



BRITISH COLUMBIA TRANSMISSION CORPORATION

Financial Information Act Return

From April 1, 2009 to March 31, 2010

(Published in accordance with the *Financial Information Act*,
Chapter 140 Statutes of British Columbia, 2003)

Financial Information Act Return

April 1, 2009 to March 31, 2010

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Schedule A

Audited Financial Statements

April 1, 2009 to March 31, 2010



Audited Financial Statements

March 31, 2010

Vancouver, Canada
June 1, 2010

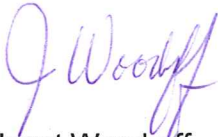
MANAGEMENT REPORT

The financial statements of British Columbia Transmission Corporation (BCTC) are the responsibility of management and have been prepared in accordance with Canadian Generally Accepted Accounting Principles, consistently applied and appropriate in the circumstances. The preparation of financial statements necessarily involves the use of estimates, which have been made using careful judgment. In management's opinion, the financial statements have been properly prepared within the framework of the accounting policies summarized in the financial statements and incorporate, within reasonable limits of materiality, all information available at June 1, 2010. The financial statements have also been reviewed by the Audit Committee and approved by the Board of Directors.

Management maintains systems of internal controls designed to provide reasonable assurance that assets are safe-guarded and that reliable financial information is available on a timely basis. These systems include formal written policies and procedures, careful selection and training of qualified personnel and appropriate delegation of authority and segregation of responsibilities within the organization. An internal audit function independently evaluates the effectiveness of these internal controls on an ongoing basis and reports its findings to management and the Audit Committee.

The financial statements as at March 31, 2010, and for the year then ended have been examined by an independent external auditor. The external auditor's responsibility is to express his opinion on whether the financial statements, in all material respects, fairly present BCTC's financial position, results of operations, retained earnings and cash flows in accordance with Canadian Generally Accepted Accounting Principles. The Auditor's Report, which follows, outlines the scope of his examination and his opinion.

The Board of Directors, through the Audit Committee, is responsible for ensuring that management fulfills its responsibility for financial reporting and internal controls. The Audit Committee, comprising directors who are not employees, meets regularly with the external auditor, the internal auditor and management to satisfy itself that each group has properly discharged its responsibility to review the financial statements before recommending approval by the Board of Directors. The internal and external auditors have full and open access to the Audit Committee, with and without the presence of management.



Janet Woodruff
Interim President



Andrea Johnston
Director of Finance, Business Improvement
and Human Resources

Vancouver, Canada

June 1, 2010

Report of the Auditor General of British Columbia

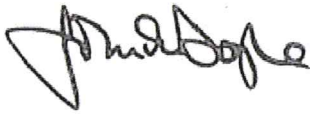
To the Members of the Board of British Columbia Transmission Corporation

To the Minister of Energy, Mines and Petroleum Resources, Province of British Columbia:

I have audited the balance sheet of the British Columbia Transmission Corporation as at March 31, 2010, and the statements of operations and comprehensive income, retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the British Columbia Transmission Corporation as at March 31, 2010, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



John Doyle
Auditor General

Victoria, British Columbia
May 27, 2010

BALANCE SHEET

<i>As at March 31 (\$ in thousands)</i>	2010	2009
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 8,255	\$ 4,068
Accounts receivable	2,564	3,914
Prepaid expenses	5,353	2,150
Deferral accounts (Note 4)	23,257	14,262
	39,429	24,394
Other Assets (Note 5)	1,465	1,117
Prepaid Expenses - Long-Term	826	589
Property, Plant and Equipment (Note 6)	112,275	117,992
Intangible Assets (Note 7)	35,098	33,880
	\$ 189,093	\$ 177,972
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 21,816	\$ 21,357
Due to BC Hydro (Note 10)	7,681	5,701
Current portion of obligations under capital lease (Note 12)	51	48
Deferred revenue	7,526	1,557
Deferred leasehold inducements	1,644	1,635
	38,718	30,298
Accrued Employee Benefits (Note 11)	18,749	22,992
Long-Term Debt (Note 8)	69,981	69,979
Obligations Under Capital Lease (Note 12)	3,405	3,456
	130,853	126,725
Shareholder's Equity		
Share capital (Note 13)	20,000	20,000
Retained earnings	37,931	30,910
Accumulated other comprehensive income (Note 9)	309	337
	58,240	51,247
	\$ 189,093	\$ 177,972

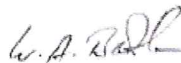
Commitments and Contingencies (Note 18)

See accompanying notes to the financial statements.

Approved on behalf of the Board:



Dan Doyle
Chair of the Board



Bill Bakk
Chair, Audit Committee

STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME

<i>For the years ended March 31 (\$ in thousands)</i>	2010	2009
Revenue		
Transmission services (Note 10)	\$ 81,013	\$ 90,018
Asset management and maintenance fees (Note 10)	92,400	90,900
Service fees and other (Notes 2, 10)	61,820	56,762
Investment income	127	158
	235,360	237,838
Expenses		
Cost of market (Note 14)	3,660	5,016
Operations, maintenance and administration (Notes 2, 10)	211,869	206,679
Taxes and grants	905	718
Depreciation of Property, Plant and Equipment	10,241	13,040
Amortization of Intangible Assets	7,205	6,620
Finance charges (Note 15)	3,636	3,525
	237,516	235,598
(Loss) Income from Operations	(2,156)	2,240
Other income	368	118
(Loss) Income before Deferral Account Transfers	(1,788)	2,358
Deferral accounts (Note 4)	8,809	4,759
Net Income	\$ 7,021	\$ 7,117
Other comprehensive income (Note 9)	-	337
Comprehensive Income	\$ 7,021	\$ 7,454

STATEMENT OF RETAINED EARNINGS

<i>For the years ended March 31 (\$ in thousands)</i>	2010	2009
Retained Earnings, beginning of year	\$ 30,910	\$ 23,793
Net Income	7,021	7,117
Retained Earnings, end of year	\$ 37,931	\$ 30,910

See accompanying notes to the financial statements.

STATEMENT OF CASH FLOWS

<i>For the years ended March 31 (\$ in thousands)</i>	2010	2009
Operating Activities		
Net income	\$ 7,021	\$ 7,117
Adjustment for non-cash items:		
Depreciation of Property, Plant and Equipment	10,241	13,040
Amortization of Intangible Assets	7,205	6,620
Other amortization expense included in operations, maintenance and administration	(1,460)	162
Allowance for Funds Used During Construction - equity	(368)	(118)
Accrued employee benefits changes	(4,243)	11
	18,396	26,832
Changes in non-cash working capital:		
Accounts receivable and prepaid expenses	(1,853)	1,933
Due to BC Hydro	1,980	(4,720)
Accounts payable and accrued liabilities	459	710
Deferred revenue	5,969	1,099
Deferral accounts	(8,995)	(2,372)
	(2,440)	(3,350)
Cash provided by operating activities	15,956	23,482
Investing Activities		
Property, Plant and Equipment expenditures	(2,903)	(13,454)
Intangible Assets expenditures	(8,887)	(5,152)
Other assets, net of repayment	(348)	(453)
Cash used for investing activities	(12,138)	(19,059)
Financing Activities		
Proceeds from long-term debt	-	29,990
Proceeds from interest rate hedge	-	348
Repayment of long-term debt	-	(30,000)
Proceeds from short-term debt	168,053	151,943
Repayment of short-term debt	(168,053)	(160,955)
Leasehold inducements	417	228
Principal payments of obligations under capital lease	(48)	(61)
Cash provided by (used for) financing activities	369	(8,507)
Increase (decrease) in cash and cash equivalents	4,187	(4,084)
Cash and cash equivalents, beginning of year	4,068	8,152
Cash and cash equivalents, end of year	\$ 8,255	\$ 4,068

Supplemental disclosure of cash flow information

Interest paid	\$ 2,562	\$ 2,872
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See accompanying notes to the financial statements.

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

Note 1: Nature of Operations

The British Columbia Transmission Corporation (BCTC) is a provincial Crown corporation incorporated on May 2, 2003 under the *BC Business Corporations Act*. BCTC is authorized by the *Transmission Corporation Act* (May 29, 2003) and the Key Agreements designated by the Lieutenant Governor in Council (November 20, 2003) pursuant to the *BC Business Corporation Act* to plan, operate and manage the British Columbia Hydro and Power Authority's (BC Hydro) electric transmission system. As part of the British Columbia Energy Plan, BCTC's mandate is to plan, build, operate and manage BC Hydro's transmission assets and provide open and non-discriminatory access to BC's electric transmission system. BCTC reports to the Minister of Energy, Mines and Petroleum Resources and is regulated by the British Columbia Utilities Commission (BCUC).

Going Concern

On April 28, 2010, the Province of British Columbia tabled its *Clean Energy Act* (the *Act*) in the BC Legislature. Under the terms and conditions of the *Act*, BCTC and BC Hydro will be united into a single Crown corporation. The Crown corporation will be accountable for the roles and responsibilities previously held by BCTC. It is anticipated that the *Act* will be passed into law in July 2010. Since the operations of BCTC will continue in the unified entity, these financial statements have been prepared on a going concern basis, which contemplates the realization of assets and payment of liabilities in the ordinary course of business.

Note 2: Significant Accounting Policies

The accompanying financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP) and are expressed in Canadian dollars.

Use of Estimates

Management has made a number of estimates and assumptions related to the reporting of assets, liabilities, revenues, expenses and disclosure of contingent liabilities to prepare these financial statements in conformity with GAAP. These estimates are based on historical experience, current conditions and various other assumptions believed to be reasonable under the circumstances. These estimates include the collectability of accounts receivable, impairment of long-lived assets, useful lives of assets, Allowance for Funds Used During Construction (AFUDC), employee future benefits and regulatory deferral accounts. Due to changes in facts and circumstance and the inherent uncertainty involved in making estimates, actual results may differ significantly from current estimates. Estimates are reviewed at each quarter end and, as adjustments become necessary, are reported in earnings in the period in which they become known. Impact of the change in useful life as a result of the *Act* has been disclosed in Note 21.

Regulation

BCTC adopted the Canadian Institute of Chartered Accountants (CICA) Accounting Guideline AcG-19, *Disclosures by Entities Subject to Rate Regulation*, which provides disclosure requirements for rate-regulated entities.

Cash and Cash Equivalents

Cash and cash equivalents include cash and units in money market funds with original maturity dates of less than 90 days from the original date of acquisition.

Financial Instruments

BCTC adopted the Emerging Issues Committee Abstract 173 (EIC-173), *Credit Risk and the Fair Value of Financial Assets and Liabilities*, which states that an entity's own credit risk and the credit risk of counterparties should be taken into account in determining the fair value of financial assets and liabilities.

Financial assets:

BCTC classifies its financial assets as loans and receivables except for forward currency contracts which are classified as derivatives.

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

Loans and receivables are non-derivative financial assets resulting from the delivery of cash and other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, usually with interest, other than debt securities.

Loans and receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method. Gains or losses on financial assets classified as loans and receivables are presented in the income statement in the period in which they arise.

Derivative financial instruments, such as forward currency contracts, are measured at fair value with changes in fair value recorded in earnings.

Financial liabilities:

BCTC classifies its financial liabilities as other financial liabilities. Other financial liabilities are initially recognized at fair value and are carried at amortized cost using the effective interest method. A gain or loss is recognized in net income when other financial liabilities are derecognized or impaired.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost. During the construction of new assets, direct costs plus a portion of overhead costs and related financing costs and return on equity are capitalized using the AFUDC method. AFUDC allows for the capitalization of the return on equity relating to Work in Progress (WIP) balances that does not affect current period rates and allows BCTC to comply with Special Direction No. 9. WIP is transferred to property, plant and equipment when the asset is substantially complete and available for use.

Depreciation commences in the month after an asset is put into service. Depreciation is provided principally on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	45 years
Computer hardware and software	3 – 10 years
Communication equipment	5 – 30 years
Furniture and equipment	5 – 34 years
Leasehold improvements	5 – 10 years

Intangible Assets

Intangible assets are recorded at cost. During the construction of new assets, direct costs plus a portion of overhead costs and related financing costs and return on equity are capitalized using the AFUDC method. WIP is transferred to intangible assets when the asset is substantially complete and available for use.

Amortization commences in the month after an intangible asset is put into service. Amortization is provided on a straight-line basis over the estimated useful lives of the intangible assets as follows:

Acquired computer software and licenses	3 – 10 years
Internally-generated computer software	13 years

The amortization method and estimated useful lives of intangible assets are reviewed annually.

Impairment of Long-Lived Assets

Long-lived assets, including property, plant and equipment and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be fully recoverable. Recoverability of assets is measured by a comparison of the carrying amount of the asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount exceeds its estimated future cash flows, an impairment charge is recognized by the amount that the carrying amount of the asset exceeds its fair value.

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

Leases

Leases are classified as capital or operating depending upon the terms and conditions of the contracts.

Asset values recorded under capital leases are amortized on a straight-line basis over their estimated useful lives. Obligations recorded under capital leases are reduced by lease payments net of imputed interest.

Deferred Revenue

Deferred revenue consists principally of amounts received under Study Agreements to investigate the requirements for interconnecting independent power generation facilities to the transmission system. The amounts received are deferred and included in income as the work is completed.

Leasehold Inducements

Leasehold inducements are monies advanced on an operating lease for premises by the property owner. Inducements are amortized over the period of the lease and reduce lease expenses.

Revenue Recognition

BCTC recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of BCTC's activities, as described below.

Transmission services revenue is approved by the BCUC. Customers are billed at interim rates until the BCUC approves the final rates. Customers receive funds or are charged the difference, with interest, between the interim and final rates. On a quarterly basis, management assesses the risk with respect to rates and forms an assessment of revenue to be recognized at that time.

Transmission services revenues are provided under the Open Access Transmission Tariff (OATT) and include network integration transmission, point-to-point and ancillary services revenues. Revenues are recognized as follows:

- Network integration transmission services are recognized on a straight-line basis at one twelfth of the annual approved revenue; and
- Point-to-point and ancillary services are recognized on an accrual basis as services are provided.

Asset management and maintenance fees are earned through the provision of services to BC Hydro as approved by the BCUC. The fees are recognized on a monthly straight-line basis at one twelfth of the annual approved revenue.

Service fees and other are earned through the provision of services to BC Hydro, services to other customers and recovery of labour and project related costs. Revenue comprises a fixed fee component that is recognized on a straight-line basis over the term of the contract and a variable fee component that is recognized as services are provided.

Foreign Currency Translation

Foreign currency denominated revenues and expenses are translated into Canadian dollars at the prior month average rate of exchange. Foreign currency denominated monetary assets and liabilities are translated into Canadian dollars at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses are included in the determination of net income.

Pension and Other Retirement Benefit Plans

The actuarial determination of the accrued benefit obligation for pensions and other retirement benefits uses the projected benefit method prorated on service, which incorporates management's best estimate of future salary levels, health care cost escalation, retirement ages of employees and other actuarial factors. For the purpose of calculating the expected return on plan assets, those assets are valued at fair value.

Actuarial gains (losses) arise from the difference between the actual long-term rate of return on plan assets for a period and the expected long-term rate of return on plan assets for that period, from differences in actual experience versus

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

the assumed experience or from changes in actuarial assumptions used to determine the accrued benefit obligation. The excess of the net accumulated actuarial gain (loss) over 10% of the greater of the accrued benefit obligation and the fair value of plan assets is amortized over the average remaining service period of active employees. The average remaining service period of the active employees is 11 years.

Capital Disclosures

BCTC adopted CICA Handbook Section 1535, *Capital Disclosures*, which establishes standards for disclosing information about an entity's capital structure, including qualitative and quantitative information about management of capital items such as debt and equity.

Comparative Figures

Certain comparative figures have been reclassified to conform to the presentation adopted in the current year.

Note 3: Adoption of New Accounting Standards

Intangible Assets

On April 1, 2009, BCTC retroactively adopted CICA Handbook Section 3064, *Goodwill and Intangible Assets*, which establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. The adoption of this standard resulted in the reclassification of \$34 million of assets from Property, Plant and Equipment and to Intangible Assets and the associated depreciation expense of \$7 million to amortization expense.

Regulation

Effective April 1, 2009, the temporary exemption provided for in CICA Handbook Section 1100, *Generally Accepted Accounting Principles*, which allowed the recognition and measurement of assets and liabilities arising from rate regulation, was withdrawn. In accordance with the CICA Handbook accounting hierarchy, BCTC chose to adopt accounting policies consistent with the US Financial Accounting Standards Board's, Accounting Standards Codification 980, *Regulated Operations*. As a result, BCTC retained the current accounting treatment for regulatory assets and liabilities. Therefore, the withdrawal of the exemption had no impact on the financial statements.

Financial Instruments – Disclosures

In June 2009, CICA Handbook Section 3862, *Financial Instruments – Disclosures*, was amended to include additional disclosure requirements about the fair value measurement of financial instruments and to enhance liquidity risk disclosures. The standard allows these disclosures to be provided on a prospective basis.

The amendments establish a hierarchical disclosure framework associated with the level of pricing observability utilized in measuring the fair value. The framework defines three levels of inputs to the fair value measurement process and requires that each fair value measurement be assigned to a level corresponding to the lowest level input that is significant to the fair value measurement in its entirety.

The three levels of the fair value hierarchy are:

Level 1 Inputs – Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date;

Level 2 Inputs – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 Inputs – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The amended section relates to disclosure only and did not have a material impact on BCTC's financial statements. BCTC has reflected the additional disclosures in Note 16 to these financial statements.

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

Note 4: Regulation

Effective April 1, 2005, BCTC is regulated by the BCUC which approves BCTC's revenue requirement, rates, tariff and capital expenditures.

BCTC operates under cost of service regulation and applies to the BCUC for the approval of rates recovering an annual revenue requirement. For the year ended March 31, 2010, BCTC earned transmission revenues under tariffs that were projected to recover an 11.42% (F2009 - 11.78%) return on deemed equity. Special Direction No. 9 sets out BCTC's deemed equity structure for the purpose of setting rates.

BCTC maintains eight BCUC-approved deferral accounts. In the absence of rate regulation, these accounts would not exist. The Revenue, Emergency Maintenance, Cost of Market and Regulatory Expense Deferral Accounts accumulate the difference between the BCUC-approved amounts and the actual revenues and costs for recovery from or refund to customers through future rates. The remaining deferral accounts capture non-capital costs that are not in the current revenue requirement and will be recovered from ratepayers in future periods.

Revenue Deferral Account

As outlined in the Master Agreement between BCTC and BC Hydro and designated by the Lieutenant Governor in Council on November 20, 2003, BCTC administers OATT for transmission services to recover its own costs as well as costs incurred by BC Hydro. BCTC, therefore, bears the financial responsibility for funding any shortfalls or receiving surpluses in the total OATT Revenue Requirement for each fiscal year. BCUC has approved the establishment of the Revenue Deferral Account and other regulatory mechanisms to recover revenue shortfalls from or refund revenue surpluses to customers. Consequently, BCTC's deferral account includes a portion pertaining to BC Hydro's Revenue Requirement for transmission services.

BCTC's Revenue Deferral Account captures annual variances between the OATT revenues approved by the BCUC and the actual revenues for both BCTC and BC Hydro. BCTC reports the full amount of its own OATT revenue in Transmission services revenue on the statement of operations and comprehensive income. Any variance from approved OATT revenues is added or deducted from earnings and recorded in the balance sheet deferral account. BC Hydro records its portion of the approved OATT revenues in its financial statements and these revenues are not recorded in the statements of BCTC. However, any variance between BC Hydro's actual OATT revenues and BC Hydro's approved OATT revenue is recorded in BCTC's deferral account and an equivalent amount accrued as a receivable or payable to BC Hydro. The Revenue Deferral Account also includes variances relating to BCTC's ancillary services.

Emergency Maintenance Deferral Account

This account captures the variances between approved and actual non-capital emergency maintenance expenditures incurred as a result of unanticipated major equipment failures, extreme weather, wildfires or similar events.

Cost of Market Deferral Account

This account captures variances between approved and actual cost of market expenditures. Cost of market expenditures include:

- Congestion management expenses relating to the purchase of operating reserves, transmission location credits, unscheduled flow mitigation and operating agreements between control areas, and
- Ancillary services expense BCTC incurs for all generation-based ancillary services that BCTC, in turn, sells to customers on a cost flow-through basis.

Regulatory Expense Deferral Account

This account captures the variances between approved and actual regulatory costs. These costs include BCTC's counsel, experts and staff, hearing costs associated with the applications and intervenors costs as approved by the BCUC.

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

International Financial Reporting Standards (IFRS) Deferral Account

This account captures the non-capital costs associated with the implementation of IFRS which are incremental to BCTC's normal business activities.

Section 5 (Long-term Electricity Transmission Inquiry) Deferral Account

This account captures the non-capital costs related to the inquiry mandated by Section 5(4) of the *Utilities Commission Act* which are incremental to BCTC's routine business activities. This inquiry is to make determinations about the long-term infrastructure and capacity needs for electricity within the Province.

Aboriginal Relations Deferral Account

This deferral account was approved by the BCUC by Order G-142-09 on November 26, 2009. The account captures the incremental F2010 and F2011 non-capital costs associated with First Nation consultation assessment and engagement activities which are required but not included in the approved F2010 Transmission Revenue Requirements rates.

Polychlorinated Biphenyls (PCB) Mitigation Deferral Account

This deferral account was approved by the BCUC by Order G-142-09 on November 26, 2009. The account captures the incremental F2010 and F2011 non-capital costs associated with mitigation activities to comply with Federal PCB regulations that are required but not included in the approved F2010 Transmission Revenue Requirements.

The deferral account balances are as follows:

(\$ in thousands)	2009	Adj.	Refunded	BCTC	BC Hydro	Interest	2010
Revenue	\$ 10,311	\$ 67	\$ (10,596)	\$ 3,289	\$ 13,994	\$ 566	\$ 17,631
Emergency Maintenance	3,218	(25)	(3,258)	562	-	77	574
Cost of Market	(236)	-	241	(1,470)	-	(39)	(1,504)
Regulatory Expense	681	-	(695)	610	-	27	623
IFRS Costs	236	-	(241)	279	-	12	286
Section 5 Inquiry	52	-	-	3,220	-	41	3,313
Aboriginal Relations	-	-	-	60	-	-	60
PCB Mitigation	-	-	-	2,259	-	15	2,274
Total	\$ 14,262	\$ 42	\$ (14,549)	\$ 8,809	\$ 13,994	\$ 699	\$ 23,257

The interest on deferred revenue includes \$348,000 (F2009 - \$254,000) interest income for BC Hydro's portion of the revenue requirement. This amount is not reflected in BCTC's finance charges. The adjustment of \$67,000 in the Revenue Deferral Account reflects the difference between the forecasted and actual Transmission services revenue in F2009. An adjustment was made to the Emergency Maintenance Deferral Account to reallocate \$25,000 of costs not related to emergency maintenance to Operations, Maintenance and Administration expenses.

The interest recorded in each of the deferral accounts was based on BCTC's weighted average cost of debt of 4.23% (F2009 - 4.29%).

Note 5: Other Assets

Other assets consist solely of mortgages receivable. BCTC has an Employee Housing Assistance Program, which grants five-year housing mortgages to employees. At March 31, 2010, there were nine employee mortgages outstanding (2009 - seven employees). These mortgages were issued at rates ranging from 2.6% to 3.6% and are secured by a second mortgage registered against their property. At the expiry of the mortgage term, the employees have the option to renew the mortgage for an additional five-year term.

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

Note 6: Property, Plant and Equipment

2010

<i>(\$ in thousands)</i>	Cost	Accumulated Depreciation	Total
Buildings	\$ 72,211	\$ (3,316)	\$ 68,895
Buildings under capital lease	3,730	(762)	2,968
Land	4,370	-	4,370
Computer hardware and software	31,092	(11,634)	19,458
Communication equipment	5,022	(1,091)	3,931
Furniture and equipment	11,986	(2,555)	9,431
Leasehold improvements	4,198	(2,106)	2,092
Contribution in aid of construction	(84)	41	(43)
	132,525	(21,423)	111,102
Unfinished construction	1,173		1,173
Total	\$133,698	(21,423)	\$ 112,275

2009

	Cost	Accumulated Depreciation	Total
Buildings	\$ 72,048	\$ (1,597)	\$ 70,451
Buildings under capital lease	3,730	(642)	3,088
Land	4,370	-	4,370
Computer hardware and software	27,711	(8,176)	19,535
Communication equipment	4,782	(670)	4,112
Furniture and equipment	11,722	(1,608)	10,114
Leasehold improvements	4,140	(1,533)	2,607
Contribution in aid of construction	(144)	144	-
	128,359	(14,082)	114,277
Unfinished construction	3,715		3,715
Total	\$ 132,074	\$ (14,082)	\$ 117,992

Property, Plant and Equipment balances as at March 31, 2009 have been reclassified to Intangible Assets for comparative purposes.

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

Note 7: Intangible Assets

2010

<i>(\$ in thousands)</i>	Cost	Accumulated Amortization	Total
Acquired computer software and licenses	\$ 64,469	\$ (37,032)	\$ 27,437
Internally generated computer software	619	(215)	404
	65,088	(37,247)	27,841
Unfinished software development	7,257	-	7,257
Total	\$ 72,345	\$ (37,247)	\$ 35,098

2009

<i>(\$ in thousands)</i>	Cost	Accumulated Amortization	Total
Acquired computer software and licenses	\$ 62,763	\$ (30,965)	\$ 31,798
Internally generated computer software	619	(167)	452
	63,382	(31,132)	32,250
Unfinished software development	1,630	-	1,630
Total	\$ 65,012	\$ (31,132)	\$ 33,880

Intangible Asset balances as at March 31, 2009 have been reclassified from Property, Plant and Equipment for comparative purposes.

Note 8: Debt

Short-Term Debt

Under the terms of an agreement with the Province of British Columbia, BCTC is authorized to borrow \$40,000,000 under the short-term commercial paper program. Interest is charged at the prevailing money market rates.

During the year ended March 31, 2010, BCTC entered into 34 short-term borrowings with interest rates varying from 0.10% to 0.28% and terms of 1 day to 115 days totalling \$168,053,000 all of which have been repaid.

BCTC has available a \$5,000,000 demand revolving line of credit with a chartered bank. As at March 31, 2010, \$993,000 in letters of credit have been issued for the Vancouver Island Transmission Reinforcement project and the Sallery Bay Substation project. The letters of credit expire from August 11, 2010 to October 21, 2013. There were no draws on the line of credit for the year ended March 31, 2010.

Long-Term Debt

In June 2007, BCTC issued a bond, series BCTC-CP-124, to the Province of British Columbia with a face value amount of \$40,000,000, a coupon rate of 4.75% and an effective interest rate of 4.75%. The balance at March 31, 2010 consists of the face value of the bond of \$40,000,000, offset by \$10,000 transaction costs. The bond is due on June 11, 2017 with interest payable semi-annually in June and December. As at March 31, 2010, the fair value of this

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

bond including accrued interest, as calculated by the Province of British Columbia, is \$42,956,000 compared to the carrying value of \$39,990,000.

In November 2008, BCTC issued a bond, series BCCP-140, to the Province of British Columbia with a face value amount of \$30,000,000, a coupon rate of 5.06% and an effective interest rate of 4.92%. The balance at March 31, 2010 consists of the face value of the bond of \$30,000,000, offset by \$9,000 transaction costs. The bond is due on November 10, 2018 with interest payable semi-annually in May and November. As at March 31, 2010, the fair value of this bond including accrued interest, as calculated by the Province of British Columbia, is \$32,824,000 compared to the carrying value of \$29,991,000.

<i>(\$ in thousands)</i>	2010	2009
4.75% due June 11, 2017 (effective rate 4.75%)	39,990	39,989
5.06% due November 10, 2018 (effective rate 4.92%)	29,991	29,990
Total	\$ 69,981	\$ 69,979

Long-term debt is summarized in the following table by year of maturity:

<i>(\$ in thousands)</i>	
Maturing in fiscal	
2011	\$ -
2012	-
2013	-
2014	-
2015 to 2019	69,981
Total	\$ 69,981

Note 9: Accumulated other comprehensive income

In August 2008, BCTC entered into a forward contract, designated as a cash flow hedge, to hedge interest rate risk on the future cash flows associated with the planned re-issuance of \$30,000,000 long-term debt. In November 2008, the forward contract was exercised resulting in a gain of \$348,000 which was recognized as Other Comprehensive Income in F2009 and is being amortized to interest expense over the life of the bond, which is due in November 2018.

<i>(\$ in thousands)</i>	2010	2009
Opening accumulated other comprehensive income	\$ 337	\$ -
Gain on forward contract	-	348
Amortization to interest expense	(28)	(11)
Closing accumulated other comprehensive income	\$ 309	\$ 337

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

Note 10: Transactions with Related Parties

- (a) BC Hydro pays BCTC for the cost of system operation and asset management services and other services as follows:

<i>(\$ in thousands)</i>	2010	2009
Revenues from BC Hydro		
Transmission services revenue	\$ 72,362	\$ 76,787
Asset management and maintenance	92,400	90,900
Service fees and other	58,991	53,156
Total revenues from BC Hydro	\$ 223,753	\$ 220,843

- (b) The amounts due (to) from BC Hydro as at March 31 are as follows:

<i>(\$ in thousands)</i>	2010	2009
OATT billing distributed to BC Hydro (less) more than its Revenue Requirement	\$ (12,375)	\$ 341
Accrued OATT billing receivable (payable)	10,688	(471)
Service fees and cost recoveries	2,008	5,918
Services performed by BC Hydro and subsidiaries	(8,002)	(11,489)
Total due to BC Hydro	\$ (7,681)	\$ (5,701)

- (c) Included in the operations, maintenance and administration expense is \$91,245,000 (2009 - \$80,890,000) for services purchased from BC Hydro and subsidiaries. Included in capital expenditures is \$34,000 (2009 - \$2,403,000) for services purchased from BC Hydro.
- (d) In December 2003, BCTC entered into lease contracts with BC Hydro for control centre buildings and land (see Note 12). The Lower Mainland Control Centre was terminated in June 2008. The building lease for the Southern Interior Control Centre (SICC) valued at BC Hydro's net book value of \$3,730,000 is accounted for as a capital lease. This amount has been included in the financial statements as property, plant and equipment and obligations under capital lease. At March 31, 2010, the balance of the obligations under capital lease was \$51,000 (2009 - \$48,000) current and \$3,405,000 (2009 - \$3,456,000) non-current. Included in finance charges is \$257,000 (2009 - \$320,000) of interest expense relating to the capital leases (Note 15). Other land and building leases with BC Hydro are accounted for as operating leases. Included in the operations, maintenance and administration expense is \$87,000 (2009 - \$116,000) for these operating leases.
- (e) In March 2010, BCTC received funding of \$7,000,000 from BC Hydro to lead British Columbia's involvement in exploring and evaluating opportunities for increasing the Province's transmission capacity to improve access to external markets. Costs of \$700,000 were incurred related to this in F2010.

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

Note 11: Accrued Employee Benefits

<i>(\$ in thousands)</i>	2010	2009
Registered pension plan	\$ (11,492)	\$ (4,885)
Supplemental pension plan	6,019	5,348
Total accrued benefit (asset) liability (see Note 17)	(5,473)	463
Post-retirement benefit costs (see Note 17)	13,414	12,360
Time bank liabilities	10,808	10,169
Total	\$ 18,749	\$ 22,992

The defined benefit costs for the year ended March 31, 2010 were \$4,113,000 (2009 - \$5,065,000).

Note 12: Obligations Under Capital Lease

BCTC has land and buildings under capital and operating leases with BC Hydro. The capital lease for the SICC was issued at an interest rate of 7.4% per annum compounded monthly. The lease term of 31 years will expire on November 30, 2034. The future minimum payments are as follows:

<i>(\$ in thousands)</i>	
Less than 1 year	\$ 304
Year 2	304
Year 3	304
Year 4	304
Year 5	304
Later than 5 years	5,986
Total future minimum payments	7,506
Less: imputed interest	(4,050)
Capital lease liability	3,456
Less: current portion	(51)
Long-term portion of capital lease	\$ 3,405

Note 13: Share Capital

Authorized Share Capital

BCTC is authorized to issue 10,000,000 common shares without par value.

Common Shares

	2010		2009	
	Shares	Amount	Shares	Amount
Issued at incorporation	1	\$ 1	1	\$ 1
Issued pursuant to Subscription Agreement for cash consideration	1	20,000,000	1	20,000,000
Issued and outstanding	2	\$20,000,001	2	\$20,000,001

The Province of British Columbia owns both common shares.

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

Note 14: Cost of Market

Cost of market expenses includes ancillary service and congestion management costs. Ancillary service costs include scheduling, system control and dispatch, reactive supply and voltage control, regulation and frequency response, energy imbalance, operating reserves and loss compensation. Ancillary service costs are needed with transmission service to maintain reliability within and among the control areas affected by the transmission service. Congestion management costs relate to the purchase of operating reserves, transmission locational credits, unscheduled flow mitigation, and operating agreements between control areas. Congestion management costs are incurred to maximize the transmission capacity available to be contracted by customers.

<i>(\$ in thousands)</i>	2010	2009
Congestion management	\$ 544	\$ 621
Ancillary services	3,116	4,395
Total	\$ 3,660	\$ 5,016

Note 15: Finance Charges

<i>(\$ in thousands)</i>	2010	2009
Interest on debentures	\$ 3,407	\$ 3,381
Interest on capital leases	257	320
Interest on deferral accounts	(351)	(332)
Interest on other	534	228
Less: AFUDC debt portion during construction	(211)	(72)
Total	\$ 3,636	\$ 3,525

Note 16: Financial Instruments and Concentration of Risk

Fair Values

For purposes of CICA Handbook Section 3855, *Financial Instruments – Recognition and Measurement*, BCTC has classified its financial instruments as follows:

Asset/liability classes	Financial assets/liabilities	Classification
Cash and cash equivalents	Financial assets	Loans and receivables
Accounts receivable	Financial assets	Loans and receivables
Other assets	Financial assets	Loans and receivables
Accounts payable and accrued liabilities	Financial liabilities	Other financial liabilities
Accrued interest	Financial liabilities	Other financial liabilities
Due to BC Hydro	Financial liabilities	Other financial liabilities
Long term debt	Financial liabilities	Other financial liabilities

As at March 31, 2010, the fair values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, accrued interest, and other assets on the balance sheet approximate their carrying values due to the short-term nature of these instruments.

Long-term debt is measured at amortized cost using the effective interest rate method as required under CICA Handbook Section 3855. Disclosure of the fair value of BCTC's long-term debt, as calculated by the Province of British Columbia, is provided in Note 8. Since BCTC does not intend to settle the long-term debt prior to maturity, the fair value estimate does not represent an actual liability.

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

The following table illustrates the classification of BCTC's financial instruments within the fair value hierarchy as at March 31, 2010:

Financial assets at fair value as at March 31, 2010

(\$ in thousands)	Level 1	Level 2	Level 3	Total
Marketable Securities	\$ 5,009	-	-	\$ 5,009

Financial liabilities at fair value as at March 31, 2010

(\$ in thousands)	Level 1	Level 2	Level 3	Total
Foreign currency forward contract	-	\$ 31	-	\$ 31

Hedges

Section 3865, *Hedges*, establishes guidance on how hedge accounting is applied and reported, including the criteria that must be satisfied in order for it to be applied for fair value hedges and cash flow hedges. Hedge accounting is optional and requires documentation of the hedging relationship at inception of the hedge, including the risk management objective, the hedged item and related hedging item. At the end of each period, the effectiveness of the hedging relationship and measurement of the amount of any hedge ineffectiveness is required.

For fair value hedges, the carrying value of the hedged item is adjusted for gains and losses on the hedged item attributable to the hedged risk and recognized in net income.

For cash flow hedges, the effective portion of the change in the fair value of the hedging derivative is recognized in other comprehensive income while the ineffective portion is recognized in net income.

Financial Risks

BCTC has exposure to credit risk, market risk, and liquidity risk in the normal course of operations. BCTC periodically utilizes derivative financial instruments to manage or hedge these risks. BCTC does not hold or use any derivative instruments for trading purposes.

Credit Risk

BCTC is directly exposed to counterparty credit risk as a result of providing transmission and related services to its customers. BCTC's customers are utilities and their affiliates and independent power producers in the western United States and western Canada. Credit risk is managed by authorizing transactions with only creditworthy counterparties as determined by BCTC management approval procedures and by monitoring the credit risk and credit standing of customers on a regular basis.

As at March 31, 2010, BCTC's accounts receivable balance, net of the provision for bad debts of \$375,000, was \$2,564,000. This amount includes insurance claims that are in the process of resolution and negotiation. Trade accounts receivable over 60 days past due was \$265,000. The deferral accounts receivable was \$23,257,000. This amount will be collected from customers subsequent to BCUC approval.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

- a) Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. BCTC enters, from time to time, into forward contracts to manage its exposure to fluctuations in foreign currency exchange rates as some suppliers are based in the United States and expenses are denominated in US dollars. Gains and losses on forward contracts are recorded in income.

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

During F2010, BCTC entered into four foreign exchange contracts to purchase US dollars and one of the contracts remained open as at March 31, 2010. The contracts were designated as derivative financial instruments and a foreign exchange loss of \$418,000 has been recognized to reflect the mark-to-market adjustments.

- b) Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Due to the short-term nature, BCTC's short-term investments and debt are not subject to significant interest rate risk. BCTC has short-term investments totalling \$5,009,000 and no short-term debt as at March 31, 2010.

BCTC's long-term debt bears fixed interest rates and therefore is not subject to interest rate risk. BCTC uses derivative financial instruments to manage interest rate risk. BCTC has no outstanding derivative financial instruments to manage interest rate risk as at March 31, 2010.

- c) Other price risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices other than those arising from currency or interest rate risks. Due to the nature of BCTC's financial instruments and as the fair values of BCTC's financial instruments approximate carrying values, BCTC's financial instruments are not subject to other price risk.

Liquidity Risk

Liquidity risk is the risk that BCTC will not be able to meet its financial obligations as they become due. BCTC manages liquidity risk by monitoring its cash flows and secures additional funds through a \$5.0 million demand revolving credit facility with a chartered bank, and through borrowings with the Province of BC's short-term commercial paper program. Under the program BCTC can borrow \$25,000,000 with a temporary increase permitted to \$40,000,000 for up to two months. These programs have been sufficient in funding normal operating requirements. BCTC monitors and reviews the maturity of its long-term bonds and will refinance accordingly when due.

The maturity profile of BCTC's debt as at March 31, 2010 is as follows:

<i>(\$ in thousands)</i>	Less than 1 year	Greater than 5 years	Total
Commercial paper	\$ -	\$ -	\$ -
Bonds	-	69,981	69,981
Total	\$ -	\$ 69,981	\$ 69,981
Percentage of total	0%	100%	100%

Note 17: Employee Benefit Plans

BCTC provides a defined benefit registered pension plan to all employees (the Plan). As a result of the *Act*, the Plan will become part of the BC Hydro pension plan. No significant impact is expected to the pension and other benefits plans. Pension benefits are based on years of membership service and highest five-year average pensionable earnings. Employees make basic and indexing contributions to the Plan funds based on a percentage of current pensionable earnings. Annual cost-of-living increases are provided to pensioners to the extent that funds are available in the indexing fund. BCTC contributes amounts as prescribed by an independent actuary towards the cost of providing basic benefits under the Plan. BCTC's actuary prepares calculations for the accrued benefit obligation and the expected long-term rate of return on plan assets incorporating an assumption related to the discount rate in accordance with Section 3461 of the CICA Handbook. This weighted average discount rate is 6.20% for both the Pension Plan and for the Other Benefits Plan.

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

In addition, BCTC provides a supplementary pension arrangement that provides additional pension benefits to employees to the extent that their benefits under the Plan are constrained by the maximum pension limits under the *Income Tax Act*. The Supplemental Plan includes the minimum pension guarantee provided by BCTC to five employees with prior service under the BC public service pension plans, as well as certain enhanced benefits payable to BCTC employees at the Vice-President level and above.

BCTC provides post-retirement benefits other than pensions including medical, extended health and life insurance coverage for retirees who have at least 10 years of service and qualify to receive pension benefits.

BCTC has measured its accrued benefit obligations and the fair value of plan assets for accounting purposes as at March 31, 2010. The most recent actuarial valuation of the Plan for funding purposes was as of December 31, 2008, prepared by Mercer. The next actuarial valuation of the Registered Pension Plan for funding purposes is required as at December 31, 2011, in accordance with the *British Columbia Pension Benefit Standards Act*. The most recent valuation for the non-pension other benefit plan was completed as at May 1, 2009.

On June 30, 2009, the Registered Pension Plan completed an asset transfer to the BC Hydro Pension Plan in relation to 3 employees who elected to transfer their accrued pension from the Plan to the BC Hydro Pension Plan. The amount of the transfer, including interest, was \$427,000.

On July 3, 2009 the Registered Pension Plan received an asset transfer from the BC Hydro Pension Plan in relation to the 2 employees who elected to transfer their accrued pension from the BC Hydro Pension Plan to the Plan. The amount of the transfer was \$429,000.

On December 18, 2009 the Registered Pension Plan received an asset transfer from the BC Hydro Pension Plan in relation to the 1 employee who elected to transfer their accrued pension from the BC Hydro Pension Plan to the Plan. The amount of the transfer was \$107,000.

In total, the Plan assets in the year ended March 31, 2010 increased by \$536,000 (2009 - \$713,000) for transfers from the BC Hydro Pension Plan and decreased by \$427,000 (2009 - \$629,000) for transfers to the BC Hydro Pension Plan.

Total cash payments for employee future benefits for 2010, consisting of cash contributed by BCTC to its funded pension plan, and net cash payments directly to beneficiaries for its unfunded other benefit plans, was \$8,995,000 (2009 - \$4,816,000).

Elements of defined benefit costs

(\$ in thousands)	Pension Plans		Other Benefit Plans	
	2010	2009	2010	2009
Current service cost				
Basic benefits	\$ 1,929	\$ 3,307	\$ 468	\$ 559
Indexing benefits	372	359	-	-
Interest cost	3,794	3,199	851	712
Actual return on plan assets	(7,555)	7,228	-	-
Actuarial loss (gain) on accrued benefit obligation	21,358	(12,177)	6,638	(2,455)
Costs arising in the period	19,898	1,916	7,957	(1,184)
Differences between costs arising in the period and costs recognized in the period in respect of:				
Return on plan assets	4,402	(10,425)	-	-
Actuarial (loss) gain	(21,358)	12,303	(6,786)	2,455
Net periodic pension cost recognized	\$ 2,942	\$ 3,794	\$ 1,171	\$ 1,271

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

Weighted average assumptions for expense

	Pension Plans		Other Benefit Plans	
	2010	2009	2010	2009
Discount rate	8.40%	6.20%	8.40%	6.20%
Expected long-term rate of return on plan assets	6.75%	6.75%	-	-
Rate of compensation increase	3.50%	3.50%	3.50%	3.50%
Weighted average health care trend rate – initial	-	-	5.80%	5.00%
Weighted average health care trend rate – ultimate rate	-	-	4.00%	4.00%
			reached after 2029	reached after 2015

Weighted average assumptions for disclosure

	Pension Plans		Other Benefit Plans	
	2010	2009	2010	2009
Discount rate	6.20%	8.40%	6.20%	8.40%
Rate of compensation increase	4.00%*	3.50%	4.00%	3.50%
Weighted average health care trend rate – initial	-	-	6.90%	5.80%
Weighted average health care trend rate – ultimate	-	-	4.40%	4.00%
			reached after 2029	reached after 2029

* 1.00% for 2010, 3.00% for 2011, and 4.00% for 2012 and subsequent years.

Change in accrued benefit obligation

(\$ in thousands)	Pension Plans		Other Benefit Plans	
	2010	2009	2010	2009
Accrued benefit obligation at beginning of year	\$ 52,730	\$ 58,529	\$ 9,752	\$ 10,996
Net obligation assumed from BC Hydro	109	84	-	-
Additional obligation due to special benefit granted to certain employees	-	53	-	-
Current service cost				
Basic benefits	1,929	3,307	468	559
Indexing benefits	372	359	-	-
Interest cost	3,794	3,199	851	712
Actual return on plan assets – indexing benefits	1,648	(1,581)	-	-
Employee contributions				
Basic benefits	1,893	1,676	34	21
Indexing benefits	391	357	-	-
Benefits paid	(1,095)	(1,076)	(151)	(81)
Actuarial loss (gain)	21,358	(12,177)	6,638	(2,455)
Accrued benefit obligation at end of year	\$ 83,129	\$ 52,730	\$ 17,592	\$ 9,752

Change in plan assets

(\$ in thousands)	Pension Plans		Other Benefit Plans	
	2010	2009	2010	2009
Fair value of plan assets at beginning of year	\$ 52,402	\$ 55,414	\$ -	\$ -
Net assets transferred from BC Hydro	109	84	-	-
Actual return on plan assets				
Basic benefits	7,555	(7,228)	-	-
Indexing benefits	1,648	(1,581)	-	-
Employer contributions				
Basic benefits	8,485	4,397	117	60

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

Indexing benefits	393	359	-	-
Employee contributions				
Basic benefits	1,893	1,676	34	21
Indexing benefits	391	357	-	-
Benefits paid	(1,095)	(1,076)	(151)	(81)
Fair value of plan assets at end of year	\$ 71,781	\$ 52,402	\$ -	\$ -

As at March 31, 2010, the accrued benefit obligations of all the unfunded plans (all plans except for the Registered Pension Plan) totaled \$26,622,000 (2009 - \$14,987,000). This comprises the following: Supplemental Plan - \$9,030,000 (2009 - \$5,235,000) and the other benefit plans - \$17,592,000 (2009 - \$9,752,000). The fair value of plan assets for these plans is \$ nil.

Reconciliation of funded status to accrued benefit liability

(\$ in thousands)	Pension Plans		Other Benefit Plans	
	2010	2009	2010	2009
Funded status – deficit at end of year	\$ (11,348)	\$ (328)	\$ (17,592)	\$ (9,752)
Unamortized net actuarial loss	16,821	(135)	4,178	(2,608)
Accrued benefit asset (liability)	\$ 5,473	\$ (463)	\$ (13,414)	\$ (12,360)

Pension Plan assets by asset category

	2010	2009
Equity securities	52%	47%
Debt securities	46%	49%
Cash and short-term deposits	2%	4%
Total	100%	100%

Assumed health care trend rates have a significant effect on the amounts reported for the other benefit plans. A 1% change in assumed cost trend rate would have the following effects for F2010:

(\$ in thousands)	1% Increase	1% Decrease
Total of service and interest cost	\$ 312	\$ (258)
Accrued benefit obligation	\$ 3,820	\$ (2,982)

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

Note 18: Commitments and Contingencies

- (a) BCTC has land and buildings under operating leases with BC Hydro. As well, BCTC has entered into service agreements with BC Hydro to purchase engineering and field services. These agreements have been amended with the new terms effective April 1, 2010. Either party has the right to unilaterally reduce services or service volumes, by giving five years notice. The future minimum payments under operating leases and service agreements with BC Hydro are approximately as follows:

<i>(\$ in thousands)</i>	Operating Leases	Service Agreements
2011	\$ 87	\$ 120,000
2012	87	120,000
2013	87	120,000
2014	64	120,000
2015	18	120,000
2016 and subsequent years	346	-
Total future minimum payments	\$ 689	\$ 600,000

Since 2004, an agreement has been in place between BC Hydro, BCTC and Accenture Business Services through which BCTC takes services and pays prices under the Master Services Agreement between Accenture Business Services and BC Hydro. BCTC will continue to take services under this agreement. Since this agreement has been in place, there has been no interruption of service to BCTC.

The future minimum payments on the lease for the Bentall office premises are approximately as follows:

<i>(\$ in thousands)</i>	
2011	\$ 3,381
2012	3,488
2013	3,490
2014	2,187
2015	912
2016 and subsequent years	3,698
Total future minimum payments	\$ 17,156

- (b) As at March 31, 2010, BCTC has \$5,024,000 remaining in the commitment for a facilities maintenance contract for the new control centres and \$4,886,000 remaining for commitments associated with the Market Operations and Development Business system upgrade.
- (c) In October 2009, BCTC entered into a 50-year transmission services agreement to utilize the FortisBC system to meet load growth in the Woods Lake area. This agreement was approved by the BCUC in February 2010. As part of the agreement, BCTC has committed a contribution to FortisBC for system upgrades, to a maximum of \$14,000,000. The full amount of the contribution will be funded by BC Hydro. BCTC has also committed to pay FortisBC for the transmission of electricity until December 31, 2060. These payments are expected to begin in December 2010 and will be calculated based on a formula set out in the agreement that includes an initial demand rate, annual nominated demand and the BC Consumer Price Index. The net present value of these payments over the life of the agreement is estimated to be approximately \$11,800,000.

Notes to the Financial Statements

For the Years Ended March 31, 2010 and 2009

Note 19: Environmental Liability

In late 2008, Environment Canada published new final regulations governing the management of polychlorinated biphenyls (PCBs). The regulations are effective September 17, 2008 and impose timelines for disposal of PCBs based on different types of equipment, in-use status and PCB contamination threshold levels. BCTC has undertaken a comprehensive analysis of BC Hydro equipment managed by BCTC to assess the magnitude of the costs associated with the testing, repairs, disposal and replacement of PCB-contaminated equipment. As the assets are owned by BC Hydro and not BCTC, no provision is required to be recorded in these financial statements.

Note 20: Capital Disclosures

The Province of British Columbia's Special Direction No. 9 (SD 9), Order in Council No. 1107, approved and ordered November 27, 2003, sets out the mechanism for determining BCTC's deemed capital structure. Based on SD 9 definitions, BCTC's debt component comprises short-term debt, long-term debt, and obligations under capital lease less temporary investments. BCTC's equity component comprises share capital and retained earnings. BCTC's required deemed equity component, as amended by Order in Council No. 752 and approved and ordered October 19, 2005, is 40.7%.

Deemed equity is a method used in rate setting to ensure that rates are set on an appropriate capital structure. BCTC strives to conduct its business within the parameters of the deemed equity level. This safeguards BCTC's ability to function as a going concern.

Note 21: Subsequent Event

On April 28, 2010, the Province of British Columbia tabled its *Clean Energy Act* (the *Act*) in the BC Legislature. Under the *Act*, BCTC and BC Hydro will be unified into a single Crown corporation. The Crown corporation will be accountable for all roles and responsibilities previously held by BCTC. It is anticipated that the *Act* will be passed into law in July 2010.

BCTC's assets and liabilities will be transferred to and assumed by BC Hydro. This includes the BCTC pension plan which will become part of the BC Hydro pension plan.

Management reviewed BCTC's assets and liabilities to identify potential adjustments to carrying value that may be required due to the unification. The actual adjustments will be dependent on future decisions and integration plans and will be reflected in the final reporting period. The preliminary estimates are as follows:

Estimated adjustment to Intangible Assets due to change in useful life	\$8,800,000
Removal from Property, Plant and Equipment of building under capital lease	\$2,900,000
Removal of Capital lease obligation	<u>\$(3,400,000)</u>
Expected reduction to net income	\$8,300,000

Schedule B

Schedule of Guarantee and Indemnity Agreements

April 1, 2009 to March 31, 2010

BCTC granted indemnities in favour of British Columbia Hydro and Power Authority contained in agreements designated by the Lieutenant Governor in Council under the *Transmission Corporation Act* (S.B.C 2003, c. 44), or in agreements entered into pursuant to those designated agreements.

There were no guarantee agreements for the period April 1, 2009 to March 31, 2010.

Schedule C

Schedule of Remuneration and Expenses

GENERAL

The schedules of remuneration and expenses paid to directors and employees during the year ended March 31, 2010 includes directors' fees, salaries and wages, overtime, shift premiums, isolation and other allowances, earned entitlements and expenses.

SEVERANCE GRANTS

During the fiscal year ended March 31, 2010, there were 2 severance agreements made between BCTC and its non unionized employees. These arrangements were for 5 and 6 months compensation.



Schedule of Remuneration and Expenses Board of Directors

April 1, 2009 to March 31, 2010

Name	Position	Remuneration	Expenses
Emerson David	Chair	50,833	7,836
Bakk Bill	Member, Board	6,000	
Blackall O'Brian	Member, Board	25,250	9,917
Byres Nicole	Member, Board	35,625	112
Campbell Richard	Member, Board	27,000	-
Gill John	Member, Board	17,667	543
McLeod Joanne	Member, Board	29,625	237
Northey Margot	Member, Board	33,000	6,600
Park Beverlee	Member, Board	26,625	-
Reid Robert	Member, Board	14,875	-
Wesley Gerald	Member, Board	26,625	3,797
Winter Ralph	Member, Board	39,000	-
		\$ 332,125	\$ 29,043

Schedule of Remuneration and Expenses Employees

April 1, 2009 to March 31, 2010

Employee > \$75,000	Remuneration	Expenses
Abbott, C J	112,367	2,287
Adderley, K L	190,342	4,077
Alani, A	89,073	2,468
Alsodani, A A	80,912	3,601
Ambrosi, B D	138,825	21,916
Amjadi, F	139,530	7,474
Anand, D	152,701	519
Armanini, G B	167,058	3,043
Arnish, T	117,270	704
Ashfaq, H	76,847	8,203
Atanackovic, D	148,748	3,995
Auddy, S	76,933	1,393
Baker, B G	96,943	176
Bao, L	86,783	823
Barnes, J	94,982	-
Barrett, B A	365,331	13,636
Baxter, L J	93,766	-
Beardsell, L J	174,478	5,641
Bennett, D R	123,182	2,599
Bishop, K J	102,956	-
Bishop, M W	82,592	3,000
Boucher, P C	135,545	8,524
Bourne, D R	196,696	11,166
Bracken, P S	98,418	12,331
Bradley, K L	180,659	13,973
Brown, E J	86,518	3,790
Bu, L	94,223	1,865
Buccini, K	112,042	-
Buchanan, D B	141,615	3,097
Buchanan, D C	100,733	12,000
Bucy, M	144,612	27,661
Burt, E J	96,152	5,533
Byrnell, R D	149,721	6,010
Campbell, E L	93,848	-
Campbell, T B	109,589	-
Carmichael, J D	100,339	14,339
Cave, D A	183,248	6,229
Chambers, B E	114,605	-
Chan, W S	139,785	905

Employee > \$75,000	Remuneration	Expenses
Chang, A Y	136,295	2,292
Chen, B	105,060	632
Cheng, D	175,347	9,485
Chenoweth, K J	131,831	1,191
Chiang, G	92,967	-
Chicilo, M T	231,629	16,748
Chok, S	88,209	1,564
Choudhury, C P	191,879	4,544
Chow, P	152,179	1,192
Chung, E	83,413	-
Chylinski, S J	142,086	9,308
Cielen, R A	157,169	5,021
Clapauch, J H	136,806	1,268
Clayton, D	95,676	2,254
Coghlan, L B	146,834	1,760
Collins, D T	81,825	683
Cong, Y	98,265	50
Connacher, S G	180,691	9,553
Corns, B R	129,827	1,296
Cox, S J	92,139	-
Crist, L J	95,401	-
Cui, Y	84,621	1,220
Dalgarno, K D	112,524	8,102
Datoo, S	110,726	5,151
Davis, G B	108,567	-
Delmonico, K R	87,215	196
Demoor, M F	91,930	-
Desjardins, E P	76,030	917
Devlin, Z J	90,911	51,341
Dhaliwal, N	80,538	1,787
Dodge, A G	94,623	1,567
Donovan, E N	76,290	1,548
Doyle, G	96,169	-
Dun, M K	75,802	4,104
Dutka, B	114,707	2,346
Dwernychuk, G S	149,050	3,696
Egerton, A J	107,489	574
Emerson, D L	79,808	-
Epton, D	93,618	-
Erven, L	94,406	2,369
Fearnley, R	88,286	-
Felton, R	98,291	-
Fish, M	136,546	1,550
Foo, S S	115,001	-
Forbes, B R	151,125	469

Employee > \$75,000	Remuneration	Expenses
Fraser, J L	231,552	8,654
Fraser, W D	111,475	-
Frederick, W H	79,655	59
Froese, E N	100,311	601
Fronc, K A	111,437	1,114
Fuchs, C W	116,966	217
Fung, T C	151,274	13,261
Ghangass, D	212,926	7,122
Gilpin-Jackson, A	105,769	24,757
Gjoshe, E	98,555	1,238
Glover, M H	119,949	-
Gorter, R	122,989	1,633
Graham, F D	107,157	-
Guite, M A	104,113	5,329
Gurney, J H	153,279	417
Guterres, T L	114,317	3,053
Haffner, L D	213,358	5,231
Hale, L	84,066	1,499
Hallborg, B J	157,006	28,338
Hallson, E R	95,002	691
Halmaghi, G	83,005	-
Hamilton, C G	103,809	629
Handfield, G	186,195	1,359
Hefflick, G R	112,508	6,176
Hefford, A	110,527	2,454
Helfrich, G	101,141	17,628
Heming, R	76,888	540
Herrick, A	105,095	3,627
Herrington, D M	107,786	-
Hewlett, H J	77,920	-
Higginbottom, E	140,471	18,273
Higgins, G	144,440	1,686
Hirtle, K W	101,533	2,036
Holisko, G J	124,449	3,896
Holland, M M	178,532	5,001
Hollins, C W	93,090	-
Hon, M W	147,620	7,187
Hong, E	204,760	6,200
Huang, M W	318,028	16,638
Hudyma, T	107,739	5,581
Huey, D W	96,334	7,764
Huffman, D	82,356	420
Hui, C	169,783	947
Humle, B	79,477	2,219
Hundal, R S	144,420	29,022

Employee > \$75,000	Remuneration	Expenses
Inga-Rojas, T O	152,847	3,399
Ingram, S	82,136	-
Irving, J	327,527	9,577
Jansen, C K	169,813	6,917
Jennings, T	180,708	359
Jer, P A	151,554	117
Johnston, A	193,431	4,557
Jonas, H C	102,010	1,552
Jonsson, M	77,887	912
Kadonoff, D L	92,268	-
Kam, P	104,461	50
Kasten, L A	82,952	-
Kehl, C G	170,090	3,637
Kelly, N	113,357	2,378
Kemble, B	157,546	1,498
Kennedy, D	143,594	2,795
Khalil, H	105,326	8,630
Kia, M	94,346	4,359
Kirkham, T A	101,354	993
Klein, W	142,769	17,748
Knowles, K M	127,691	586
Ko, J C	133,785	322
Kondo, M M	100,100	6,210
Korczynski, J K	110,478	303
Koski, M	86,032	5,489
Kovacic, B A	108,409	2,522
Kovacs, D J	114,448	3,539
Krahn, B	99,109	544
Krienke, C R	101,310	238
Kumar, A	199,994	2,113
Kwan, J W	121,946	303
Kwok, C	88,549	1,517
Labelle, R P	207,137	20,137
Ladbrook, L	113,844	2,932
Lai, C	91,920	80
Lamming, D	92,148	3,114
Lau, A	92,678	31
Lau, M Y	124,416	19,359
Leary, M J	77,097	2,569
Leason, S	86,990	-
Lee, B L	124,458	2,758
Lee, C	158,302	4,025
Lee, J	78,454	1,311
Lee, K C	128,704	2,795
Lee, N	96,022	3,031

Employee > \$75,000	Remuneration	Expenses
Leung, P S	95,108	410
Li, J Y	82,116	2,832
Li, T C	91,517	2,912
Li, W	172,798	1,854
Liberatore, M	92,261	1,573
Lister, G K	134,704	668
Little, D J	303,186	29,050
Lowe, W T	100,176	-
Lu, J	134,599	659
Lyons, J	128,349	3,394
MacGregor, L	113,395	3,081
MacNeill, R M	110,968	12,624
MacRitchie, J	87,121	2,224
Mahowich, D	98,543	24,454
Major, W R	109,188	30,241
Malm, J P	91,622	10,408
Malm, M P	95,713	2,250
Manarovici, M	83,324	3,039
Manj, R	99,994	13,402
Mar, D	133,188	6,386
Marble, D B	111,924	1,335
Marshall, C	139,169	15,373
Martin, B S	115,071	12,247
Martinkowitsch, E	106,199	2,483
Marusenko, J	133,174	-
Matthews, C	84,978	-
Mazeppa, W J	104,675	110
McAlister, A	94,145	2,541
McDonald, P	139,119	25,953
McGeachie, D L	122,163	10,526
McLean, C B	104,867	12,000
McMillan, A	95,146	12,184
McNamara, D S	195,445	20,760
McWhirter, C	99,238	4,148
Messinger, T A	129,459	10,804
Morison, K	169,720	6,103
Mulder, G	118,904	10,318
Mumick, J S	151,919	2,854
Nag, J	84,237	-
Nazareth, V	94,522	5,286
Needham, C A	76,497	10,841
Neilson, R	127,831	7,665
Ng, K	82,031	1,144
Nguyen, A	92,421	10,130
Nguyen, T M	153,559	11,357

Employee > \$75,000	Remuneration	Expenses
Nichols, C R	147,331	6,494
Nielsen, K L	86,854	-
Norris, N	96,491	4,315
Nowlan, K	220,744	12,797
Ott, K	106,510	5,765
Pai, S C	191,325	1,471
Pan, Z	136,019	2,630
Papadoulis, D	143,325	9,983
Park, P W	174,899	1,362
Parmar, S	154,477	5,414
Pascoe, R D	108,748	42,308
Pataky, J S	320,589	23,078
Pattani, R	91,939	440
Patterson, C W	101,196	-
Pettet, D N	145,077	-
Phan, L	117,047	2,286
Pinksen, A	103,649	2,548
Pochailo, D S	131,791	6,062
Ponce, C	139,887	361
Popoff, T W	107,882	1,235
Proch, R	91,700	88,443
Prosperi-Porta, M	169,653	9,738
Quakenbush, R E	93,853	-
Quibell, R W	101,738	-
Quinn, H D	127,302	95,295
Rawlings, G P	164,384	6,015
Read, R	113,305	12,809
Read, T A	86,451	-
Reddy, S L	99,813	2,915
Redmond, G K	100,712	-
Reghelini, M S	210,719	296
Rennie, J M	106,259	2,287
Reyes, R	109,951	2,045
Rinieri, L M	78,780	7,767
Robertson, J M	178,784	4,088
Robertson, R	97,115	2,280
Rohrig, L A	90,382	349
Rudd, L G	83,604	1,929
Rusak, W O	96,315	6,927
Ryan, L	105,604	1,078
Ryu, K	95,426	-
Schilberg, L	102,970	2,216
Schortinghuis, E J	83,128	216
Schwenning, L	88,396	-
Shahi, O S	109,096	416

Employee > \$75,000	Remuneration	Expenses
Shen, B	107,724	-
Shrimpton, G M	124,443	11,562
Shum, W	171,129	1,480
Shyry, T W	76,293	2,306
Simpson, E L	112,244	34
Singh, C	86,258	3,376
Siu, G	96,616	40
Siu, J K	158,225	4,554
Smith, F G	103,508	1,470
Smith, G B	95,510	-
Smith, R	103,230	5,969
Smyth, B P	136,982	1,522
Song, H	91,114	400
Soulsby, R	250,948	23,516
Spencer, M W	99,459	6,012
Steed, A M	165,925	6,262
Stephenson, D	159,516	3,018
Stewart, J	131,386	7,891
Stone, R C	125,432	1,304
Sun, H	88,419	37
Sun, J	145,742	60
Surdu, C	103,174	4,157
Ta, T V	150,977	2,764
Tabacug, A	95,021	10
Tan, J	78,238	6,638
Tarmohamed, M	83,168	1,762
Thatcher, T	75,529	1,628
Threlkeld, I R	83,468	-
Toth, J	125,177	21,819
Tran, S Q	136,731	6,236
Trudeau, J	96,431	-
Tse, E K	119,731	303
Tully, B	85,692	696
Utsunomiya, J	87,490	2,050
Vaahedi, E	206,054	4,026
Van De Ruitenbeek, T	95,419	4,597
Vasquez, E F	136,169	1,783
Verschoor, M W	104,768	5,767
Vinnakota, V	113,518	518
Vinnakota, V R	115,030	3,820
Wakahara, K K	82,164	-
Wang, C H	144,109	409
Wang, G	156,435	5,631
Wang, H	75,228	595
Wang, J	80,622	303



Employee > \$75,000	Remuneration	Expenses
Wang, W	78,639	5,726
Wangdee, W	93,126	2,815
Ward, A L	122,087	4,670
Wasylik, S L	79,433	1,345
Wells, T	135,337	5,634
Westervelt, L	103,691	1,703
Wigg, C H	101,489	389
Wilson, T R	109,576	10,901
Witherly, M	131,297	12,365
Wogan, S	92,722	14,651
Woldemichael, M	79,745	1,269
Wolosnick, B J	96,992	-
Wong, A	101,579	4,449
Woo, H	122,708	5,207
Wood, L A	118,477	6,782
Woodruff, A S	180,137	6,961
Woodruff, J	362,223	20,802
Woolfries, C E	91,046	-
Wu, R Y	95,362	2,856
Xi, X	75,394	2,609
Yahav, L	84,740	3,792
Yan, X	109,601	1,907
Yao, Z	132,953	3,470
Young, S J	100,041	320
Zeilstra, W	116,849	555
Zeron, M G	96,805	-
Zhang, X	123,762	4,658
Zhu, Q	104,477	2,953
Zou, M	138,085	395
Zuo, C C	133,423	2,775
Employees <\$75,000	8,350,823	517,982
Totals	49,567,397	2,296,096



Schedule D

Reconciliation of Remuneration

April 1, 2009 to March 31, 2010

Total remuneration – members of the Board of Directors	\$ 332,125
Total remuneration – employees	\$49,567,397
Subtotal	<hr/> \$49,899,522
Reconciling items	
Add: Benefit payments reported in the Schedule of Suppliers of Goods and Services	\$7,931,145
Total remuneration expenses included in operations, maintenance and administration per Statement of Operations	<hr/> \$57,830,667



SCHEDULE E

Schedule of Suppliers of Goods and Services

April 1, 2009 to March 31, 2010

Supplier	Payment	Supplier	Payment
Aaron Marchant	51,080	BC Hydro	111,077,063
ABB Inc.	746,131	BC Hydro Services Asset Corp.	115,731
Accenture Business Services of BC	9,285,156	Bear Mountain Wind LP	35,392
Accenture Inc.	351,530	Bentall Real Estate Services LP	3,538,369
Acumen Consulting Limited	535,815	BestExecution Strategic Technologies Inc.	74,824
Adept Vegetation Management Inc.	1,814,751	Beverley Farmer	145,388
Alanna Simmons	107,454	Beznosova, Olga	47,891
Alberta Electric System Operator	151,460	Bill Wheeler Consulting Ltd.	57,799
Alcatel-Lucent Canada Inc.	241,920	Black & McDonald Limited	1,305,591
Allteck Line Contractors Inc	1,745,307	Black & Veatch Canada Company	176,115
Allwest Office Systems	77,741	BMS Integrated Services Inc.	76,181
Alpine Pole Maintenance	92,631	Bri-Ann Enterprises	54,765
Alston & Bird LLP	28,344	Brookfield Energy Marketing Inc.	28,701
AMEC Americas Limited	127,675	Budial Vegetation Management Ltd.	137,497
Anixter Canada Inc.	133,069	Burns Lake Community Forest Ltd.	40,226
Aon Reed Stenhouse Inc.	1,269,584	CALEB.com Consulting Services	35,795
ARA Safety Inc.	181,402	Cambridge Energy Research Associates Inc	30,744
Areva T&D Inc	1,416,176	Canadian Electricity Association	182,236
Asplundh Canada Inc.	2,698,588	Canfor Pulp Limited Partnership	46,610
AT&T Global Services Canada Co.	75,847	Canwest Publishing Inc.	68,549
AVW-TELAV	70,432	Catalyst Consulting	27,825
B.A. Blackwell & Associates Ltd.	107,158	CEA Technologies Inc.	83,265



Supplier	Payment	Supplier	Payment
Ceridian Canada Ltd	77,147	EMC Corporation of Canada	40,797
Charter Telecom Inc.	292,140	Energy & Environmental Economics Inc.	781,094
Chartwell Consultants Ltd.	141,790	Equinox Software Design Corp	169,364
City of Burnaby	56,817	Eva Fong	91,928
City of Surrey	27,401	Farris, Vaughan, Wills & Murphy LLP	227,159
City of Vernon	326,775	Fasken Martineau DuMoulin LLP	3,570,245
Clarity Systems Ltd.	188,677	Fleishman-Hillard Canada Inc.	81,641
Coastal Jazz & Blues Society	36,750	Forest Engineering Research Institute of Cda.	50,663
Columbia Wood Services Ltd.	54,723	Fourth Wall Consulting Inc.	54,705
Compugen Inc.	969,997	FPinfomart, a div. of Canwest Publishing Inc.	37,123
Counter Quake Services Inc.	25,200	Free Growing Forestry	57,750
D.J. Silviculture Ent. Ltd.	470,328	Free Spirit Ventures Inc.	25,436
Davey Tree Services	3,281,020	Garry Milligan Group Inc.	75,075
Debra Karby	66,707	Gary Burns Consulting Ltd.	73,525
Deirdre Rogers	40,425	GE Energy Management Services Inc.	45,625
Deloitte and Touche LLP	117,880	Gilnockie Inspection Ltd	186,483
Deloitte Inc.	243,285	GML Mechanical Ltd.	63,000
DF Peelo & Associates Ltd.	60,253	GNA Consulting Group Ltd.	388,815
Diamond Head Consulting Ltd.	75,331	Golder Associates Ltd.	111,418
Domtar Inc.	39,501	Goto Sargent Inc.	71,117
Dulay Burke Financial Recruitment	30,240	Grant Thornton LLP	322,046
E & K Construction	190,696	Habanero Consulting Group	36,414
Eagle Mountain Consulting	87,314	Hansen Forest Management	64,987
Earncliffe Strategy Group	43,794	Hedberg & Associates Consulting Ltd.	77,814
EDM International Inc.	29,624	Heritage Office Furnishings Ltd.	143,037
Electric Power Research Institute, Inc.	111,942	Hewitt Associates LCC	42,419
Electrical Industry Training Institute	81,275	Hewlett Packard (Canada) Limited	141,911



Supplier	Payment	Supplier	Payment
Hill & Knowlton Canada	110,441	Korn/Ferry International	92,206
HKM General Contractors	105,561	KPMG LLP	373,759
Hodgson King & Marble Ltd	365,478	Lawson Lundell	116,954
Hyatt Regency Vancouver	31,906	Leader Silviculture Ltd	715,495
Hydro Quebec	180,600	Leonard Ritter Associates Inc	32,550
Ian Hayward International Ltd	133,339	LHI TUTL'IT Services Inc.	1,050,821
IBM Canada Limited	2,583,190	Lillooet Tribal Council	27,277
IJ Penner	78,861	Linetech Transmission Services Inc.	40,933
Impac Canada Company	119,038	Long View Systems Corporation	943,863
Indigenuity Consulting Group Inc.	25,286	Manulife Financial	1,461,135
Inlailawatash Forestry Limited Partnership	270,127	Matrikon Inc.	165,706
Innovative Research Group Inc.	91,425	MegaSys Enterprises Ltd.	248,240
Ino-Tek Electric Ltd.	37,476	Mercer Human Resource Consulting Ltd.	262,898
In-SHUCK-ch Development Corporation	200,070	Meridium Inc.	29,745
Integrus Brand Solutions Inc.	69,581	Metastorm Inc.	240,298
Intellitactics Inc.	122,714	Metsa Resource Management Inc.	158,311
Interpro Consultants Inc.	149,882	Microsoft Corp.	38,120
Interpro Solutions Inc.	52,500	Midlyn HR Communications Inc.	29,172
Island Key Computer Ltd.	527,586	Mills Basics	127,968
ISO Metrix Inc.	393,246	Morneau Sobeco Limited Partnership	32,285
Jacques Whitford Ltd.	54,110	MW & Associates Advisory Services Ltd.	193,898
Jim H. Duxbury, P.Eng Transmission	34,705	Nathanson, Schachter & Thompson	25,567
Jones & Stokes Associates, Inc.	54,149	National Public Relations	121,457
Keren Gertsman	85,047	Navigo Consulting & Coaching Inc	68,784
Kerr Wood Leidal Assoc. Ltd.	113,736	Nexeter Technologies Ltd.	32,771
Kinectrics Inc.	51,450	Northwest Power Pool	80,674
KOIOS Systems	164,850	N'Quatqua Band	268,662



Supplier	Payment	Supplier	Payment
Oati	964,354	Renaissance Vancouver Hotel	54,225
On Demand Production Network Inc.	25,095	Rescan Environmental Services Ltd.	1,588,710
Opatrny Consulting Inc.	80,867	Resolver Inc.	29,724
Oracle Corporation Canada Inc.	3,947,684	Ricoh Canada Inc.	175,762
OSI Software Inc.	72,924	RKO Business Solutions Inc.	165,513
P.R. Bridge Systems Ltd.	95,162	Roger Ennis	28,350
Pacific Gas and Electric Company	848,731	Rogers Wireless Inc.	112,614
Pacific Surrey Construction Ltd.	56,763	Roper Greyell	28,458
Paladin Security Group Ltd	910,329	Rowe Forest Management Ltd.	56,948
Pathfinder Endeavors Ltd.	146,016	RPO Management Consultants	112,991
Petro-Canada Lubricants	182,011	Scott Wills Contracting	507,260
PHH Vehicle Management Service	94,613	Selkirk Remote Sensing Ltd.	35,881
Pine Tree Helicopters Ltd.	48,346	SG Peardon & Assoc Inc	40,287
Pinton Forrest & Madden Group Inc.	33,128	Shepell.fgi	54,921
Powell River Parks and Wilderness Society	38,700	Silverstone Consulting Ltd.	180,850
Power Line Systems Inc	27,717	Simon Fraser University	214,226
Power Systems Engineering Research Center	52,839	SJN Communications	158,337
Powertech Labs	1,051,187	Skye Emergency Planning	26,162
PricewaterhouseCoopers LLP	83,350	SNC-Lavalin ATP Inc.	2,040,287
QM Consulting Group Inc.	105,422	Solution Q Inc.	42,652
Quanta Technology, LLC	110,456	Sonya Lam and Associates Inc.	99,750
Raysa Enterprises Inc.	380,205	Spectrum Resource Group Inc.	648,787
RBC Life Insurance Company	38,233	Splatsin aka Spallumcheen Indian Band	63,158
Rebel Contracting Ltd.	41,813	Standard & Poor's Corporation	39,773
Red Hat Inc.	30,120	Stantec Consulting Ltd	93,286
Regional Power Inc.	58,051	Strategic Forest Management Inc.	41,874
Reinhausen Manufacturing Inc.	337,035	Stratus Consulting	116,410



Supplier	Payment	Supplier	Payment
Stuntz, Davis & Staffier, P.C.	38,266	Turnham Consultants Inc	52,008
Sun Life of Canada	569,054	UMS Group Inc	209,372
Sunfields Consulting	31,106	United Way	28,560
Surtek Industries Inc.	29,508	Univar Canada Ltd.	43,546
Sylvia Lee	73,672	University of British Columbia	174,662
TDB Consultants Inc.	1,213,512	Van Houtte Coffee Services Inc.	76,022
Teax Holdings Inc.	67,637	Vanry & Associates Inc	119,099
TEKsystems Canada Inc.	105,087	Versify Solutions, LLC	27,014
Telmar Network Technology	40,346	W. Dowad Limited	25,081
Telus Communications Inc.	850,454	Western Electricity Coordinating Council	6,260,823
Telus Mobility	158,331	Westtower Communications Ltd.	179,597
Terasen Gas Inc.	41,303	Workopolis.com	25,340
Thalia Maclsaac	133,932	Wray Consulting Group Inc.	116,279
The 500 Staffing Inc.	29,546		
The Office Resource T.O.R.	43,653	Sundry Accounts Under \$25,000	<u>3,425,856</u>
The Pembina Institute for Appropriate Dev.	48,310	Total	<u>\$ 198,338,573</u>
The Personnel Department Ltd.	200,031		
Thunder Mountain Wind LP	30,000		
Tibco Software Inc.	42,536		
Tla-o-qui-aht First Nation	165,407		
TNS Canadian Facts	44,520		
Tower Fence Products Ltd	26,992		
Township of Langley	456,346		
Transition Forestry Ltd.	36,036		
Translink	249,610		
Tripwire Inc	116,385		
Triton Environmental Consultants Ltd.	35,060		

Schedule F

Reconciliation of Suppliers of Goods and Services

April 1, 2009 to March 31, 2010

Total of aggregate payments exceeding \$25,000 paid to suppliers	\$194,912,717
Consolidated total of payments of \$25,000 or less paid to suppliers	\$3,425,856
Total payments to suppliers	\$198,338,573
Reconciling items	
Add: Payment of directors' and employees' expenses reported on other FIA schedules	\$1,805,272
Less:	
Balance Sheet items	<\$23,913,616>
Recoveries and others	<\$25,402,448>
	<\$23,611,172>
Total non-remuneration expenses included in operations, maintenance and administration and property taxes per Statement of Operations	\$150,827,781



BC Transmission
CORPORATION

SCHEDULE G

Statement of Financial Information Approval

The undersigned represents the Board of Directors of the British Columbia Transmission Corporation and approves all the statements and schedules included in this Statement of Financial Information, for the year ended March 31, 2010, produced under the *Financial Information Act*.

A handwritten signature in black ink, appearing to read 'Dan Doyle', written over a horizontal line.

Dan Doyle
Chairman

Date: Sep. 27, 2010