Party represents and warrants to the other that it has retained and received independent legal advice regarding this Agreement.
- 6.3 The Parties agree that the rule of construction that ambiguities are to be resolved against drafting parties does not apply to the interpretation of this Agreement, and that there will be no presumption that any doubtful or ambiguous expression is to be resolved in favour of either Party.

7 GENERAL

- 7.1 Any notice, direction, payment or any or all material that either Party may be required or desired to give or deliver to the other Party shall be in writing and shall be given by personal delivery, by e-mail, by facsimile, by mailing or by courier, in each case addressed to the intended recipient as follows:

to BC First Nations Energy and Mining Council (BCFNEMC)
Attention: Dave Porter
Chief Executive Officer
#618 - 100 Park Royal South
West Vancouver, BC
V7T 1A2

to BC Hydro
Attention: Shella Reynolds
Manager, Aboriginal & Corporate Relations)
10th floor - 6911 Southpoint Drive
Burnaby, BC
V3N 4X8
Fax: 604-528-2822

Or such address or addresses as a Party may, from time to time, designate in writing.

- 7.2 In the case of any dispute or disagreement regarding this Agreement, the Parties agree that their designated representatives will first try to resolve such dispute or disagreement. If a dispute or disagreement cannot be resolved by the respective Parties' representatives, the Parties agree that the Manager, Aboriginal & Corporate Relations for BC Hydro and the CEO of the BCFNEMC will meet to discuss such dispute or disagreement and attempt to resolve it in a timely manner.
- 7.3 Neither party may assign any right, benefit, or interest in or under this Agreement without the written consent of the other party.
- 7.4 No provision of this Agreement or breach thereof will be deemed to have been waived by a Party unless such waiver has been made in writing.
- 7.5 Any amendments to this Agreement must be in writing and executed by the Parties.
- 7.6 The headings in this Agreement have been added for ease of reference and in no way define the scope of any provision of this Agreement.
- 7.7 Time shall be of the essence in this Agreement and no variation of this Agreement shall operate as a waiver of this provision.
- 7.8 This Agreement contains the whole agreement between the Parties with respect to the matters herein, and there are no express or implied representations, warranties, terms, conditions other than as expressly set forth or referred to in this Agreement.
- 7.9 If any provision of this Agreement is found to be invalid or unenforceable, it shall be severed from this Agreement to the extent of its invalidity or unenforceability, without affecting the remainder of the Agreement.
- 7.10 If any part of this Agreement is declared or held invalid or unenforceable by a court of competent jurisdiction, the Parties agree to negotiate and attempt to reach agreement on a replacement for the part declared or held invalid with a view to achieving the intent of the Parties as expressed in this Agreement.
- 7.11 This Agreement shall be construed in accordance with the laws of Canada and the laws of the Province of British Columbia, as applicable.

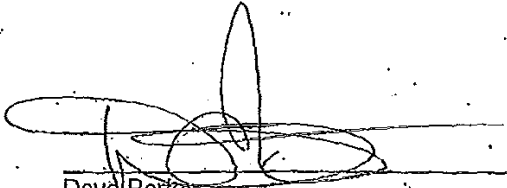
IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the day and year first above written.

SIGNED on behalf of the BCFNEMC
by the authorized representative of the BCFNEMC:

Per:

March 3, 2011

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Dave Porter
Chief Executive Officer
BC First Nations Energy and Mining Council

SIGNED on behalf of the
BRITISH COLUMBIA HYDRO AND POWER AUTHORITY:

Per:



Lyle Viereck
Director, Aboriginal Relations & Negotiations
BC Hydro

March 3, 2011

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APPENDIX A - Approved Budget

BC Hydro will provide funding for the deliverables below, subject to the Payment Schedule and Conditions outlined in Appendix B.

Task	Deliverable	Approved Budget
Development of Capacity Funding Agreement	<ul style="list-style-type: none"> BCFNEMC will work with BC Hydro to develop a capacity funding agreement to support the BCFNEMC's involvement in the Technical Advisory Committee on BC Hydro's IRP and the BCFNEMC's participation in BC Hydro's consultation with First Nations on the IRP. 	Based on rates set out in Appendix B; estimated expenditures \$5,000.00
Participation in BC Hydro Integrated Resource Plan Technical Advisory Committee (TAC), associated research and briefings with First Nations	<ul style="list-style-type: none"> BCFNEMC will provide a First Nations perspective at the TAC meetings by having a technical energy representative attend and participate in all TAC meetings on behalf of the BCFNEMC. The technical representative retained by the BCFNEMC will receive instructions directly from the BCFNEMC CEO and brief the CEO on the full discussions that occurred at the TAC meetings. The technical representative retained by the BCFNEMC will act as a resource for the CEO, BCFNEMC in explaining the technical information presented by BC Hydro at the TAC meetings and the technical discussions that occurred during the TAC meetings. 	<p>Based on rates set out in Appendix B; estimated expenditures \$34,000.00</p> <p>The budget for this category includes estimated travel expenses.</p>
Participation at Regional Workshops	<ul style="list-style-type: none"> A BCFNEMC representative, with the authority to speak on behalf of the CEO, BCFNEMC will attend and participate in all BC Hydro regional workshops with First Nations on the IRP. The BCFNEMC's representative will review all materials prior to each workshop and review materials arising from the workshops as they are provided by BC Hydro and posted on BC Hydro's IRP website. 	<p>Based on rates set out in Appendix B - Blended Rate; estimated expenditures \$52,000.00</p> <p>The budget for this category includes estimated travel expenses.</p>
Communications with First Nations and Tribal Councils	<ul style="list-style-type: none"> Act as a resource to First Nations Communities by providing First Nations leadership with information about the development of the IRP and the involvement of the BCFNEMC in BC Hydro's consultation process on the IRP. Keep the member organizations of the First Nations Leadership Council, and if requested, a First Nations Community, informed of the activities, information developed, and technical and policy decisions of the BCFNEMC as they relate to BC Hydro's consultation process on the IRP. 	Based on rates set out in Appendix B; estimated expenditures \$20,000.00

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Report(s) relating to the development of the IRP	<ul style="list-style-type: none"> • Prepare one or more written reports, as determined by the BCFNEMC to be appropriate, relating to the development of the IRP and provide it to BC Hydro. • Provide all First Nations Communities with written notice of any report completed by or on behalf of the BCFNEMC in connection with the development of the IRP and provide a copy of it to all First Nations Communities who request it. • Provide BC Hydro with a copy of all reports developed, under this capacity funding agreement, by the BCFNEMC as they relate to the development of BC Hydro's IRP. Any written reports shall be completed and provided to BC Hydro no later than October 31, 2011. 	Based on rates set out in Appendix B; estimated expenditures \$15,000.00
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March 3, 2011

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APPENDIX B

Payment Schedule and Conditions

1. The Funding paid out under this Capacity Funding Agreement shall not exceed \$136,000.00 (which includes the \$5,000.00 already been paid out to the BCFNEMC in September 2010). The Capacity Funding Agreement does not include the participant and travel funding paid out by BC Hydro to the BCFNEMC for the BCFNEMC involvement in the BC Hydro workshops held on September 14, 2010 (Resource Options) and September 24, 2010 (Consultation Design).
2. **Payment Schedule:** Subject to meeting the conditions set out herein, BC Hydro will provide the BCFNEMC with advances for the costs set out in Schedule A in the following installments:

Time	Amount	Cumulative
Already paid	\$ 5,000.00*	\$ 5,000.00
Date of Signing	\$ 15,000.00**	\$ 20,000.00
10 Days Later	\$ 40,000.00	\$ 60,000.00
10 days after publication of the IRP (estimated to be August 2011)	\$ 40,000.00	\$ 100,000.00
December 31, 2011	\$ 10,000.00	\$ 110,000.00 (Does not include travel expenses.)

*This amount was paid by BC Hydro to the BCFNEMC prior to entering into this Agreement and is included in the total amount being paid to the BCFNEMC under this Agreement

**This amount includes a \$10,000.00 contribution to the BCFNEMC for its costs outlined in the BCFNEMC IRP Financial Report ("Report") dated September – February 2011 received by BC Hydro on February 21, 2011. This payment represents full and final payment for the costs outlined in this Report.

3. **Accounting:** BCFNEMC shall provide BC Hydro with an itemized accounting of expenditures incurred by BCFNEMC in connection with the funds paid to the BCFNEMC in the previous installment. Such reports will be due and submitted on May 31, 2011 and November 31, 2011. 1.5
- **Rates:** BC Hydro will pay BCFNEMC's costs associated with their participation in the activities set out in the capacity funding agreement at the following rates:
 - CEO, BCFNEMC - \$1200.00/day (based on an 8 hour day)
 - BCFNEMC Technical Consultants - \$800.00/day (based on a maximum of an 8 hour day and their standard professional charge-out rate)
 - BCFNEMC Staff – Up to a maximum of \$600.00/day (based on an 8 hour day).

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- **Blended Rate – \$1200.00/day.** This Blended Rate is applicable to the activities outlined in "Participation at Regional Workshops" in Appendix A. The purpose of this Blended Rate is to accommodate the cross-section of BCFNEMC staff and consultants that will be involved in this activity.

4. **Travel Funding for Eligible Travel Expenses:** In addition to the payments set out in the Payment Schedule in section 2, BC Hydro will reimburse eligible travel expenses up to a maximum of \$26,000.00 upon receipt of a Travel Expense Claim Form (which BC Hydro will provide). Included in eligible travel expenses are taxi fares provided there is a dated receipt and an explanation for the expense submitted with the Travel Expense Claim Form.

Breakfast per diem	\$11.00
Lunch per diem	\$14.00
Dinner per diem	\$26.00
Breakfast, Lunch and Dinner	\$61.00
Mileage - Applicable for travel of 25 km or more.	\$0.62 per kilometer
Hotel Accommodation - Applicable when travelling more than 50 km and subject to providing a receipt BC Hydro expects that the funding offer of \$125.00 for accommodations will be sufficient for rates outside of Vancouver. However, it is noted that the ENEMC may need to book their consultants into hotels within Vancouver where higher rates apply and has therefore increased this amount to "up to" \$200.00	Up to \$200.00
Airfare - Airfare reimbursements require a receipt and boarding pass with expense claim. Entering this agreement is sufficient for pre-approval of airfare pursuant to these conditions which we have added.	Full cost of an economy class ticket

5. Prior to the payment of each installment of the Funding, BC Hydro will assess whether the terms and conditions of this Agreement have been met. Should the terms and conditions of the Agreement not be met BC Hydro may withhold further Funding until such terms have been satisfied.

Appendix 16 — B.C. First Nations Energy and Mining Council Workshop Input

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INTRODUCTION

BC Hydro's Integrated Resource Planning process (IRP) was announced in early 2010. The IRP is a comprehensive long-term process, assessing BC Hydro's requirements and developing plans to meet electrical generation needs for the next 20 years and transmission requirements for the next 30 years.

BC Hydro and the First Nations Energy and Mining Council (FNEMC) signed a Protocol Agreement in June 2010, committing to "work together on matters of mutual interest and benefit". BC Hydro proposed and FNEMC agreed that the IRP should be one of the first initiatives under the Protocol for FNEMC participation.

BC Hydro held organizational workshops in September 2010 to provide interested parties with information and to obtain input on BC Hydro's schedule and design of the process. FNEMC was invited and attended the organizational workshops, and provided preliminary views on process and related First Nations interests and needs.

BC Hydro initiated three areas of activity for the process – a Technical Advisory Committee to gather and analyze relevant technical data; a First Nations consultation stream; and a concurrent public/stakeholder consultation stream – both of the latter to be delivered through a series of meetings and workshops held in nine regions of the province throughout March and into early April 2011.

A second round of meetings and workshops is currently planned for September to provide input to BC Hydro on its draft plan which will be written by BC Hydro internally over the spring and summer months. The final IRP report and recommendations are required to be submitted to the provincial government in early December 2011. This timeline requirement is written into the Clean Energy Act.

FNEMC representatives have participated actively as a member of the Technical Advisory Committee, and attended all nine of the First Nations regional workshops. For information and comparative purposes, an FNEMC representative also attended one public/stakeholder meeting in Vancouver. A list of First Nation workshop dates and locations is attached.

As a provincial organization reporting to BC First Nations, the FNEMC's participation in the IRP First Nations "consultation" process is intended to provide a First Nation voice or perspective on issues relevant to all First Nations, support and facilitate participation by interested First Nations, and provide a voice on behalf of those First Nations that cannot or choose not to participate directly. It is not intended to supplant or replace direct First Nations engagement, and the FNEMC does not purport to formally represent the views of any particular First Nations or Tribal Council.

This report provides information to all BC First Nations on the regional workshops and "consultation process" to-date, feedback and comments on key issues to BC Hydro, and recommendations for consideration as the IRP continues and moves into succeeding phases. Observations and recommendations flowing from the Technical Advisory Group process are

not included in this report, but in a separate paper. We also note that BC Hydro has separately recorded and made available summary notes of each First Nation regional workshop; those notes are not duplicated or directly commented upon here.

For ease of reading and comparability of issues with other participants, the paper is organized in the same manner as the First Nations Input booklet provided by BC Hydro and used at each of the regional workshops. In addition to the six major topics covered therein, we have included a closing section on general and process related issues.

CONSERVATION AND EFFICIENCY

Issue Summary

The Clean Energy Act requires BC Hydro to continue and expand conservation measures as a way to meet a substantial part of its “supply gap” or demand growth over the coming years. BC Hydro is considering the feasibility of implementing even more ambitious targets in order to reduce the need for costly new generation. Measures in place or under consideration include existing and expanded Demand Side Management programs, energy efficient building standards, “smart metering”, distributed generation, community densification, and others.

The advantages of lower power bills, reduced need and thus lower costs for additional energy supply, reduced GHGs, and possible local employment are apparent. Some risks were also acknowledged – notably the requirement for government measures (policies and regulations) outside of BC Hydro’s control, the uncertainty of changes in consumer behaviour, and the adverse consequences of failing to meet established targets.

First Nations workshop participants were asked two general questions by BC Hydro: do First Nations have interest in pursuing greater conservation and efficiency, and what particular interests do First Nations have with respect to these objectives?

We heard dissenting voices regarding the first question – participants spoke clearly in support of conservation and efficiency as an objective. FNEMC is strongly supportive, and commends BC Hydro for its focus on Demand Side Management in particular. We expect that non-participant First Nations have similar views.

It is clear, however, that at a practical level beyond the simple objectives, First Nations have a number of important caveats and reservations on their support. These include inadequate and in some cases non-existent service from BC Hydro, First Nations access and program design suitability, affordability, substandard housing conditions and overcrowding, and concerns about possibly higher costs through such measures as smart metering.

Key Comments and Recommendations

FNEMC makes the following comments and recommendations to BC Hydro:

- a) **Remote Community Electrification:** BC Hydro's Remote Community Electrification Program or similar programs to extend reliable BC Hydro service into all First Nations communities must be a first priority. It is simply not possible for First Nations individuals and governments to seriously consider efficiency and conservation measures until they are receiving levels of service comparable to other communities.
- b) **Program Design and First Nations Access:** First Nations must be included in Demand Side Management related program design discussions to ensure that they are relevant to local conditions, and members can actually access them and take advantage of possible savings. In addition, easy access for First Nations to residential and commercial energy consumption data is necessary for effective planning. Housing conditions, overcrowding, unemployment and low incomes work against effective First Nations participation, and these must be taken into account to garner First Nations support and achieve expected results.
- c) **Housing:** Shortages and generally substandard housing conditions in many First Nations communities need to be considered by BC Hydro and government at all levels. FNEMC recommends consideration of a multilateral housing advisory body, with First Nations, Government, and BC Hydro participation. This body should assess and develop new building standards, renovation and incentive programs. This work could be in conjunction with the Assembly of First Nations new green building policy project.
- d) **Coordination with other government goals and objectives:** Government has a wide range of objectives, policies, and legislation outside the scope of, but nevertheless substantially affecting possible objectives and targets of BC Hydro's IRP. Economic development policies, population and immigration policies, building and transportation policies may all contribute to or be in conflict with IRP goals. Several workshop participants expressed concern that ordinary people might be expected to conserve only to serve the interests of more growth and lower costs in other sectors. FNEMC shares that concern. As with Housing above, FNEMC recommends a multilateral process be established or continued to consider and review serious conflicts or inconsistencies.

GENERATION OPTIONS

Issue Summary

To meet expected load requirements and comply with government direction in the Clean Energy Act, BC Hydro will require a mix of new energy generation. A full range of options – large and small scale hydroelectric, gas and coal fired plants, wood-based and other biomass facilities, wind, solar, wave, and geothermal have all been identified as feasible options for future development. Each source has different costs, reliability levels, GHG and environmental impacts, employment or other economic opportunities, etc.

Options and characteristics of each are being assessed in more detail by BC Hydro and Technical Advisory Committee members. For illustrative purposes and to serve for discussion of likely trade-offs and preferences, First Nations workshop participants were presented with three possible generation portfolios: one a mix of renewable sources only, one a renewable mix with the addition of Site C; and one a mix of renewable, Site C, and gas-fired generation. First Nations were asked to comment on and express any particular interests they might have with respect to each of the three portfolios.

While there is general support from First Nations for renewable generation of all types, numerous participants expressed concern and some perplexity regarding the portfolios, why they were chosen, how they were developed, how they would be evaluated, and the lack of any prior information on which to better understand or evaluate them. Some declined to offer any comment on Site C, knowing its controversial nature and giving priority to the interests of those First Nations in the region or who might be affected.

Key Comments and Recommendations

FNEMC offers the following:

- a) **Portfolios:** Presentation and discussion of the portfolios without any prior communication and involvement of First Nations to understand and participate at some level in their development was in FNEMC's view premature and seriously limited participant comfort and ability to make informed comment. Comparison of costs, back-up requirements, etc. are difficult or largely meaningless without context. Considerably more information and further involvement of interested First Nations prior to more advanced portfolio analysis and selection is necessary.
- b) **Assessment Criteria and Process:** There is little or no common understanding of how various portfolios and sources will be evaluated and recommended in the IRP. It is generally understood that certain "attributes" will be defined and measured, but how those will be chosen, weighted, and applied is unclear. FNEMC also believes that solely technical criteria and a solely or primarily technical assessment process will discount the value of more subjective characteristics and First Nations values. As above, more information and First Nations involvement is required prior to finalization of this work and development of a draft plan.
- c) **Local relevance and sensitivity:** First Nations interest and support for various generation options will depend on local conditions, local resources, and potential economic opportunities. As illustrated by Site C, First Nations concerns and opposition will also vary directly with expected impacts of development on local First Nations territory, environment, and other priorities. FNEMC submits that instead of province-wide scenarios and priorities, a more regional or "bottom up" approach to portfolio development and assessment, with full involvement of interested First Nations, is needed to incorporate local priorities and support for desired generation options.

ELECTRIFICATION

Issue Summary

Electrification or use of other fuels by industry and consumers in the province has historically been a matter of personal or business preference rather than public policy. Concerns over GHG emissions and related climate change projections have precipitated consideration of a more aggressive or pro-active approach to electrification. Oil and gas industry development in north-eastern BC is a very large and notable potential target or recipient of electrification.

To the extent that use of clean energy generation offsets use of fossil fuels, electrification in industry and transportation and heating will reduce provincial GHG levels. At the same time, however, electrification might require additional generation sources and could increase electrical rates above what they would otherwise be. First Nations were asked in each workshop whether they would support a more pro-active approach to electrification, and what First Nations interests should be considered if such an approach is adopted.

While at a high level, electrification was seen by many participants as a positive, concerns exist at a more practical or implementation level.

Key Comments and Recommendations

- a) **Service to First Nation communities:** As noted above, numerous First Nations in the province do not have or have inadequate, fossil-fuel based electrical generation systems in their communities. FNEMC recommends that extension of full and reliable electrical service to all First Nations communities in the province be the first priority, be properly resourced and a requirement of electrification initiatives.
- b) **Impacts on First Nations:** FNEMC is supportive of electrification to reduce GHG emissions and encourage innovation – but we are concerned that increased demand will mean higher rates for First Nations consumers, and will require additional generation and transmission facilities, with consequently higher impacts on First Nations lands and environment. Decisions on electrification made at a provincial level or in one area of the province should not impose pressure for unwanted developments, impacts, or costs on First Nations in another.
- c) **Not an industry incentive program:** FNEMC is also concerned that electrification should not become an industry incentive program, simply reducing costs and encouraging greater expansion for beneficiaries, at the expense of existing electrical consumers. New electrical system customers should pay full costs, including any marginal cost increases accruing to existing consumers.

TRANSMISSION

Issue Summary

Within the IRP, BC Hydro is assessing high voltage transmission requirements for the next 30 year period to ensure a reliable system capable of meeting demand and servicing

consumers throughout the province. Reliable transmission is essential to operation of the grid system serving communities in most of the province; it can encourage and facilitate regional economic development, and could contribute to GHG reductions if extended to new industry sectors and regions.

Like electrification, transmission planning and construction has historically been largely reactive, but there is increasing interest in a more planned, pro-active approach – reducing uncertainties, reducing costs and increasing system efficiency, and reducing environmental impacts and construction of multiple facilities in close proximity to each other. Concerns also exist, particularly with respect to the risk of stranded investment and unneeded facilities if expected generation does not materialize.

First Nations were asked for their views on a proactive approach to transmission, and what First Nations interests should be considered by BC Hydro if such an approach were taken. As with Electrification, a proactive approach is generally supported, many expressing the view that it could minimize environmental impacts and impacts on First Nations lands. Views and interest level in this topic varied considerably between Workshops, reflecting different previous experiences in some First Nations and regions.

Key Comments and Recommendations

- a) **A proactive approach is necessary:** FNEMC is very supportive and encourages BC Hydro to take a more proactive approach to transmission planning. We recognize that some degree of reactivity is unavoidable, but from the perspective of rational land-use, environmental protection, and long-term economic efficiency, it should be minimized to the extent possible.
- b) **Risk of stranded investment:** FNEMC believes that these risks can be managed and reduced to acceptable levels. It is possible to plan pro-actively, without fully committing to or actually constructing ahead of established triggers or thresholds. Potential environmental and economic benefits should considerably outweigh the cost of occasional error or miscalculation.
- c) **Distribution of benefits and impacts are not the same:** Requirements for new or expanded transmission correspond directly, although not always in proportion, with generation requirements. But we note that the geographic nature or effects of transmission are very different – generation projects usually are situated in and impact a fairly contained area, transmission lines often extending long distances and traversing large areas of unrelated and distant territory. Transmission disproportionately affects First Nations and rural lands, while serving the needs or interests of large demand centres elsewhere (typically urban centres). First Nations must be involved at all levels of planning for transmission projects involving First Nations lands and impacting on First Nations communities or citizens.
- d) **Local First Nations involvement is essential:** Smaller scale and distributed generation facilities may require proportionately less transmission than do large

scale facilities; remote facilities may require more new transmission than would centrally located plants of similar scale; and transmission needs may be reduced through planning and coordination to greater or lesser degrees in conjunction with or in advance of expected new generation. As above, generation decisions to satisfy needs of one area (Vancouver or the Lower Mainland for example) or one industry (oil and gas in Northeast BC for example) should not drive transmission decisions and impose disproportionate and avoidable adverse impacts on First Nations or other rural interests. Local consultation and involvement are necessary before project decisions are made.

EXPORT MARKET POTENTIAL

Issue Summary

The Clean Energy Act requires BC Hydro to consider the potential for export of renewable energy to outside markets. This requirement contemplates approval of generation and transmission facilities beyond those required to meet domestic needs and contingency or reliability standards. First Nation participants were asked to provide their perspectives on this subject – whether they supported developing export markets and facilities, and what First Nations interests should be considered in doing so.

Some participants expressed support or interest in exports from the perspective of possible economic opportunities for their First Nations; many others expressed concerns that export objectives would increase the projected supply gap, would create more demands and impacts on First Nations lands, could increase rates for domestic consumers, and could displace other more important First Nations and domestic objectives. There is significant concern that export market development would be pursued for the financial benefit of BC Hydro, the province, and select industry players, but with some adverse impacts and little or no benefit to First Nations and the general population.

Key Comments and Recommendations

As a matter of broad public policy, FNEMC submits that seeking First Nations support to meet recognized provincial needs is fundamentally very different than asking for such support to satisfy export interests. We note again the irony of pursuing additional exports while First Nations and some other communities within the province remain underserved.

FNEMC recommends the following to be applied to any further consideration and development of export markets:

- a) **Priority to domestic requirements:** Exports beyond system reliability requirements should be subordinate to conservation and efficiency objectives and to long-term provincial supply requirements.
- b) **Financial protection of First Nations and other domestic consumers:** Ratepayers must be protected from financial risk and rate increases associated with export market expansion.

- c) **Protection against adverse impacts:** First Nations must be protected from unwanted development impacts associated with generation and transmission projects required to serve export interests.
- d) **First Nations participation essential:** First Nations must be full participants in and beneficiaries of export oriented development. First Nations should be given clear priority rights to propose, develop, and operate any projects on or crossing First Nations lands.
- e) **Coordination of IRP and government objectives:** Government is clearly interested in pursuing economic development opportunities in all sectors and areas of the province. While that interest is legitimate and understood, it again raises the potential of conflict between recommended or agreed IRP directions and more general government economic ambitions. FNEMC submits that ongoing dialogue among government, BC Hydro, First Nations and stakeholders will be required to avoid future conflicts.

CLEAN OR RENEWABLE ENERGY DEVELOPMENT IN FIRST NATION COMMUNITIES

Issue Summary

BC Hydro invited participants to indicate and discuss their interest in clean or renewable projects within their communities and on reserve. No material was presented by BC Hydro as background to the discussion.

Many First Nations participants expressed support for the concept, based on the desirability of moving away from fossil fuels and to cleaner energy sources, the desirability of locally oriented and community owned or controlled projects, and the potential for associated economic opportunities.

Key Comments and Recommendations

FNEMC strongly supports a greater emphasis on clean or renewable energy and on locally owned First Nations projects. Meaningful involvement of First Nations in renewable energy project could significantly assist in meeting BC Hydro's objectives and requirements of the IRP, and could foster substantially greater First Nations interest, participation, and support for the IRP and subsequent BC Hydro processes.

We recommend the following:

- a) **BC Hydro policy review:** Working with First Nations, BC Hydro should review procurement, energy purchase, and related policies to facilitate First Nations developments and reduce financial or other barriers that currently discourage First Nations participation.
- b) **Local focus and support essential:** Projects must be suitable to local conditions and supported by the community. Early successes are essential. BC Hydro should establish services to provide technical, business, and other resource support to assist

interested First Nations in planning, assessing, and developing local facilities on a pilot or demonstration project basis.

GENERAL AND PROCESS RELATED ISSUES

Issue Summary

Many workshop participants raised serious reservations and concerns regarding the IRP process as it has been developed and presented to-date. In response, the workshop facilitator added them as a separate item of discussion in several workshops. Some relate to the overall process, and continuing disconnect between BC Hydro and First Nations expectations of meaningful consultation; others relate more specifically to particular aspects and components of the IRP.

FNEMC believes that a number of these concerns are fundamental to First Nations support or opposition to the process, and ultimate success or failure of the IRP itself. In that context, resolution of them may be more important than some or any one of the presented IRP objectives and analysis. We have not attempted to summarize discussions or issues presented at the various workshops, but have below listed and briefly explained a number of those that we see most critical for BC Hydro consideration. No order of priority or importance is intended.

Key Comments and Recommendations

- a) **Capacity funding for effective First Nations participation is necessary, particularly to assist with technical issues and analysis.**

As it includes both generation and transmission, the IRP is arguably a more comprehensive exercise than the BCUC Transmission Inquiry initiated in 2009. At the same time, the opportunities for input and assistance provided to First Nations have been significantly reduced. Fewer regional workshops are planned, those recently completed were considerably later in the overall process, there will be no public hearings and opportunity for examination of BC Hydro plans, and resource support to First Nations and First Nations organizations has been reduced or, in the case of technical assistance, eliminated.

- b) **BC Hydro must provide additional opportunities for First Nations input, and must if necessary extend timelines for the process to accommodate such input.**

First Nations in British Columbia are entitled to meaningful consultation – including the receipt of full and timely information, reasonable time and opportunity to respond, and the expectation that First Nations positions will be considered and accommodated. The changes noted above raise serious doubts about BC Hydro's commitment to consultations, and they may bring into doubt the validity of the process and decisions made.

- c) **Either during the IRP process or following it, but before government decisions are made, discussion and consultations are necessary to reconcile related policy directions.**

The process implies and raises expectations of decisions and policy directions to guide future electrical developments across the province. But the process also leaves out some players and other issues critical to a provincial strategy or plan. It is our understanding that Fortis BC, Columbia Power, and Alcan operations are not formally part of the IRP and thus may not be bound by certain policy directions. More importantly, the IRP understandably cannot incorporate or impose conditions on government policy beyond the mandate of BC Hydro, but it is not at all clear what consultations and inter-agency mechanisms are contemplated to harmonize and minimize inconsistencies or conflict.

- d) **It is critical to First Nations that local issues be fully acknowledged and given appropriate weighting.**

It is similarly unclear how the IRP process will integrate regional and community interests and priorities with provincial ones. Site C is a particularly obvious example of this issue and potential conflict between local or regional and provincial interests, as well as between First Nations and public or other stakeholder interests.

- e) **If First Nations support or endorsement of the IRP is desired, First Nations must be more fully included in the process.**

Notwithstanding early representations to the contrary, First Nations engagement in the IRP has been late and inadequate to-date, and further engagement is not planned until after a draft plan has been produced by BC Hydro. Recent regional workshops were, for most First Nations, their first information and exposure to the process. Most came without, and do not have, technical support or capacity to obtain the same. They were asked to provide feedback at the workshops and within a few weeks following on very complex and consequential issues. Most will not be involved again until a plan has been drafted and they are asked to comment. None were involved or provided with detailed information prior to the first workshops, and none are planned to be involved until the second. At that time, as one participant noted, 90% of all the decisions will have been made.

- f) **Prior to emergence of a draft plan, not after it has been internally produced, is the appropriate time for discussion of these connections.**

Similarly, the separation and connections between the technical and public and First Nations “consultation” streams is not clear. To this time, the two have been proceeding largely in isolation of each other, but the analysis and recommendations of each will necessarily need to be merged at some point. Designation of some issues as “technical” and others not is also a matter of perspective. First Nations characterization and emphasis given to various social, environmental, cultural, and even economic factors may be quite different than those of BC Hydro planners, technicians, and financial analysts.

g) BC Hydro and provincial policy must be changed to encourage participation and to offer revenue-sharing, royalty, or other financial incentives to First Nations.

The distribution and effects of “benefits” and “impacts” associated with energy developments are very different. Local areas, usually rural disproportionately bear the adverse effects, while consumers and industry participants, usually urban, reap the majority of benefits. First Nation communities must be full participants in all stages of development from planning through to operations, and they must be full beneficiaries of local developments.

h) Affected lands should be mapped and given “protected” status during planning and pending resolution of Claims.

First Nations rights and title interests, treaty rights, First Nations traditional territories, and lands subject to Land Claims negotiations must be recognized and accommodated in all stages of the IRP.

CONCLUSION

BC Hydro's Integrated Resource Plan is a strategic level planning exercise that will ultimately lead to impacts on Aboriginal rights and title. This is an important step in the overall consultation process because decisions flowing from the IRP will lead to specific projects on the ground. The FNEMC acknowledges that the IRP is a complex planning process. However, there are flaws in the First Nation consultation stream that threaten to impact its effectiveness. Up to this point, First Nations have been provided with basic information through informational workshops; the next step is for BC Hydro to prepare the IRP report and bring it back to First Nations for their input. First Nations would have liked to have been more meaningfully involved in the planning process and what we've experienced so far does not meet the test. Participants need prior information, they need to be engaged, and BC Hydro needs to be responsive to input and feedback, which involves reporting back as to how First Nations comments were incorporated and if not, why not. Additional opportunities for First Nations input must be incorporated into the process in between the information session and the review of the draft report. It should also be noted that First Nations were consistent in their comments calling for the resolution of past infringement before moving on to build new projects. We hope that BC Hydro seriously considers the comments made by First Nations throughout the regional sessions and re-evaluates its approach. FNEMC is willing to work with BC Hydro to further review these process issues and suggest areas of improvement.

**BC Hydro First Nations Workshops on the Integrated Resource Plan Schedule
First Series 2011**

First Nations Workshops			
Community	Date	Time	Location
Nanaimo	March 2	9:00- 3:00 pm	Vancouver Island Convention Centre
Campbell River	March 3	9:00- 3:00 pm	Coast Discovery Inn and Marina
Abbotsford	March 4	9:00- 3:00 pm	Ramada Inn and Conference Centre
Kamloops	March 7	9:00- 3:00 pm	Coast Canadian Inn
Vancouver	March 11	9:00- 3:00 pm	SFU School of Business
Terrace	March 14	9:00- 3:00 pm	Terrace Best Western
Fort St John	March 16	9:00- 3:00 pm	Quality Inn Northern Grand
Prince George	March 17	9:00- 3:00 pm	Coast Inn of the North
Castlegar	March 21	9:00- 3:00 pm	Fireside Inn

**Appendix 17 — B.C. First Nations Energy and Mining Council
Technical Advisory Committee Report**

FIRST NATIONS ENERGY AND MINING COUNCIL

COMMENTS ON TECHNICAL ADVISORY COMMITTEE

PARTICIPATION FOR THE INTEGRATED RESOURCE PLAN

May 6, 2011

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INTRODUCTION

The Integrated Resource Plan (IRP) is BC Hydro's plan for obtaining the resources necessary to meet provincial electricity requirements for the next 20 years. The IRP includes several components:

- A load forecast, which estimates how much electricity British Columbia will require over the next 20 years.
- Conservation initiatives that BC Hydro could pursue with its customers in order to reduce the amount of electricity that must be supplied.
- An evaluation of generation and transmission resources that could be acquired in order to meet the gap between existing resources and those required to serve future load growth.

BC Hydro examines each of these components under different potential future market scenarios, for example high or low future economic growth. Potential generation and transmission resources are evaluated across different indicators including cost, environmental impacts and economic benefits. Specific objectives for the IRP are set out in the Clean Energy Act which came into effect in 2010. The Clean Energy Act requires BC Hydro to complete its IRP and submit it to the provincial government before the end of 2011.

As part of the IRP process, BC Hydro established a Technical Advisory Committee (TAC). The purpose of the TAC is to provide ongoing feedback and expert advice to BC Hydro during the development of the IRP. BC Hydro has committed to considering input and advice from TAC members in developing the IRP. However, the IRP is BC Hydro's document and BC Hydro is not bound by recommendations or advice it receives from TAC members.

BC Hydro requested that the BC First Nations Energy and Mining Council (FNEMC) participate as a member of the Technical Advisory Committee (TAC). The FNEMC retained a consultant to participate on the FNEMC's behalf and to provide the FNEMC with a summary of comments and analysis following each TAC meeting. TAC meetings were held on December 14, 2010; January 26-27, 2011; February 14, 2011; and April 5-6, 2011.

TAC meetings originally scheduled for April 27-28, 2011 to review the initial results of BC Hydro's analyses were postponed in light of the provincial government review of BC Hydro rates that was announced in April. As a result, TAC members have not to date reviewed draft results of significant portions of the IRP. Despite this delay, BC Hydro has requested comments from TAC participants on five topic areas. This document summarizes the FNEMC's comments on the five topic areas from a TAC participation perspective. A separate document has been prepared summarizing the FNEMC's comments on BC Hydro's First Nations consultation process.

CONSERVATION AND EFFICIENCY

Issue Summary

BC Hydro's current load forecast projects an increase in electricity sales of approximately 14,000 GW.h or 27% by fiscal year 2020¹ before including any savings that might be accomplished through conservation and efficiency improvements. Conservation, sometimes called Demand Side Management (DSM), is the cleanest way to address future load growth. The Clean Energy Act includes an objective for BC Hydro to reduce the expected increase in electricity demand by the year 2020 by at least 66%.

Conservation methods can take many forms, from providing assistance to customers to purchase more efficient appliances and equipment; electricity rates that are designed to let customers know the full cost of electricity use and working with government to require higher energy efficiency standards for buildings and electrical equipment. However, one of the challenges with conservation and efficiency improvements from a planning perspective is that it is difficult to track and confirm conservation and efficiency improvements over time. Therefore, it can be hard to know how well these programs are performing relative to targets.

BC Hydro has provided information to the TAC that evaluates a range of conservation options targeting different levels of future conservation and efficiency improvements. In general, in order to achieve greater future electricity savings, BC Hydro needs to spend more money on DSM programs and needs help from all British Columbians to make a commitment to reduce their own electricity consumption. If the conservation and efficiency improvements are successful it could mean fewer impacts on the environment in the future (since it would help avoid the need to build new electricity generation and transmission projects) and lower electricity rates (if spending on DSM to avoid future electricity consumption is lower than the cost of building new generation and transmission projects). However, it is difficult to measure or estimate avoided electricity use and therefore difficult to evaluate the success of spending on conservation programs.

Key Comments/Recommendations

Based on the information provided to the TAC to date, the FNEMC provides the following comments:

- **Sustainability:** As stewards of the land, First Nations are committed to the responsible use of lands and waters to ensure their availability for future generations. Improving conservation and efficiency is consistent with sustainability and sustainable development which are core principles of the BC First Nations Energy Action Plan.
- **Pursue Economic Conservation/DSM Opportunities:** Given the benefits of improved conservation and efficiency, (including reduced environmental impacts; improved efficiency and lower energy costs) BC Hydro should pursue all economic conservation/DSM opportunities.

¹ 52,024 GW.h in F2011 increasing to 65,939 GW.h in F2020.

- BC Hydro and the Province of British Columbia should provide capacity funding for energy managers to support energy conservation in First Nations communities.
- **Access to Conservation Initiatives:** Access to DSM/Conservation initiatives is a challenge for many First Nation communities – particularly those in rural and remote locations. BC Hydro needs to ensure its DSM programs are accessible to all First Nations communities. Relevant considerations in this regard include:
 - In First Nations communities housing costs and electricity bills may be paid by the Band and not the individual or family residing in the home. Therefore conservation programs involving financial incentives/assistance for repairs and upgrades or reduced electricity bills may not be as effective as in other communities.
 - Access to capital dollars for repairs and improvements to community facilities (both residential and commercial) may be limited compared to other communities.
 - Codes and standards applicable in First Nations communities may differ from provincial standards.
- **Funding for First Nation Community Energy Managers:** In recognition of the specific challenges associated with conservation/DSM initiatives in First Nations communities, BC Hydro and the Province of British Columbia should provide capacity funding for energy managers to support energy conservation in First Nations communities.
- **Communication:** Much of BC Hydro's communication related to DSM and conservation in the IRP process focuses on the need to make sacrifices and the consequences if conservation targets are not achieved. BC Hydro should instead focus its communication on conservation initiatives on the benefits to First Nations and British Columbia, including reduced environmental impacts, less waste and lower energy costs.

ELECTRICITY GENERATION OPTIONS

In its consultation materials, BC Hydro describes three electricity generation “portfolios” that represent different potential strategies for addressing the need for future electricity resources. BC Hydro has not yet provided detailed comparisons of the costs and benefits of the different portfolios to the TAC members. However, a brief summary of the options identified by BC Hydro and specific comments on each option based on the information available to date are provided below.

PORTFOLIO #1: RENEWABLE MIX PORTFOLIO

Issue Summary

BC Hydro’s first portfolio includes plans to meet future electricity requirements from renewable sources including wind, run-of-river hydro-electric and biomass. New projects would be developed by independent power producers (IPPs) with BC Hydro purchasing electricity from the IPPs. The Site C hydro-electric project is excluded from this portfolio. BC Hydro notes that since renewable generation resources aren’t always available (for example when the wind isn’t blowing or when water flows are low) this portfolio would also require additional back-up resources to ensure electricity demand at peak times could be met. These back-up resources might include expanding existing BC Hydro hydro-electric generation stations, using pumped storage or natural gas-fired generation.

Although BC Hydro has not yet provided detailed information on the potential costs and benefits of this portfolio to TAC members, at a high level BC Hydro notes this portfolio has the following characteristics compared to other portfolios:

- **Diverse Resource Mix:** This portfolio would include a variety of different types of electricity generation sources including wind, hydro-electric and biomass.
- **Lower Greenhouse Gas Emissions:** This portfolio relies largely on renewable resources and therefore would have lower greenhouse gas emissions than some other portfolios.
- **Dispersed Environmental Impacts and Benefits:** Renewable resource developments would involve developing a greater number of smaller electricity projects throughout the province. As a result the potential environmental impacts and the economic benefits (in terms of community ownership of projects and related jobs) would be more dispersed across the province.
- **Higher Costs:** Electricity purchased from renewable energy IPPs generally costs more than other potential electricity sources. Therefore, the cost of electricity is likely to be higher with this portfolio than with other portfolios. BC Hydro has not to date provided detailed estimates of the electricity costs associated with each portfolio.

Key Comments/Recommendations

Based on the information provided to the TAC to date, the FNEMC provides the following comments:

- **Support for Renewable Energy Projects:** First Nations strongly support the development of clean, renewable sources of electricity to meet future energy requirements. Many First Nations are currently experiencing the direct negative effects of climate change. Ensuring future electricity needs are supplied by clean and renewable sources will help respond to the impacts of climate change and stabilize greenhouse gas concentrations.
- **Support for Locally Developed and Owned Projects:** In the past, resource developments imposed environmental damages without ensuring benefits for local communities. First Nations support projects that are developed and owned directly by the community or through partnerships. This helps to ensure projects are developed in a manner that is consistent with the broader plans and objectives of local communities in mind.
- **Balancing of Costs and Benefits:** It is recognized that the cost of future development projects must be taken into account in long-term planning. A focus on conservation and sustainability can help to ensure increasing electricity prices do not become a burden on local residents or become a barrier to other types of economic development.

PORTFOLIO #2: RENEWABLES WITH SITE C

Issue Summary

BC Hydro's second portfolio includes the Site C hydro-electric project in its plans to meet future electricity requirements. Electricity requirements beyond those that could be supplied by Site C would be sourced from renewable energy based IPPs. This portfolio would also require additional back-up resources to ensure peak electricity demands could be met. However, since Site C can provide energy storage and additional capacity, these requirements would lower than the first portfolio.

Although BC Hydro has not yet provided detailed information on the potential costs and benefits of this portfolio to TAC members, at a high level BC Hydro notes this portfolio has the following characteristics compared to other portfolios:

- **Lowest Greenhouse Gas Emissions:** This portfolio would produce the lowest greenhouse gas emissions of any of the portfolios as it relies largely on renewable resources.
- **Concentrated Environmental Impacts:** Environmental Impacts would be concentrated in the Peace region with approximately 5,000 hectares of flooding.²

2

http://www.bchydro.com/etc/medialib/internet/documents/planning_regulatory/site_c/2010Q2/site_c_ba ckgrounder.Par.0001.File.Site_C_Backgrounder_6_2_2010.pdf

May 6, 2011

- **Mid-Level Costs:** Costs for this portfolio are expected to be lower than portfolio #1, but higher than portfolio #3. However, it should be noted BC Hydro has not yet provided updated capital cost estimates for Site C.

Key Comments/Recommendations

Based on the information provided to the TAC to date, the FNEMC provides the following comments:

- **Conflicts between Provincial Level Planning and Regional/Local Environmental Impacts:** Site C highlights the conflict between provincial level energy planning and regional environmental impacts. In order to develop Site C, local First Nations and communities would be asked to bear significant impacts on lands and water. One of the core principles of the First Nations Energy Action Plan is recognition of the autonomy of individual First Nations in decision-making for their traditional areas. No decisions or plans with respect to Site C can be made without meaningful consultation and accommodation with First Nations whose lands and waters would be impacted.
- **Funding Required for Local and Regional Development Plans:** There is a need for better development and coordination of energy planning with regional and local planning processes. BC Hydro and the provincial government should address funding for local and regional development plans.
- **Early Engagement Necessary:** Site C also highlights the need for early engagement of First Nations and local communities in resource development projects. First Nations must have the opportunity and the necessary resources to understand and evaluate development proposals.
- **Full Impacts of Development must be Understood:** In order to make informed decisions on new developments, a complete understanding of the potential environmental and human effects of the development must be undertaken. This includes an assessment of impacts at the regional level and an assessment of cumulative effects with other activities in the region.
- **Benefits must be Shared:** If new projects, including Site C, can be developed in a manner that is acceptable to the impacted First Nations and communities, mechanisms must be in place to ensure the economic benefits of the project are shared fairly with the local communities. Benefit sharing must extend beyond simply offering short-term construction-related employment to local residents. Revenue sharing and project ownership must be included as benefits for local First Nations and communities. Best practices from other Canadian jurisdictions should be reviewed and incorporated into project planning and development.³
- **Capital Costs of Site C must be Reviewed:** Capital costs for major hydro-electric facilities can change dramatically in a short period of time. For example, Manitoba Hydro has recently updated its capital cost estimates for the Keeyask and Conawapa generating stations. The most recent 2010 capital cost forecasts are both 50% higher than the 2008 forecasts. Manitoba Hydro notes

³ As an example, the Nisichawayasihk Cree Nation participation in the Wuskwatim generation project in Manitoba.

these cost increases are due to more current market information and delays in the in-service dates for both facilities.⁴

PORTFOLIO #3: RENEWABLE MIX WITH SITE C AND GAS-FIRED GENERATION

Issue Summary

BC Hydro's third portfolio includes Site C, renewable energy purchased from IPPs and gas-fired generation as allowed under the 93% renewable target in the Clean Energy Act. Since both Site C and gas-fired generation provide back-up ability the need for other sources of back-up is reduced. Although BC Hydro has not yet provided detailed information on the potential costs and benefits of this portfolio to TAC members, at a high level BC Hydro notes this portfolio has the following characteristics compared to other portfolios:

- **High Degree of Operating Control:** With both Site C and gas-fired generation available, this portfolio would provide the highest degree of operating control of the three portfolios. As a result no additional back-up resources would be required.
- **Concentrated Environmental Impacts:** As with portfolio #2, environmental impacts of Site C would be concentrated in the Peace region.
- **Higher Greenhouse Gas Emissions:** Because of the use of natural gas generation, this portfolio has the highest greenhouse gas emissions of the three portfolios.
- **Lower Initial Cost:** Costs for this portfolio are expected to be the lowest of the three portfolios initially, but there are risks of higher future costs due to potential increases in natural gas prices and greenhouse gas emissions costs.

Key Comments/Recommendations

Based on the information provided to the TAC to date, the FNEMC provides the following comments:

- **Concerns Related to Site C:** The FNEMC reiterates its concerns with potential effects of Site C noted above.
- **Role of Natural Gas Requires Careful Consideration:** First Nations are currently experiencing negative impacts of climate change and support efforts and policies to stabilize and reduce greenhouse gas emissions. However, natural gas generation may still have a role to play in long-term energy planning. For example, planning to include natural gas based resources, to

⁴ Manitoba Hydro's 2008 Capital Expenditure Forecast included capital cost estimates of \$3.7 billion for Keeyask and \$5.0 billion for Conawapa. The 2010 capital cost estimates are \$5.6 billion for Keeyask and \$7.8 billion for Conawapa. Both the 2008 and 2010 capital expenditure forecasts are available at http://www.hydro.mb.ca/regulatory_affairs/electric/gra_2010_2012/index.shtml

May 6, 2011

be used particularly during infrequent low-water years, may provide cost-benefits and improve reliability and energy security. Natural gas may also have a role in helping to displace electricity that is currently imported from other jurisdictions that primarily use coal for generation. These potential benefits need to be weighed against the greenhouse gas and potential environmental implications. To date, insufficient information has been produced on the trade-offs involved to allow for informed decision making.

ELECTRIFICATION

Issue Summary

The provincial government has set targets to reduce greenhouse gas emissions in the future. One way to help reduce greenhouse gas emissions involves switching from non-renewable energy sources (such as fossil fuels used for transportation) to electric energy provided by clean and renewable generation sources. BC Hydro refers to this process as “electrification” or “fuel switching”. One of the objectives of the Clean Energy Act is to encourage switching energy sources to decrease greenhouse gas emissions in British Columbia.

Places where it might be possible to reduce greenhouse gas emissions by substituting renewable electricity sources for fossil fuels include:

- **Transportation:** Replacing gasoline and diesel fuelled vehicles with electric vehicles.
- **Space Heating:** Using air and ground heat pumps to replace oil or natural gas heat.
- **Industry:** Using electricity to run compressors instead of natural gas or other industrial uses.

Currently, BC Hydro plans to meet electricity needs that include naturally occurring electrification. However, BC Hydro does not actively promote fuel switching. In the future, BC Hydro could work to promote and encourage electrification to reduce greenhouse gas emissions. As part of this proactive approach BC Hydro could support the development of electric vehicle charging stations and expand transmission and distribution systems to encourage new customers and uses of electricity.

A proactive approach to electrification could help achieve reductions to provincial greenhouse gas emissions. However, fuel switching from fossil fuels to electricity would require additional renewable electricity generation sources and likely additional transmission. The need for additional generation and transmission resources may increase electricity rates.

Key Comments/Recommendations

Based on the information provided to the TAC to date, the FNEMC provides the following comments:

- **Electrification of Remote Communities:** Electrification should include extending BC Hydro grid service to remote communities as a priority. In particular those communities currently served by diesel or non-renewable generation.
- **Greenhouse Gas Benefits need to be Weighed Against Other Environmental Impacts:** First Nations are supportive of actions that reduce greenhouse gas emissions. However, increased electricity generation and transmission projects involve their own environmental impacts. The potential greenhouse gas benefits need to be weighed against these environmental impacts.

TRANSMISSION PLANNING

Issue Summary

BC Hydro's IRP also includes a description of transmission infrastructure that will be required over the next 30 years. BC Hydro has noted a concern about the ability to develop the required transmission facilities in a timely way. BC Hydro notes transmission planning needs to consider:

- The need to maintain a high standard of reliability for customers.
- Load growth at a regional level (to ensure there is sufficient transmission in place to serve future growth).
- Potential location of future generation resources (to ensure future generation resources can be connected to the provincial grid).
- Minimizing line losses that occur when electricity is transmitted over large distances.
- The need to replace or refurbish existing transmission facilities that are nearing the end of their useful life.
- Potential for transmission lines to spur regional economic development.
- Potential cost savings and environmental benefits from avoiding multiple transmission lines.
- Potential to facilitate electrification or fuel switching.

BC Hydro can choose to address transmission planning on a reactive basis (i.e. responding to needs as they arise) or a proactive basis (i.e. building transmission facilities based on responding to development potential rather than in response to specific projects or developments). BC Hydro indicates that the following trade-offs of a primarily proactive approach need to be considered:

- **Higher Short-Term Cost:** A primarily proactive approach would involve building transmission infrastructure in advance of the need for the project. In the longer-term though costs could be lower as new generation and loads are developed.
- **Higher Investment Risk:** A primarily proactive approach may increase the risk that assets are built and not fully used or required, particularly if forecast generation or load requirements aren't developed.
- **Potential to Reduce Environmental Impacts:** A coordinated proactive planning approach may reduce the footprint of transmission projects.
- **May Facilitate Economic Development:** Improving access to electricity in some regions may enable economic development that would not otherwise be possible.

Key Comments/Recommendations

Based on the information provided to the TAC to date, the FNEMC provides the following comments:

- **Transmission Planning must be Coordinated with Local and Regional Development Plans:** A proactive approach to transmission planning may provide benefits to local regions and communities by reducing costs in the long-term, reducing environmental impacts associated with transmission developments and supporting local and regional economic development. However, for this planning approach to be successful it must be conducted in partnership with First Nations and local communities.
- **Isolated Communities should be Priority:** At present, many First Nation and rural communities are isolated from the provincial electricity grid. Isolated communities, in particular those currently served by diesel generation, should be a priority for new transmission access in order to ensure the economic benefits of clean, low-cost electricity are provided to all communities in the province.

EXPORT MARKET POTENTIAL

Issue Summary

The Clean Energy Act requires BC Hydro to explore whether there is the potential for BC Hydro to acquire additional renewable generation, beyond the needs of communities and businesses in British Columbia, in order to serve export markets and customers in other jurisdictions. The Clean Energy Act also requires that ratepayers in the province not bear any negative rate impacts as a result of additional electricity acquired for export. BC Hydro notes the following factors that would need to be considered:

- This approach would lead to increased development of electricity generation and transmission in the province. Environmental impacts associated with these projects would occur in British Columbia instead of other jurisdictions.
- Potential economic benefits (jobs and investments in IPPs) for local communities and regions.
- Additional revenue from exports would flow to the Province.

Key Comments/Recommendations

Based on the information provided to the TAC to date, the FNEMC provides the following comments:

- **Clean Energy Act Requirements Already Ensure Substantial Energy Available for Export:** As a result of implementing the planning requirements contained in the Clean Energy Act, BC Hydro will already have a substantial amount of clean and renewable electricity available for export in most years. Despite this amount of energy being available for export, BC Hydro is projecting substantial rate increase requirements over the next several years. It is difficult to understand how a case could be made that acquiring additional electricity resources to serve the export market could result in economic benefits to British Columbia.
- **Domestic and Export Markets Require Different Policy Context:** In the FNEMC's view development of energy resources to support local communities and businesses is a different policy concept than the development of energy resources for sale to customers in other jurisdictions. Local First Nations and communities should not be asked to bear increased environmental impacts to serve customers in other jurisdictions without ensuring the local communities and regions benefit substantially from these developments. The concept that the economic benefits would flow primarily to the provincial government is not acceptable.

Appendix 18 — Written Comment Letters & Emails

James, Loretta

From: CYNTHIA COLLINS [cynthia.collins@shaw.ca]

Sent: 2011, May 17 3:18 PM

To: Integrated, Resource Planning; 2011 IRP

Subject: Integrated Resource Plan

May 17,2011

Sorry its taken so long to get back to you .

Actually you did not respond back to my email when I said that Matsqui has some comments or highlights on some of the comments made at the March 4th workshop.

I am making submission with some of the highlights and comments from the Chief :

On Consultation Process

- You can't have higher level plans without lower level plans.
- An aggressive timeline for such a big plan ,it was questioned how First Nations are supposed to respond to BC Hydro within the timelines.They would like to see better engagement.
- This plan is a high level government decision and should be made between the Chiefs and government as they are the ones mandated to make the decision.BC Hydro is only interested in developing assets and making money and that it is unbalanced and that it is an unfair relationship with First Nations.
- There should have been a session before the current one,there is too big a time gap from the meting and comment period to the release of the draft plan for comment
- Another step is needed whether that it is information sharing workshops,etc.
- Crown corporations need to directly engage with First Nations
- No solutions to past plans and their impacts have been provided,but now BC Hydro wants to discuss future plans- there are power lines chopping up First Nations' territories without benefit to First Nations.

A significant objection to the consultation process:

- Information sharing NOT Consultation
- 'Consultation' has legal components to it and BC Hydro needs to understand the legalities of that term.
- It is important to know what the definition of Consultation and Accommodation means to BC Hydro.
- Workshops are NOT Consultation
- Technical funding should be made available for First Nations to engage in healthy debates or discussion

Expectations regarding consultation:

- There needs to be capacity dollars to make it meaningful and provide direction and/or next steps

2011-05-17

Electricity Generation Options

- It was indicated that as First Nations they will rally behind those First Nations in the area of Site C who are opposed to the project.
- Title and Rights concerns when talking about resource options and their attributes-resources options are on land the First Nations have Rights and Title, nothing being mentioned to First Nations for future development options, and the defect in the economic assessment-Title and Rights must be addressed.

Impacts associated with the renewable options

- Concern with pursuing wind farms as the land may be destroyed to put up wind 'fans'- the concern is with the clearcutting of trees and the affect of air quality and cleaning carbon out of the air.
- The industry is driven by the fact that money will offset any impact - but First Nations do not believe that.

Transmission Planning

- The rate for electricity should be lower when a transmission line goes through a traditional territory.[Matsqui traditional territory]
- Require more information to be fairly engaged on the approaches
- Revenue sharing being involved might be viewed in a different perspective for first Nations
- Government to Government partnerships

Export Market potential

- Is this idea to conserve -so that the Province can generate more energy for export?
- Disturbed that there is no guarantee that the independent power producers will sell their electricity to BC Hydro, but could sell it to the highest bidder. Could this result in higher BC Hydro rates???? - Can you tell me what the intervener page in the Vancouver Province is about [May 15, 2011] It talks about higher rates next year and raised again a year or so from then??????? - How is this justifiable when there is being boxes and line being set up for future hookups- Why are we subjected for paying for this developments not negotiated with First Nations?

Matsqui First Nation is still waiting to be met with at the band level to have the Integrated Resource Plan information be presented to them as an Information Gathering meeting for the Governing Body and a few interested Matsqui members.

Yours Truly

Cindy Collins

2011-05-17



TSAWWASSEN FIRST NATION
s̓c̓awaθən məsteyəxʷ

April 29, 2011

Via Email

Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations
6911 Southpoint Drive
Burnaby, BC V3N 4X8

Dear Sirs:

Re: BC Hydro Integrated Resource Plan ("the Resource Plan")

We are attaching comments with respect to the Resource Plan from Tsawwassen First Nation ("TFN"), prepared by Policy Analyst, Colin Ward.

These comments are provided as the result of a meeting with the TFN Advisory Council, made up of community members.

TFN would like to make clear that any construction or generation of energy under the Resource Plan must be done in a manner that does not impact TFN Aboriginal and Treaty Rights. While TFN appreciates the requirement for BC Hydro to plan for future energy needs, TFN expects to be fully consulted, and if necessary, accommodated.

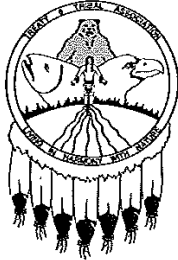
Moreover, we want to be clear that the contribution of our comments on the Resource Plan does not in any way diminish any aspect of TFN's Aboriginal and Treaty rights.

Yours truly,

TSAWWASSEN FIRST NATION

P. Baird
for Tina Dion
Director, Legal Services

Enc.



Treaty 8 Tribal Association

10233 – 100th Avenue, Fort St. John, BC, V1J 1Y8

Phone: (250) 785-0612 Fax: (250) 785-9800 or 785-2021

Website: www.treaty8.bc.ca

April 29, 2011

Mr. Charlie Weiler
BC Hydro, Aboriginal Relations & Negotiations
6911 Southpoint Drive, 10th Floor
Burnaby, BC V3N 4X8
Fax: 604-528-2822

Re: Consultation with Treaty 8 concerning the Integrated Resource Plan

Dear Mr. Weiler,

Thank you for your letter of March 14, 2011 concerning BC Hydro's Integrated Resource Plan (IRP), including input received to date concerning First Nation consultations in relation to the IRP. Further to our discussions of February 25, the information session hosted by BC Hydro in Fort St. John on March 16, and the summary of that session made available on April 8, we are writing to provide BC Hydro with our concerns and suggestions respecting consultation with Doig River, Halfway River, Prophet River and West Moberly First Nations concerning the IRP, and comments regarding the IRP process to date.

Consultation to Date

Workshops. As indicated in your letter and in the materials filed in relation to the IRP, BC Hydro initially proposed a process for consultation with First Nations consisting essentially of two rounds of information workshops to be held throughout the Province. The first of these workshops in Treaty 8 territory occurred on March 16 in Fort St. John, and provided

information respecting the development of the IRP to date, and related topics. The second workshop is planned for September 2011 in relation to a draft of the IRP to be prepared this summer.

Consultation Suggestions Ignored. On September 24, 2010, BC Hydro held a workshop to solicit input from seven (7) First Nation representatives concerning the IRP consultation process.

Those First Nation representatives made several constructive suggestions concerning consultation, including the following which were not implemented by BC Hydro:

- Broaden the consultation beyond two sets of workshops;
- Hold a political level meeting between BC Hydro executives, the Provincial Minister and the Chiefs;
- Hold additional meetings to brief First Nations in advance of the workshops;
- Hold additional preliminary workshops in November 2010; and
- Provide funding for technical experts trusted by First Nations to explain the supply and demand-side resource options.

Inadequate time for Consultation. In general, the timeframe for finalization of the IRP is not conducive to adequate consultation with potentially-affected First Nations. This is particularly the case since the T8FNs were not notified until late January 2011 of the IRP process. This issue has been raised throughout the process to date and was re-iterated during the recent workshop in Fort St. John.

First Nation Issues not Properly Scoped. One of the initial questions of First Nation participants asks them to consider “the most important issues to be identified by First Nations in the development of the Integrated Resource Plan”. This is not proper issues scoping and amounts to a survey of 7 members of all the First Nations in the Province.

Consultation not commensurate with Potential Impacts. Once the level of demand-side management is determined, BC Hydro intends to fill the remaining electricity gap using the following supply-side options: Resource Smart¹, Site C, and future power calls. Site C is the only project specifically contemplated in the process, and so potentially affected Treaty 8 First Nations should have been consulted directly from the outset and not merely as “other First

¹ Resource Smart involves improvements to efficiency, capacity and design at existing generation and transmission facilities

Nations in British Columbia". The "same" consultation is not "equivalent" consultation when the courts have clearly stated that deeper consultation is required based on the nature of the potential infringement on Section 35(1) Rights.

Capacity Funding. The level of capacity funding offered to First Nations is not going to result in meaningful consultation. The commitment of limited resources today will result in the creation and continuation of conflicts tomorrow.

Inadequate Consultation Plan. Overall, the two sets of workshops and the actions proposed by BC Hydro do not amount to adequate consultation with our First Nations. This is especially the case considering the implications of the outcomes of the IRP process for potential hydroelectric development on the Peace River.

Prejudice in Favour of Site C

Clean Energy Act. In addition to the inadequacies in the consultation process, our First Nations were also not consulted on the development of the *Clean Energy Act*. This fact is relevant because of the severe restrictions put in place by the *Act* that limit the consideration or development of feasible alternatives to Site C. The *Act* is designed such that inclusion of Site C within the preferred portfolio to meet the potential future electricity needs of the Province is almost inevitable.

We note, for example, that all of the large-scale hydro-electric projects contemplated in the 2008 Long-term Acquisition Plan (LTAP) have been excluded from further consideration in Schedule 2 of the *Act*. In addition, section 3(5) of the *Act* requires that BC Hydro must plan to rely on no energy and no capacity from the existing Burrard natural gas facility, except in the case of emergency or as authorized by regulation.

The requirements of the *Clean Energy Act* also result in an annual oversupply of energy of 8000 MWh beyond 2016, which is double the potential annual production of Site C. This unnecessary excess energy requirement creates an artificial "need" for more electricity. The resulting surplus will simply be dumped on the electricity market at whatever price is available. Market clearing prices are low and expected to remain that way for the foreseeable future.

IRP Process. In reviewing the materials available on the BC Hydro website, Treaty 8 was somewhat surprised to learn that the IRP process was underway for several months prior to receipt of our first notification in late February 2011. During that time, the following activities took place without any consultation with our First Nations:

- September 14, 2010 – Workshop to Discuss 2010 Resource Options Update
- September 24, 2010 – Workshop to Discuss First Nations Consultation
- December 8, 2010 – Workshop to Discuss 2010 Resource Options Update
- December 14, 2010 – Technical Advisory Committee Meeting #1
- January 27-28, 2011 – Technical Advisory Committee Meeting #2
- February 14, 2011 – Technical Advisory Committee Meeting #3

While BC Hydro indicated in several of the IRP documents and stated again in the March 16, 2011 workshop that these actions do “not commit BC Hydro to any particular project”, it is clear that the choices made to date involved excluding certain options from further consideration. In our view, these previous actions prejudice the process in favour of selection of a portfolio that includes the development of the Site C Project.

One striking example concerns the information used during the Resource Options Update in relation to potential hydroelectric developments on the Peace River. A review of the Draft Resource Options Update (ROU) Report and associated Appendix indicates the following:

- The installed capacity of Province-wide run-of-river facilities considered ranges from 4 MW to 253 MW;
- The unit energy costs for Province-wide run-of-river facilities considered range from \$58/MWh to \$196/MWh;
- The Site C Project is considered and is reported to have a capacity of 912 MW and a unit energy cost of \$85/MWh; and
- No other hydroelectric developments on the Peace River are considered.

The decision not to consider other potential smaller-scale hydroelectric developments on the Peace River appears to be inconsistent with other considerations made in the Draft ROU Report. A review of the pre-feasibility study² of a cascade of smaller hydroelectric developments on the Peace River carried out in 2003 by BC Hydro indicates the following:

² BC Hydro. 2003. Peace Cascade Development Prefeasibility Study For A Cascade of Low Consequence Structures as an Alternative to Site C. Prepared by Kohn Crippen Consultants Ltd. and SNC-Lavalin Inc. for B.C. Hydro.

- Potentially seven sites could be developed between the Peace Canyon Dam and Fort St. John ranging in capacity from 77 MW to 130 MW for a total of 748 MW;
- Though individual cost estimates were not prepared for each site, an alternative approach to costing indicated that direct costs for the seven sites, including contingency, ranged from \$450 million to \$550 million and totaled \$3.58 billion;
- The unit energy cost for the seven sites collectively was determined to be \$81/MWh, which compared to \$55/MWh at Site C at that time;
- Costs per installed megawatt range at each of the seven sites ranged from \$4 million to \$6.5 million, with an average of \$4.8 million;
- Making reasonable assumptions,³ the average unit energy costs of the seven Peace River cascade facilities in current dollars is about \$125/MWh with a range from \$104/MWh to \$170/MWh;
- There are inherent costs savings in incremental development of a series of smaller facilities, and it is unclear whether these savings are captured in the unit energy costs presented in the IRP documents.

In summary, the Peace River cascade facilities are clearly within the range of the capacity and unit energy costs of the other run-of-river hydro facilities considered in the Draft ROU Report, and yet they are not considered. This, despite the fact that the information available for the Peace River cascade facilities is far more developed than for many (if not most) of the run-of-river facilities on other rivers that are considered in the Draft ROU Report.

Restrictions on Natural Gas. "It is very unlikely that a proponent could obtain an environmental assessment certificate and/or air emission permit for gas generation in the Lower Mainland. Metro Vancouver has responsibility for issuing air emission permits for LM facilities, and has taken the public position that it would not welcome gas generation within the Lower Fraser Valley (LFV) airshed. In addition, the Province, in its news release concerning Direction No. 2 to the British Columbia Utilities Commission providing that for planning purposes Burrard Thermal Generating Station (Burrard) cannot be relied on for any firm energy, citing concerns with Burrard air emissions in the LFV airshed."⁴ These realities make the most affordable alternative to Site C, namely natural gas, very difficult to develop within the Province without construction of additional transmission lines. Again, this tends to bias the process in favour of Site C.

³ Costs per installed megawatt reflect unit energy costs per MWh; and the ratio between the costs of the smaller facilities and Site C determined in 2003 still applies in 2010.

⁴ See BC Hydro. 2011 IRP Technical Advisory Summary Brief: Role of Gas Fired Generation.

Northeast Transmission Line to the Horn River Basin. According to the 2011 Technical Advisory Committee Summary Brief, “the key drivers of the 2010 Load Forecast are the anticipated growth and potential load in the oil and gas sector in B.C.’s Northeast and the mining sector in the Northwest.” The Horn River Basin results in “significant potential electrification load” that can be met by BC Hydro (integrated, clean, renewable) or by customer self-supply (non-integrated, gas).

The goal of a northeast transmission line (NETL) in order “to fuel energy development and reduce greenhouse gases” was first announced by the BC Government in February 2009.⁵ Recently, Treaty 8 was informed by BC Hydro that it is now considering the feasibility of the NETL. Interconnecting the Horn River Basin with the electricity grid is put forward by BC Hydro as one option among many for meeting the increasing needs of northeastern BC. While the NETL could result in the interconnection of some additional intermittent small-scale hydro-electric and wind facilities, the interconnection of the Horn River Basin can be reasonably assumed to increase the demand for dependable generation capacity, which capacity cannot be fully delivered by run-of-river hydro or wind. In other words, any option that involves interconnection of the Horn River Basin increases the need for Site C.

That the NETL is put forward as a means to reduce greenhouse gases is puzzling. The ultimate outcome of interconnecting the Horn River Basin to the grid is to use a lower greenhouse gas emitting energy source (hydroelectric power) to produce a higher emitting source of greenhouse gas, namely natural gas. This natural gas will then be exported to produce electricity (and greenhouse gas emissions) elsewhere or used to fuel the tarsands, an even higher emitting source of greenhouse gases.

The move to assess the feasibility of interconnecting the Horn River Basin at this time suggests that BC Hydro has already concluded that the portfolio of resources in the IRP will need to account for the dependable generation requirements of the Basin, which increases the requirements for Site C.

⁵ http://www2.news.gov.bc.ca/news_releases_2005-2009/2009OTP0029-000190.htm

Inadequate Investment in Geothermal. The IRP documents also suggest that though geothermal power is commercially available, uncertainties regarding the geothermal resource potential have restricted development in British Columbia and “make it only a longer term resource option”. The uncertainties surrounding geothermal development indicated in the IRP documents relate to concerns about remote access to potential sites and the initial high costs of confirmatory and feasibility drilling programs. As a result, geothermal is excluded from the base resource options.

There are several advantages to developing the geothermal resources that are acknowledged, if only between the lines, within the IRP documents. First, geothermal provides 100% dependable generation capacity with minimal seasonal or other intermittence. This is important to note since the Province appears to have few other future sources of dependable, non-carbon emitting generation capacity, given the prohibition on large hydro in the *Clean Energy Act* and the apparent unwillingness to utilize the Province’s natural gas resources for domestic electricity production. Secondly, unit energy costs at the point of interconnection are clearly competitive with Site C as noted throughout the IRP documents. Also, the development of the geothermal resources of the Province could proceed incrementally, given that the capacity of new facilities would very likely be between 10 MW and 250 MW, avoiding oversupply. This contrasts with the development of 900 MW at Site C. There are inherent costs savings in incremental development, and it is unclear whether these savings are captured in the unit energy costs presented in the IRP documents.

The state of geothermal development in the Province is potentially best summed up in the Draft 2010 Resource Options Report (2010 ROR), which notes that: “In BC, there is little publicly available data to empirically and confidently define the thermal properties of geothermal reservoirs or understand the constraints on bringing hot fluid from the reservoir to the surface.”

What is not stated in the IRP documents is that this has been the case for over twenty years, and yet the Province and BC Hydro have not remedied the situation. At the March 16 workshop, BC Hydro representatives noted that geothermal is not currently being bid into BC Hydro power calls, despite its eligibility and low unit energy costs. Reasons given were the high

costs of initial drilling, as well as the fact that many of the skilled and experienced geothermal companies are now working in other jurisdictions in the United States, where meaningful incentives exist to develop geothermal resources.

In summary, Treaty 8 is concerned that the prolonged lack of investment in British Columbia's geothermal potential on the part of both BC Hydro and the Province has led to a situation where an otherwise potentially viable alternative to Site C is unavailable. Again, the result of this neglect prejudices the IRP process in favour of inclusion of Site C in the preferred portfolio.

In addition to concerns about Site C, the IRP documents also do not suggest a clear way forward for future investment in the geothermal resources of the Province. While at minimum the development of a small (~20 MW) commercial-scale facility could form part of the preferred portfolio, this option appears to have already been precluded. It is difficult to see how this does not have long-term implications for the development of other large hydro sites in the Province beyond Site C. Table 15 of the 2010 ROR indicates that the only alternative to geothermal or Site C that would provide significant dependable generating capacity is coal-fired with carbon-capture and storage, a technology that the 2010 ROR acknowledges is "not presently viable on a commercial scale". This raises the concern that the Province would need to consider coal without carbon capture, natural gas fired electricity generation beyond the 7% currently permitted, or revisit Schedule 2 of the *Clean Energy Act*. The development of Site C appears to delay this consideration by a few years, but not much longer. Ultimately, the development of additional large-scale hydro resources currently prohibited by Schedule 2, a prospect opposed by many First Nations across the Province, appears to be quite likely without investment in the only other non-greenhouse gas emitting, dependable generation source of energy available in the Province, namely geothermal.

Additional Planning Considerations

In addition to the above concerns respecting the inadequacy of the consultation process and the actions to date that have prejudiced the IRP process in favour of inclusion of the Site C Project within the preferred portfolio, Treaty 8 has a number of other observations.

Alternatives to Site C. “The IRP will examine the need for and alternatives to Site C, and this may be used in the environmental assessment.” Treaty 8 is concerned that the current process, with its considerable consultation inadequacies, is intended to replace meaningful discussion of alternatives to Site C during the environmental assessment process.

Characterization of Site C as “Clean”. Site C is not a clean energy source. The use of this title biases potential participants in the IRP process in favour of the proposed Site C Project.

Cumulative Effects. “Cumulative environmental impact analysis is beyond BC Hydro’s mandate. The IRP is neither intended, nor designed, to address the cumulative environmental impacts of energy projects at a regional, land-based level. The Environmental Assessment process reviews cumulative impacts for projects that meet reviewable criteria.” This approach is unlikely to meet the needs of First Nations, as cumulative effects assessment must be done at the regional planning level and not at the project-specific level where the most effective means to avoid impacts on Section 35(1) Rights are precluded simply by the selection of a preferred project.

In addition, Treaty 8 notes that changes to the operating regimes of existing hydroelectric facilities is not contemplated in the IRP process. We believe that this makes the process unnecessarily restrictive and prevents consideration of operating regime changes at the WAC Bennett dam, which changes could have lasting and substantial benefits to both reservoir and downstream ecosystems. While we acknowledge that there could be a cost to such regime changes in terms of dependable generation capacity and total energy generation, similar operating regime changes are contemplated in the *Clean Energy Act* for the Burrard natural gas facility in the name of improving environmental performance (i.e. reducing greenhouse gases) at the expense of dependable generation capacity and total energy generation. This appears to reflect a bias in favour of reducing the adverse environmental effects of greenhouse gas while perpetuating the adverse environmental effects of the hydrological regime change on the Peace River, which bias is not acknowledged or justified in the information presented in the IRP.

Conflict of Interest. At the March 16 workshop, T8FN consultants raised the issue of a likely conflict of interest between BC Hydro’s system planning and electricity supply responsibilities. This conflict of interest arises when system planning involves choosing between demand-side

and supply-side alternatives, as is the case with the IRP. Any decrease in electricity supply results in a reduction in revenue upon which BC Hydro depends to meet its financial objectives, including payment of dividends to its primary shareholder, the Province. This conflict represents a structural constraint on utility demand-side management programs because it will always be in the utility's interest to sell more electricity.

To address this conflict, electricity demand-side management programs are best managed by an independent non-profit organization, rather than by utilities such as BC Hydro. This separation of electricity generation and system planning roles has already occurred in several jurisdictions. The Ontario Power Authority and Efficiency Vermont are a couple examples. Alternatively, efforts can be taken to "decouple" profits from levels of customer electricity consumption. These efforts include full demand-side management program cost recovery, adequate compensation for lost revenues, and allowing the utility to earn a regulated rate-of-return on demand-side management investments.⁶ It is unclear to what extent such measures are in place in British Columbia.

Proposed Treaty 8 Consultation Plan

Treaty 8 has concerns as to whether effective consultation with our First Nations can occur this late in the IRP process. We are putting forward this Plan in an effort to steer the process in a different direction before additional actions are taken that would further prejudice effective and meaningful consultation.

Process Steps. It is our understanding that BC Hydro has proposed the following steps in the IRP process pursuant to the March workshops:

- April 5-6 – TAC Meetings regarding analysis and development of portfolios
- April 8 – Distribution of March Workshop notes to participants
- April 28-29 – TAC Meetings regarding analysis and development of portfolios
- April 30 – Submission of comments in response to March workshops
- Late May – Publication of alternative portfolios

⁶ Kushler, M., York, D. and P. Witte. 2006. Aligning Utility Interests with Energy Efficiency Objectives: A Review of Recent Efforts at Decoupling and Performance Incentives, ACEEE Report #U061 (<http://www.acee-gc.ca/050/documents/48651/48651E.pdf>)

- Summer – Preparation of a Draft IRP
- September-October – Regional Workshops on Draft IRP
- November – Submission of comments in response to the Draft IRP
- December 3, 2011 – IRP sent to government

Consultation on Portfolios. No consultation on the portfolios is contemplated in the IRP process. Treaty 8 is concerned that what will be presented in the Draft IRP will include only the preferred portfolio and that there will be no opportunity for meaningful discussion on the process of portfolio development or the merits of various alternative portfolios.

Treaty 8 wishes to meet with BC Hydro to discuss the development and evaluation of potential portfolios prior to the publication of the portfolios later this spring. Specifically, Treaty 8 wishes to discuss several matters raised in this letter and other concerns we may have upon review of the materials from the Technical Advisory Committee meetings related to the portfolios.

Consultation on Draft IRP. In addition to participation in the scheduled workshops concerning the Draft IRP, Treaty 8 is seeking the opportunity to discuss the Draft IRP in detail with BC Hydro. This discussion would focus on the implications of the IRP as these relate to Treaty 8 territory, on the development of energy resources within the territory, and on the development of hydroelectric resources on the Peace River, to the extent such development is contemplated or facilitated by the recommendations contained in the IRP.

Technical Advice. In order to participate meaningfully in the IRP process, the T8FNs require independent technical advice and support. This need was recognized early in the process during the First Nations workshop of September 24, 2010. It is envisioned that technical advice will be required to review documents prepared during the IRP process, to participate in meetings and workshops with BC Hydro and to assist in the preparation of written submissions to BC Hydro.

Workplan and Budget. Treaty 8 proposes the Workplan and Budget in Table 1 for our participation in the IRP process.

Table 1: Workplan and Budget

Consultation Activity	Description	Estimated Costs
March Workshop	Preliminary Review of IRP Materials	\$5000

	Workshop Participation	\$500
	Preparation of Comments	\$2500
Consultation on Portfolios	Technical Review of IRP Materials	\$14000
	Meeting Participation	\$3500
	Preparation of Comments	\$3500
Consultation on Draft IRP	Technical Review of Draft IRP	\$10000
	Workshop and Meeting Participation	\$3500
	Preparation of Comments	\$3500
Travel and Disbursements		\$3000
Total		\$49000.00

Closing

In closing, Treaty 8 wishes to participate actively and meaningfully in the development of BC Hydro's Integrated Resource Plan. However, we believe that the consultation process currently being implemented by BC Hydro will not result in adequate consultation with our First Nations. This is especially the case when one considers the implications that the IRP will have for development of energy resources within our territory, particularly the potential development of the hydroelectric resources of the Peace River, including the proposed Site C Project.

Please contact my office to arrange a time for us to discuss the issues raised in this letter, including our proposed Consultation Plan.

Sincerely,

[original signed]

Tribal Chief Liz Logan

cc: Treaty 8 Chiefs Davis, Tsakoza, Whitford, Willson
Shona Nelson, Treaty 8

James, Loretta

From: Jason Price [jprice@crband.ca]
Sent: 2011, April 13 9:20 AM
To: 2011 IRP
Subject: Re: BC Hydro Integrated Resource Plan - First Nations Consultation

Hi Charlie,

This was not consultation with the Campbell River Indian Band. If you want to consult with us please set up a meeting with the entire council.

Jason Price
Councillor
Campbell River Indian Band
1400 Weiwaikum Road
Campbell River, BC V9W 5W8
Phone: (250) 286-6949
Fax: (250) 287-8838
www.crband.ca

From: 2011 IRP
Sent: Friday, April 08, 2011 8:12 PM
To: 'jprice@crband.ca'
Subject: BC Hydro Integrated Resource Plan - First Nations Consultation

Hello Jason Price

Please find attached a letter and summary of input from the recent BC Hydro Integrated Resource Plan workshop you attended in March.

Also attached is a First Nations Input Form which you can complete electronically and email back, or print and fax.

Please feel free to contact us should you have any questions regarding the attached.

Best,

Charlie Weiler
Integrated Resource Plan First Nation Consultation Project Manager
6911 Southpoint Drive. 10th Floor
Burnaby, BC V3N 4X8
T. 1.877.461.0161
F. 604.528.2822
2011irp@bchydro.com

2011-04-29

James, Loretta

From: William Schneider [cwfs@live.ca]

Sent: 2011, April 09 12:23 AM

o: 2011 IRP

Subject: RE: BC Hydro Integrated Resource Plan - First Nations Consultation

Thanks for the follow up again Mr. Weiler.

My apologies for the delayed reply. I have been very busy that last couple of months.

I have reviewed the minutes and feel comfortable with them. I would prefer that the consensus of the room, by the first nations, be recorded that the first nations agreed that that session was "NOT" consultation.

As for the comment at the bottom of every page, I am concerned as to what the minutes are to be perceived as being if not verbatim. Then how should we interpret them? actual record? if so then the consensus of first nations that that session was not to be consultation needs to be recorded as a decision of the participating first nations.

I will circulate the First Nations Input Form for possible input by others.

I look forward to seeing the IRP draft, in particular, the approach(s) BC/BC Hydro will be considering with respect to seeking First Nations' buy-in!

Sincerely,

William Schneider

From: 2011IRP@bchydro.com

To: cwfs@live.ca

Subject: BC Hydro Integrated Resource Plan - First Nations Consultation

Date: Sat, 9 Apr 2011 03:53:48 +0000

Hello William Schneider,

Please find attached a letter and summary of input from the recent BC Hydro Integrated Resource Plan workshop you attended in March.

Also attached is an First Nations Input Form which you can complete electronically and email back, or print and fax.

Please feel free to contact us should you have any questions regarding the attached.

Best,

Charlie Weiler

Integrated Resource Plan First Nation Consultation Project Manager

6911 Southpoint Drive, 10th Floor

Burnaby, BC V3N 4X8

T. 1.877.461.0161

F. 604.528.2822

2011irp@bchydro.com

2011-04-29



Splatsin

Title & Rights Department

PO Box 460 Enderby BC V0E 1V0
5775 Old Vernon Road

Tel: (250) 838-6496

Fax: (250) 838-2131

www.splatsin.ca

To: .
Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations
6911 Southpoint Drive
Burnaby, BC V3N 4X8

March 31, 2011

Re: BC Hydro's Integrated Resource Plan

Weytk Mr Weiler,

In response to your letter dated March 9, 2011 we would be interested in providing further input into BC Hydro's IRP. However as we have stated in the BC Hydro IRP meeting we do not have the resources to do this work for free as we will need to task one of our staff with this assignment.

As such we would like to propose that we will provide our views, issues and input into the BC Hydro IRP in the form of a Position Paper which will address many of our concerns along with the points listed in the First Nations Input Form. The First Nations Input Form does not meet our needs and is not formatted in a way amenable to our ways.

Therefore we request funding in the amount of \$2,000 to create a Splatsin Position Paper on the BC Hydro IRP which could be included in your report to the BC Utilities Commission.

We would also like to request a list of the points and issues that were brought up at the Kamloops BC Hydro IRP meeting that would be in the meeting notes so that we can include our comments from this meeting in the Position Paper as well.

We also request a tracking system for our concerns and issues so that we may see how BC Hydro is integrating and addressing our concerns and issues into meaningful changes and alterations. Taking input without following up with any action on those concerns is a waste of not only our but your time and I am sure that is not your goal in this exercise.

Kukstenc,

A handwritten signature in black ink, appearing to read 'Sunny LeBourdais', with a stylized, cursive script.

Sunny LeBourdais
Project Coordinator
Splatsin

cc. Dan George, Four Directions
Ray Cormier, Title and Rights Director, Splatsin



BC Hydro 
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Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations
6911 Southpoint Drive
Burnaby, BC V3N 4X8

April 21, 2011

Sunny LeBourdais
Project Coordinator
Splatsin
PO Box 460
Enderby, B.C.
VOE 1V0

Sent by Fax to: 1.250.838.2131

Dear Ms.LeBourdais:

Re: Splatsin input into BC Hydro's Integrated Resource Plan

Thank you for your letter dated March 31, 2011.

BC Hydro welcomes the Splatsin's input and will consider your views, issues and input in whatever format you feel appropriate. The input form has been provided for convenience only. In response to your request for funds, I regret that BC Hydro is unable to provide additional funding. As BC Hydro committed at the workshop, the comments made by participants were not attributed to participants unless this was specifically requested by the participant. If there are specific interests or comments that Splatsin made at the workshop that are not attributed in the notes and which you wish to have attributed to your First Nation we ask that you please write us with these. We will ensure that your comments are appended to the summary of comments from the Kamloops workshop. We ask that you submit any additional comments to BC Hydro by April 30, 2011 so they can be considered in the development of the draft Integrated Resource Plan.

As requested, in our email to you dated April 8, 2010, we provided the summary of input that BC Hydro received at the First Nations workshop on the Integrated Resource Plan in Kamloops on March 7, 2011.

Over the coming months, BC Hydro will review the information it has received from First Nations, stakeholders and the public to develop the draft 2011 Integrated Resource Plan. In the fall, BC Hydro will invite First Nations to review and comment on the draft 2011 Integrated Resource Plan. We will be having regional workshops to review our draft Integrated Resource Plan with First Nations which will reflect where BC Hydro has incorporated First Nations input.



BC Hydro 
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Once again we thank you for your letter. We look forward to receiving your input into the development of the Integrated Resource Plan. If you have any further questions, Please do not hesitate to contact me at 1-877-461-0161 Extension 3 or email 2011IRP@bchydro.com. I also encourage you to visit our website at www.bchydro.com/irp

Sincerely,



Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations

From: [Liliane Squinas](#)
To: [2011 IRP](#)
Subject: RE: Integrated Resource Plan - Prince George Registration
Date: 2011, March 15 1:07:44 PM

Loretta:

I am withdrawing my registration to attend this workshop on March 17th in Prince George.

I got information that BC Hydro is considering this workshop as "consultation". Consultation process has to be more meaningful rather than lumping it into a workshop procedure.

Chief Liliane Squinas, BMgt

Lhoosk'uz Dene Nation

-----Original Message-----

From: 2011 IRP [mailto:2011IRP@bchydro.com]

Sent: Friday, March 04, 2011 11:19 AM

To: Liliane Squinas

Subject: Integrated Resource Plan - Prince George Registration

Hi Liliane,

Thank you for your registration to attend the upcoming First Nations workshop March 17th in Prince George.

We look forward to seeing you there.

Loretta James

BC Hydro, Aboriginal Relations & Negotiations Integrated Resource Plan

6911 Southpoint Drive

Burnaby, BC V3N 4X8

t. 1.866.461.0161 x 3 f. 604.528.2822

-----Original Message-----

From: Liliane Squinas [mailto:lsquinas@lhooskuz.com]

Sent: 2011, March 04 11:14 AM

To: 2011 IRP

Subject: FW: Scanned image from AR-M257

Please see attached registration for the Prince George Workshop.

Liliane

-----Original Message-----

From: noreply@telus.net [mailto:noreply@telus.net]

Sent: Friday, March 04, 2011 2:59 AM

To: lsquinas@lhooskuz.com

Subject: Scanned image from AR-M257

DEVICE NAME:

DEVICE MODEL: SHARP AR-M257

LOCATION:

FILE FORMAT: PDF

RESOLUTION: 300dpi

Attached file is scanned image in PDF format.

This file can be read by Adobe Acrobat Reader.

The reader can be downloaded from the following URL:

<http://www.adobe.com/>



BChydro 
FOR GENERATIONS

Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations
6911 Southpoint Drive
Burnaby, BC V3N 4X8

April 15, 2011

Chief Liliane Squinas,
Lhoosk'uz Dene Nation
1329 Hwy. 97 North,
Box 4639
Quesnel, BC
V2J 3J8

Sent by Fax: 1.250 747 3294

Dear Chief Liliane Squinas,

Re: BC Hydro's Integrated Resource Plan

Thank you for your email notifying us that you were withdrawing your registration for the March 17, 2011 First Nations workshop on BC Hydro's Integrated Resource Plan in Prince George due to your concern regarding BC Hydro's approach to consultation.

I am wondering if it might be helpful to provide you with additional information on our Integrated Resource Plan and why we have chosen this approach to First Nations consultation.

By way of background, the Integrated Resource Plan is BC Hydro's long-term plan for acquiring the resources to meet customers' needs for the next 20 years. This long term planning exercise is to ensure that BC Hydro has forecasted the future demand of our customers over 20 years and has set the strategic direction for how we will meet that demand. BC Hydro's Integrated Resource Plan will not identify or make decisions about specific projects over the planning horizon. Rather, the plan, when developed, if approved by government, will set out a path for BC Hydro that will eventually require action to be taken over the next few years. Any specific project that is later identified for development in response to the approved Integrated Resource Plan – whether a transmission line, a generation project, a power call or a conservation plan – will have its own individual design, consultation and accommodation if necessary, permitting and approval processes.

The purpose of this consultation is to seek First Nations' input to shape the development of the Integrated Resource Plan. During the month of March, BC Hydro made presentations to First Nations at nine regional sessions and received comments from participants on the following topics:

- Conservation and Efficiency: Should BC Hydro pursue greater conservation and efficiency?
- Electrification: Should BC Hydro be proactive in promoting electrification?



BC Hydro 
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- Electricity Generation Options: When looking forward 20 years, what is the blend of currently available resources BC Hydro should consider when developing a portfolio to provide electricity on a province-wide scale?
- Transmission Planning: Should BC Hydro take a proactive approach in planning for transmission?
- Export Market Potential: Should BC Hydro consider developing new generation options in partnership with Independent Power Producers for the sole purpose of exporting electricity to other jurisdictions?
- Clean or renewable energy development in First Nations' communities: One of British Columbia's energy objectives set out in the Clean Energy Act is to foster the development of First Nation and rural communities through the use and development of clean or renewable resources. What are First Nations interests in clean or renewable energy development for their community?

BC Hydro continues to seek additional comments on these topics until April 30, 2011. We welcome any comments that you may have.

I appreciate that you did not attend any of these workshops. If you would like copies of any of the materials that have been provided at the workshops or a copy of the summaries of comments received from First Nations at the workshops that were held around the province in March, please do not hesitate to contact me. I will be please to provide them to you.

I do hope that you will reconsider your participation in this process. If you would like to discuss, Please do not hesitate to contact me at 1-877-461-0161 or email 2011IRP@bchydro.com.

Sincerely,

Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations



OKANAGAN NATION ALLIANCE

3255 C Shannon Lake Road, Westbank, BC V4T 1V4
Phone 250-707-0095 Toll Free 1-866-662-9609 Fax 250-707-0166 www.syilx.org

March 4, 2011

Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations and Negotiations
10th Floor - 6911 Southpoint Drive
Burnaby, B.C. V3N 4X8

Fax: (604) 528-2822

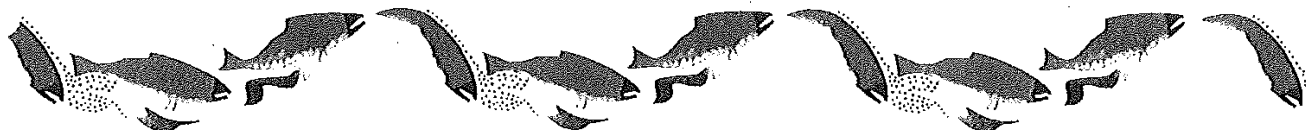
Dear Sirs:

Re: BC Hydro's Integrated Resource Plan

Thank you for your letters concerning BC Hydro's proposed integrated resources plan.

The Okanagan Territory is where much of the essential BC Hydro infrastructure exists, including facilities on the Lower Kootenay River, Columbia and Pend' d'Oreille Rivers. For years the ONA has been actively seeking meaningful and constructive relationships with BC Hydro, including through discussions about an ONA-BC Hydro "corporate" table (3rd party facilitated process), our participation in the Section 5 Inquiry at the B.C. Utilities Commission, and our numerous ongoing project efforts, along with our member community the Upper Nicola Band and the Nlaka'pamux Nation Tribal Council, to ensure meaningful engagement regarding the planning for and construction of the proposed ILM transmission line. Through these efforts and others, BC Hydro has given full and comprehensive notice that BC Hydro's long-term electricity planning is an issue of utmost concern to the Okanagan Nation.

Unfortunately, your letters appear to be general form letters sent to all First Nations. We are very surprised that you would approach our Nation in this manner despite our extensive efforts to effect reconciliation with BC Hydro over these many years. Why does BC Hydro start engagement on every issue and matter as if you know nothing of the Okanagan, our Territory, and our Title and Rights?



03042011

BC Hydro's Integrated Resource Plan

BC Hydro has confirmed to us in various discussions that our Territory is at the core of BC Hydro's future, long-term plans confirm that currently over 14 of the total 33 major provincial capital development projects are in our Nation's territory. The core generation and transmission facilities depend on the water and land of our territories.

Deep consultation is owed to the Okanagan Nation about these long-term efforts. Unfortunately, the consultation process in your letters fall far short of this - indeed the process you have proposed is not more than minimal consultation. A more meaningful process is required. We are prepared to work with BC Hydro to develop a more appropriate consultation process for the Integrated Resources Plan and we look forward to your response to this offer as soon as possible. In the meantime, we would appreciate your providing us the following information:

- What planning, studies, information gathering, or assessments has BC Hydro already completed, or are in process for the purpose of developing the integrated resource plan?
- Has BC Hydro already begun preparing the integrated resource plan, even if only in a preliminary or outline form?
- Who at BC Hydro has a mandate to make changes to the proposed integrated resource plan based on our concerns and interests?
- What is the extent of BC Hydro's mandate to accommodate potential adverse impacts on our Nation's Title and Rights as a result of the integrated resource management plan?

We look forward to receiving this information and meeting to discuss an appropriate and meaningful process.

Yours truly,

OKANAGAN NATION ALLIANCE



Pauline Terbasket
Executive Director

OKANAGAN NATION ALLIANCE

3255 C Shannon Lake Road, Westbank, BC V4T 1V4 Phone (250) 707-0095 Fax (250) 707-0166 www.syilx.org



BC Hydro 
FOR GENERATIONS

Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations
6911 Southpoint Drive
Burnaby, BC V3N 4X8

April 14, 2011

Ms. Pauline Terbasket
Executive Director
Okanagan Nation Alliance
#106 – 3500 Carrington Road
Westbank, BC
V4T 3C1

Sent Via Courier

Dear Ms. Pauline Terbasket

Re: BC Hydro's Integrated Resource Plan

Thank you for your letter dated March 4, 2011 regarding BC Hydro's Integrated Resource Plan. I apologize for the delay in my response, my team and I have been in the field consulting with First Nations on the key topic areas that will form the basis of BC Hydro's Integrated Resource Plan.

I appreciate you drawing my attention to the Okanagan Nation Alliances' concerns with respect to receiving a general letter that was sent to all First Nations and as such, did not reflect the relationship between the Okanagan Nation Alliance and BC Hydro.

You have raised some specific questions in your letter which I respond to below.

By way of background, the Integrated Resource Plan is BC Hydro's long-term plan for acquiring the resources to meet customers' needs for the next 20 years. This long term planning exercise is to ensure that BC Hydro has forecasted the future demand of our customers over 20 years and has set the strategic direction for how we will meet that demand. BC Hydro's Integrated Resource Plan will not identify or make decisions about specific projects over the planning horizon. Rather, the plan, when developed, if approved by government, will set out a path for BC Hydro that will eventually require action to be taken over the next few years. Any specific project that is later identified for development in response to the approved Integrated Resource Plan – whether a transmission line, a generation project, a power call or a conversation plan – will have its own individual design, consultation and accommodation if necessary, permitting and approval processes.

You have asked if we have begun to develop our Integrated Resource Plan. As I have previously stated, BC Hydro has not yet begun to develop the Integrated Resource Plan. Rather, we have begun the consultation process with First Nations on the issues that will be considered in the development of the Integrated Resource Plan. The purpose of this consultation is to seek First Nations' input to shape the development of the Integrated Resource Plan.



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FOR GENERATIONS

During the month of March, BC Hydro made presentations to First Nations at nine regional sessions and received comments from participants on the following topics:

- Conservation and Efficiency: Should BC Hydro pursue greater conservation and efficiency?
- Electrification: Should BC Hydro be proactive in promoting electrification?
- Electricity Generation Options: When looking forward 20 years, what is the blend of currently available resources BC Hydro should consider when developing a portfolio to provide electricity on a province-wide scale?
- Transmission Planning: Should BC Hydro take a proactive approach in planning for transmission?
- Export Market Potential: Should BC Hydro acquire renewable energy from Independent Power Producers for the sole purpose of exporting electricity to other jurisdictions?
- Clean or renewable energy development in First Nations' communities: One of British Columbia's energy objectives set out in the Clean Energy Act is to foster the development of First Nation and rural communities through the use and development of clean or renewable resources. What are First Nations interests in clean or renewable energy development for their community?

BC Hydro continues to seek additional comments on these topics until April 30, 2011. We welcome any comments that the Okanagan Nation Alliance may have on these matters. A copy of the workshop presentation material and the "2011 Integrated Resource Plan, Planning for a Clean Energy Future Consultation Workbook, March 01 – April 30, 2011" is attached. In addition, I have attached a copy of the First Nations Input Form. If you want an electronic version of the First Nations Input Form please provide an e-mail address.

In addition, BC Hydro has undertaken an update of two reports in preparation for drafting its Integrated Resource Plan. Annually, BC Hydro prepares a 20-year demand forecast. The most recent forecast was developed in November 2010. The load forecast is the total gross requirements for the integrated system, which includes domestic load and firm export obligations as well as losses resulting from transporting electricity to customers over transmission and distribution lines. The load forecast provides both energy and capacity (or peak demand) requirements on the BC Hydro system.

BC Hydro has also updated its Resource Options Update. Technical energy experts from around the province, as well as our own energy planning specialists, contributed to BC Hydro's Resource Options update. The Resource Options Update provides an inventory of identified potential generation sources within the province. These include: biomass (wood-based, municipal solid waste and biogas), wind, geothermal, run-of-river, large hydro, natural gas-fired generation and co-generation, coal-fired generation with carbon capture and storage, wave, tidal and large-scale solar. It is important to note that this is simply an inventory of resources that are known to exist within British Columbia. Neither of these reports constitutes a plan. Rather, they are necessary inputs into the eventual plan itself. The Integrated Resource Plan has not yet been created. That will occur only following consultation and analysis.



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BC Hydro's Board of Directors will approve the submission of the draft Integrated Resource Plan which will be forwarded to Cabinet for their review and approval on December 2nd as set out in the Clean Energy Act.

I regret that BC Hydro is not in a position to meet with each of the First Nations and Tribal Councils separately. I would, however, be pleased to discuss any further information requirements that you may have. Please do not hesitate to contact me at 1-877-461-0161 or email 2011IRP@bchydro.com. I also encourage you to visit our website at www.bchydro.com/irp

Thank you again for your letter.

Regards,



Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations

Attachments

- Workshop presentation
- 2011 Integrated Resource Plan, Planning for a Clean Energy Future Consultation Workbook, March 01 – April 30, 2011 is attached for your information.
- First Nations Input Form



OFFICE OF THE CHIEF

200 – 355 Yellowhead Highway, Kamloops, B.C. V2H 1H1
Phone #: (250) 828-9700, Fax #: (250) 372-8833
Web Site: www.kib.ca

March 21, 2011

Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations
6911 Southpoint Drive
Burnaby, BC V3N 4X8

Re: BC Hydro's Integrated Resource Plan

Charlie Weiler,

We received your invitation to the recent Integrated Resource Plan session that was held in March, 2011 looking for our input as First Nations.

We are interested in meeting with BC Hydro directly to provide our input and discuss how our interests relate to this plan. We would like to sit down as a Council to discuss our interests in relation to the proposed BC Hydro Integrated Resource Plan.

We would like to invite you to attend a Chief & Council meeting to receive our feedback and discuss the Tk'emlúps Indian Band's interests in person with a blanket discussion. It is part of Tk'emlúps Indian Band's customs and protocols to have you sit down with us as a whole.

We hold our Council meeting's weekly. Please feel free to contact our Executive Secretary, Maureen Frank-Cramer to set up a time that is convenient for you. She can be reached at 250-828-9569 or via email at Maureen.frank-cramer@kib.ca.

We look forward to hearing back from you and moving forward together on this plan.

Sincerely,
TK'EMLÚPS INDIAN BAND

CHIEF Shane Gottfriedson
ON BEHALF OF COUNCIL



BC Hydro 
FOR GENERATIONS

Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations
6911 Southpoint Drive
Burnaby, BC V3N 4X8

April 15, 2011

Chief Shane Gottfriedson
Office of the Chief
Tk'emlups Indian Band
200-355 Yellowhead Highway,
Kamloops, B.C.
V2H 1H1

Sent Via Courier

Dear Chief Shane Gottfriedson

Re: BC Hydro's Integrated Resource Plan

Thank you for your letter dated March 21, 2011 inviting BC Hydro to attend a meeting with Tk'emlups Indian Band's Chief and Council regarding BC Hydro's Integrated Resource Plan. While I appreciate your invitation and respect that a meeting with Chief and Council is part of your customs and protocol, I regret that BC Hydro is unable to accept your invitation. BC Hydro is undertaking consultation with First Nations and Tribal Councils across British Columbia and as such, is unable to attend individual meetings. While it is not possible for us to accept your invitation, I do hope that you will consider becoming involved in the development of BC Hydro's Integrated Resource Plan. I have included some additional background on the Integrated Resource Plan as well as the summary of the feedback received from the attendees at the First Nations-only workshop that was held in Kamloops on March 7, 2011. BC Hydro continues to seek additional comments on these topics until April 30, 2011.

By way of background, the Integrated Resource Plan is BC Hydro's long-term plan for acquiring the resources to meet customers' needs for the next 20 years. This long term planning exercise is to ensure that BC Hydro has forecasted the future demand of our customers over the next 20 years and has set the strategic direction for how we will meet that demand. BC Hydro's Integrated Resource Plan will not identify or make decisions about specific projects over the planning horizon. Rather, the plan, when developed, if approved by government, will set out a path for BC Hydro that will eventually require action to be taken over the next few years. Any specific project that is later identified for development in response to the approved Integrated Resource Plan – whether a transmission line, a generation project, a power call or a conversation plan – will have its own individual design, consultation and accommodation if necessary, permitting and approval processes.

During the month of March, BC Hydro made presentations to First Nations at nine regional sessions and received comments from participants on the following topics:

- Conservation and Efficiency: Should BC Hydro pursue greater conservation and efficiency?
- Electrification: Should BC Hydro be proactive in promoting electrification?



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- Electricity Generation Options: When looking forward 20 years, what is the blend of currently available resources BC Hydro should consider when developing a portfolio to provide electricity on a province-wide scale?
- Transmission Planning: Should BC Hydro take a proactive approach in planning for transmission?
- Export Market Potential: Should BC Hydro consider developing new generation options in partnership with Independent Power Producers for the sole purpose of exporting electricity to other jurisdictions?
- Clean or renewable energy development in First Nations' communities: One of British Columbia's energy objectives set out in the Clean Energy Act is to foster the development of First Nation and rural communities through the use and development of clean or renewable resources. What are First Nations interests in clean or renewable energy development for their community?

A copy of the presentation material and the "2011 Integrated Resource Plan, Planning for a Clean Energy Future Consultation Workshop, March 01 – April 30, 2011" is attached. I have also attached a copy of the presentation material and the First Nations input form for your information. As well, I have included a summary of the comments that BC Hydro received at the First Nations-only workshop that we held with First Nations in Kamloops on March 7, 2011. We welcome any comments that the Tk'emlups Indian Band may have on these matters. BC Hydro is inviting comments by April 30, 2011.

Over the coming months, BC Hydro will review the information it has received from First Nations, stakeholders and the public to develop the draft 2011 Integrated Resource Plan. In the fall, BC Hydro will invite First Nations to review and comment on the draft 2011 Integrated Resource Plan. Our goal is to review the draft Integrated Resource Plan with First Nations and we will be holding regional workshops for this purpose in the fall 2011.

Once again we thank you for your letter. If you have any further questions, or wish to discuss the enclosed package of materials with me, Please do not hesitate to contact me at 1-877-461-0161 Ext 3 or email 2011IRP@bchydro.com. I also encourage you to visit our website at www.bchydro.com/irp

Sincerely,



Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations

Attachments

- Workshop presentation
- 2011 Integrated Resource Plan, Planning for a Clean Energy Future Consultation Workbook, March 01 – April 30, 2011 is attached for your information.
- First Nations Input Form



Tsleil-Waututh Nation
Treaty, Lands and Resources Department
3075 Takaya Drive
North Vancouver, B.C.
V7H 3A8

February 15, 2011

BC Hydro Aboriginal Relations & Negotiations
6911 Southpoint Drive
Burnaby, BC V3N 4X8

Re: 11-027 BC Hydro Integrated Resource Plan

Dear Charlie Weiler:

Thank you for your recent contact requesting consultation with the Tsleil-Waututh Nation.

As you already have a copy of the *Stewardship Policy* we will not be attaching one. In the Policy you will find specific steps for effective consultation.

Under the Policy, agencies and proponents will be expected to assist with resourcing needs on a case-by-case basis. Tsleil-Waututh has established a fee structure for various levels of consultation. This fee structure is not intended to create a barrier to consultation and accommodation, but it is necessary to enable Tsleil-Waututh to engage in these processes.

In accordance with the Policy, we attach our invoice for \$250 Referral Administrative File Set-up Fee. This fee establishes a specific project file in the Tsleil-Waututh Treaty, Lands and Resources Department. It covers costs of diarizing, distribution and initial screening by the Tsleil-Waututh staff.

Upon receipt of your fee, we will process your referral request and notify you as soon as possible on the outcome of your referral screening.

Sincerely,

A handwritten signature in dark ink, appearing to read "Evan Stewart".

PP Evan Stewart MFC, RPF
Natural Resources Management Coordinator

Enclosures(2)



BC Hydro 
FOR GENERATIONS

Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations
6911 Southpoint Drive
Burnaby, BC V3N 4X8

April 15, 2011

Evan Stewart, MFC, RPF
Natural Resources Management Coordinator
Tsleil-Waututh Nation
Treaty, Land and Resources Department
3075 Takay Drive
North Vancouver, B.C.
V7H 3A8

Sent Via Courier

Dear Evan Stewart, MFC, RPF

Re: BC Hydro's Integrated Resource Plan

Thank you for your letter dated April 4, 2011 regarding the Tsleil-Waututh Stewardship Policy with your invoice in the amount of \$250 for a Referral Administrative File Set-up Fee. By way of background, the Integrated Resource Plan is BC Hydro's long-term plan for acquiring the resources to meet customers' needs for the next 20 years. This long term planning exercise is to ensure that BC Hydro has forecasted the future demand of our customers over 20 years and has set the strategic direction for how we will meet that demand. BC Hydro's Integrated Resource Plan will not identify or make decisions about specific projects over the planning horizon. Rather, the plan, when developed, if approved by government, will set out a path for BC Hydro that will eventually require action to be taken over the next few years. Any specific project that is later identified for development in response to the approved Integrated Resource Plan – whether a transmission line, a generation project, a power call or a conversation plan – will have its own individual design, consultation and accommodation if necessary, permitting and approval processes.

I regret that BC Hydro is unable to pay this referral fee. BC Hydro did offer to pay all First Nations attendees a participation fee of \$250.00 plus travel and expenses to attend a one day workshop in March where we presented on the following topics that will be considered in the development of BC Hydro's 2011 Integrated Resource Plan:



BC Hydro 
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- Conservation and Efficiency: Should BC Hydro pursue greater conservation and efficiency?
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- Transmission Planning: Should BC Hydro take a proactive approach in planning for transmission?
- Export Market Potential: Should BC Hydro consider developing new generation options in partnership with Independent Power Producers for the sole purpose of exporting electricity to other jurisdictions?
- Clean or renewable energy development in First Nations' communities: One of British Columbia's energy objectives set out in the Clean Energy Act is to foster the development of First Nation and rural communities through the use and development of clean or renewable resources. What are First Nations interests in clean or renewable energy development for their community?

For your information, I am including the following documents that were provided to First Nations at the Vancouver workshop which was held on March 11, 2011:

- A copy of BC Hydro's presentation;
- A copy of the First Nation Input form which highlights the topic areas for input; and
- Two copies of the 2011 Integrated Resource Plan, Planning for a Clean Energy Future Consultation Workbook, March 01 – April 30, 2011 public consultation information booklet that was distributed during the First Nation workshops to provide additional background information.

BC Hydro continues to seek additional comments on these topics until April 30, 2011. Should Tsleil-Waututh Nation wish to review and provide comments on this information, I would be pleased to provide the equivalent participant funding in the amount of \$250.00.

Over the coming months, BC Hydro will review the information it has received from First Nations, stakeholders and the public to develop the draft 2011 Integrated Resource Plan. In the fall, BC Hydro will invite First Nations to review and comment on the draft 2011 Integrated Resource Plan. Our goal is to review the draft Integrated Resource Plan with First Nations and we will be holding regional workshops for this purpose in the fall 2011.



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Once again we thank you for your letter. If you have any further questions, or wish to discuss the enclosed package of materials with me, please do not hesitate to contact me at 1-877-461-0161 or email 2011IRP@bchydro.com. I also encourage you to visit our website at www.bchydro.com/irp

Sincerely,



Charlie Weiler
First Nation Consultation Project Manager
Integrated Resource Plan
BC Hydro Aboriginal Relations & Negotiations

Attachments

- Workshop presentation
- 2011 Integrated Resource Plan, Planning for a Clean Energy Future Consultation Workbook, March 01 – April 30, 2011 is attached for your information.
- First Nations Input Form