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1. INTRODUCTION

BC Hydro is committed to incorporating the feedback and perspectives of First Nations and stakeholders into many of its major decision-making processes.

In November 2004, BC Hydro initiated a First Nations' and stakeholder engagement process for its 2005 Integrated Electricity Plan (IEP). The objectives of the process are to:

- engage a broad range of individuals and organizations representing the interests and values of First Nations, industry, business, environmental groups, customers and the public in discussions about energy planning and;
- obtain input from these individuals and organizations on preferred future energy resources to meet the province's growing demand for electricity.

BC Hydro will seek this input through a variety of mechanisms. BC Hydro will not only rely on this input in making its decisions, it will document that input so that it can be shared with participants and the public and used as context for its energy planning decisions.

This document explains what an IEP is and outlines the proposed engagement process for involving First Nations, government, regulatory agencies and all other interested parties in the development of its 2005 Integrated Electricity Plan. This engagement process may change over time, adapting to the specific needs and interests of those involved.

BC Hydro values all input and feedback from First Nations and stakeholders, and will be incorporating feedback received in the engagement process as much as possible into the 2005 IEP. Where time and resource constraints limit the ability to make changes, conduct studies, or meet regulatory obligations, BC Hydro will document the feedback. This feedback will serve to support potential regulatory filings and information, as well as be incorporated into future electricity plan engagement and process design. It is hoped that the Provincial IEP Committee (see Section 3) is able to reach consensus on a preferred long-term portfolio to include in the 2005 IEP which will be filed for information with the BC Utilities Commission by the end of 2005. If consensus is not reached prior to that, BC Hydro reserves the right to make a decision to meet the deadline for submission as specified. Input from all First Nations and stakeholder engagement streams will be documented and presented to the BC Utilities Commission along with BC Hydro's recommendations on a preferred portfolio.

What is an Integrated Electricity Plan (IEP) and how does it relate to a Resource Expenditure & Acquisition Plan (REAP)?

Across all jurisdictions, an IEP is an electric utility's long-term plan for acquiring the resources needed to meet forecasted customer needs. An IEP ensures that BC Hydro meets its obligation to supply reliable electricity to its customers at the least cost while also factoring in key environmental and social considerations.

BC Hydro's 2005 IEP process will shape the province's future electricity supply. The 2005 IEP will outline a long-term plan for meeting anticipated customer needs using a combination of existing and new electricity resources, as well as electricity conservation. Following the IEP process, a Resource Expenditure and Acquisitions Plan (REAP) is developed to identify specific resources and activities that inform business and capital planning processes.

The table below highlights the distinctions between an Integrated Electricity Plan (IEP) and a Resource Expenditure & Acquisition Plan (REAP):

<i>Integrated Electricity Plan (IEP)</i>	<i>Resource Expenditure & Acquisition Plan (REAP)</i>
<p>Provided to the BC Utilities Commission every two years for information only.</p> <p>IEP sets out potential portfolios of future resources and sets the context, informed by input from First Nations and other stakeholders, for the expenditures contemplated in the REAP.</p>	<p>Provided to the BC Utilities Commission every year for regulatory approval.</p> <p>The REAP takes the IEP further by identifying those anticipated expenditures on capital projects, resource acquisition, and demand-side management (e.g., Power Smart) that BC Hydro is currently capable of identifying and advancing. The REAP as a result contains four key components to drive business activities:</p> <ul style="list-style-type: none"> • IEP Action Plan, • BC Hydro Capital Plan, • BC Hydro Demand-side Management Capital and Operating and Management Activities Plan, and • Resource Acquisition <p>In addition, contingency plans are developed to support any one of the above if they do not advance, or are not approved by the regulator.</p>

Why does BC Hydro need an Integrated Electricity Plan (IEP)?

The main reason an “integrated” plan is required is that most of BC Hydro’s electricity system is integrated: 29 of its hydroelectric generating stations are all connected to the same “grid” or transmission system. Since electricity cannot be stored, electricity generation must match electric power demand at all times. Electricity demand is the term used to describe the amount of electricity required by customers. To meet this demand, a utility must have:

- *Adequate energy capability*, or the amount of energy the electric system can produce over a given time (for example, over a year),
- *Adequate peak capacity*, or the maximum amount of electrical power that all of the generating stations combined can produce in any one instant, and
- *Adequate generation reserve*, or the ability to provide a reliable supply of electricity even in the face of forecast uncertainties, unscheduled outages, and system dynamics.

An IEP is designed to ensure that BC Hydro’s integrated electricity system has adequate energy capability, peak capacity, and generation reserve over the long-term, typically a 20-year horizon.

The second reason that an IEP is important is that most new sources of electricity are expensive and require significant lead times to permit and build. Electric utilities need to plan ahead to be sure that the required resources will be in place when needed by its customers.

How does BC Hydro involve First Nations and stakeholders in developing its IEP?

BC Hydro believes that those affected by its business have a right to be informed about activities, participate in decision-making through transparent processes and be involved in addressing issues and opportunities that affect them. BC Hydro believes that it will be

successful in achieving its vision to deliver reliable, low cost power for generations by having relationships that:

- Build trust and integrity based on open and honest communication,
- Help us understand the long-term impacts of our decisions and;
- Reflect how stakeholders want to be engaged.

BC Hydro has selected a team that will support First Nations and stakeholder engagement through the application of the above principles throughout the 2005 IEP process. First Nations and stakeholders will be provided with a variety of opportunities to choose from in providing input that will shape the development of possible portfolios of resources with a goal to arrive at a preferred portfolio. The 2005 IEP engagement process has been designed to enhance participation by responding to suggestions received from participants in the 2004 IEP process.

What are the major steps for developing an IEP?

The process for developing or updating an IEP involves a series of six key steps, outlined in the table below; along with a description of some ways First Nations and stakeholder engagement will be incorporated along the way.

#	Step	Description
1	<i>Establish Initial Planning Objectives</i>	BC Hydro develops initial objectives to guide the assessment of options considered during the IEP process. It also considers the current economic and regulatory conditions. Examples could include: 1) ensuring reliable electricity supply, 2) providing customers with low cost electricity, and 3) supplying electricity in an environmentally and socially responsible way.
2	<i>Develop a First Nations & Stakeholder Engagement Plan</i>	BC Hydro drafts and shares a stakeholder engagement plan indicating how it will involve interested parties at key points in the process. For example: <ul style="list-style-type: none"> • informing interested parties about the process, and • documenting their feedback for incorporation into the planning process.
3	<i>Develop a Demand-Supply Outlook</i>	BC Hydro develops a 20-year domestic <i>load forecast</i> to: <ul style="list-style-type: none"> • assess how existing and committed electricity resources can meet electricity demand, and • determine the magnitude of gaps between the projected supply of available energy and the projected demand from customers.
4	<i>Identify Resource Options</i>	BC Hydro, with input from First Nations and stakeholders, will identify and characterize: <ul style="list-style-type: none"> ▪ supply-side resource options (for example, a new wind facility or natural gas-fired generation plant), and ▪ demand-side resource options (for example, Power Smart conservation programs) available to fill the gap between projected demand and supply.

#	Step	Description
		First Nations and other stakeholders will also provide input on their preferences for various resource options.
5	<i>Evaluate Portfolios & Choose a Preferred Portfolio</i>	The PIEPC (see description 3.3) will create, evaluate and compare portfolios (bundles of resource options) against established criteria based on planning objectives, while considering risks and uncertainties. The PIEPC will seek consensus on a preferred portfolio. In addition, participants will provide input on their preferences for different portfolios.
6	<i>Create an Action Plan</i>	Once a preferred portfolio has been identified, BC Hydro will implement short-term plans to develop projects and programs towards the preferred long-term portfolio.

How does an Integrated Electricity Plan (IEP) change over time?

Integrated electricity plans are typically based on load forecasts and resource options that cover 15 to 20 years. This long-term view does not mean that BC Hydro is locked into each of the resource options identified over the planning horizon. However, BC Hydro must make annual decisions on how it will supply future needs with generation resources that can take up to ten years to build and require transmission investments that can take up to seven years to complete. The IEP must also be flexible to respond to changing market conditions and future uncertainties. In other words, the plan must be designed to meet its key objectives in a variety of possible scenarios.

BC Hydro periodically reviews and updates the IEP, and is required to file a long-term resource plan with the BC Utilities Commission every two years. The 2005 IEP will be completed by year-end to support business planning and regulatory processes.

If BC Hydro's last Integrated Electricity Plan (IEP) was completed in 2004, why is another one being developed so soon in 2005?

BC Hydro is required to file a long-term resource plan with the BC Utilities Commission (BCUC) every two years. The most recent IEP was issued on March 31, 2004. The main purpose of reviewing BC Hydro's IEP in 2004 was to: 1) focus on projecting the type (e.g., hydroelectric, gas-fired generation) and quantity of electricity that BC Hydro needs over the next 20 years, and 2) establish the shorter term Action Plan for BC Hydro's business activities and expenditures.

While the last update was completed recently, BC Hydro has chosen to update its IEP again in 2005 for the following reasons:

1. To meet regulatory requirements (the Resource Expenditure and Acquisition Plan supported by the Resource Options Report) specified by the BC Utilities Commission for review and approval of resource plans as identified in the 2004 BC Hydro Revenue Requirements hearing.
2. To shift the intensive bi-annual review process to years when BC Hydro does not expect to file a Revenue Requirements Application.
3. To complete the identification of a preferred portfolio, as this was not included in the 2004 IEP process.

How will the involvement of First Nations & stakeholders in the 2005 IEP process compare with their involvement in the 2004 IEP process?

In the winter and spring of 2004, BC Hydro engaged First Nations and stakeholders throughout the province in the 2004 IEP review process, receiving feedback from over 250 participants. This input included information about their level of satisfaction with BC Hydro's efforts to involve them in the process. The design of the 2005 IEP First Nations and Stakeholder Engagement Plan has taken into account many of these suggestions, for example:

- utilizing several streams of engagement (i.e., different ways of being involved and providing input) to meet a variety of stakeholders' and First Nations' needs, and
- designing the planning process to ensure First Nations and stakeholder input has a greater influence on the development of possible portfolios of resource options and on the selection of a preferred portfolio.

The 2005 IEP will be BC Hydro's first opportunity to implement suggestions for improvement made by the 2004 IEP participants. BC Hydro is committed to responding to that feedback during the 2005 IEP process while at the same time ensuring it meets the schedule of BCUC regulatory requirements outlined in Section 1.6 (above). BC Hydro will seek input from First Nations and stakeholders to improve on each future IEP engagement process.

2. OBJECTIVES OF THE 2005 IEP ENGAGEMENT PROCESS

First Nations and stakeholders views and input are vital to BC Hydro's energy planning process. The First Nations and stakeholders engagement process is guided by six key objectives:

1. Engage First Nations, stakeholders and interested parties in a meaningful way related to long-term electricity planning
2. Gain insight into First Nations and stakeholders' values and interests around electricity choices
3. Broadly inform First Nations and stakeholders about energy planning and develop public awareness
4. Foster relationships for future long-term planning processes
5. Integrate intervenors' concerns to expedite regulatory review
6. Learn how improvements can be made for future IEP processes

These objectives reflect input from the participants in the 2004 IEP process.

The engagement process for the 2005 IEP will also seek to represent a broad range of interests and perspectives, be transparent and inclusive, strive for meaningful discussion and dialogue and emphasize two-way communication and mutual respect.

3. OVERVIEW OF ENGAGEMENT OPPORTUNITIES

The 2005 IEP First Nations and stakeholder engagement process has been designed to capture a broad perspective of stakeholder values by providing the following opportunities to participate in:

- Broad Public Communication & Engagement

- Technical Resource Options Workshops
- Regional Workshops
- Provincial IEP Committee (PIEPC)
- First Nations Engagement

Communications with all five streams of engagement will be linked to ensure consistency, timeliness and transparency. Updates will be provided at key milestones (e.g., regulatory filings) throughout the 2005 IEP process. The following sections explain in detail the five streams of engagement and how information will be shared across the streams.

Broad Public Communication & Engagement

Capturing the interests and perspectives of the broad public in any engagement process is often challenging. As such, BC Hydro plans to use a range of communication channels to gather input on its long-term energy planning and share that information with other stakeholders.

In particular, BC Hydro intends to use the channels described in the table below.

<i>Event</i>	<i>Description</i>	<i>Link to Other Engagement Streams</i>	<i>Timing</i>
<i>Regional Information Sessions</i>	<p>These sessions will provide information on the engagement process for the 2004 IEP. The objective of the Regional Information Sessions is to provide information on the 2005 IEP, and solicit input to the process.</p> <p>The Regional Information Sessions are open to the public, and will be advertised in local newspapers.</p>	<p>Feedback from the Information Sessions will be discussed at the Regional Workshops (Section 3.3).</p> <p>Attendees at these Regional Information Sessions may be invited to participate / observe the Regional Workshops (Section 3.3), and/or the Provincial Integrated Electricity Plan Committee (PIEPC) meetings (Section 3.4).</p> <p>Interested parties in the regions may contact members of the PIEPC if they wish to provide direct input.</p>	<p>February to March 2005, the night before each of the Regional Workshops</p>
<i>Public Information and Feedback</i>	<p>Through a variety of methods (e.g., telephone surveys or focus groups), BC Hydro will seek the public's input on long-term planning goals.</p>	<p>Public feedback and input collected from this stream will be provided to the Provincial Integrated Electricity Plan Committee (PIEPC) to be considered in the development of the IEP.</p>	<p>December 2004 and ongoing</p>

General Communications

Broad communication will support all five streams of engagement. The public will be kept informed about the progress of the IEP; ways to get involved; and about general energy planning issues, through: e-mail, project updates and information sheets, news releases, telephone calls, website updates and presentations. BC Hydro's Regional Community Relations managers will serve as the avenue for timely, two-way communications with regional stakeholders throughout the 2005 IEP stakeholder engagement process, and the Aboriginal Relations department will support information with interested First Nations.

Technical Resource Options Workshops

Determining the resource options available for consideration in the 2005 IEP (e.g., wind energy, gas-fired generation, etc.) and agreeing on the ways these options are assessed is an integral part of energy planning. Since these discussions are often complex and highly technical, BC Hydro is proposing to provide a separate forum for these discussions and will share the outcome with other stakeholders and First Nations.

The key objectives in discussing the technical resource options are to:

- Ensure that the assumptions and characterization of all the potential resource options that form the basis of the IEP inputs are broad, current, and representative of the options available in the province within the planning guidelines.
- Elicit input on how best to define the social and environmental characteristics of different electricity resources, as well as provide realistic ranges on volume, cost, capacity factor and dependable capacity factors for each resource to support the filing of the Resource Options Report to the BC Utilities Commission in the spring 2005.
- Consolidate this information with other information gathered across other engagement activities to support the regulatory filing of the Resource Options Report to the BC Utilities commission in the spring of 2005.

The proposed format of the workshops is outlined in the table below.

<i>Event</i>	<i>Description</i>	<i>Link to Other Engagement Streams</i>	<i>Timing</i>
<i>Technical Resource Options Workshop</i>	This day-long workshop will be offered to all interested stakeholders, First Nations, and particularly intervenors and Independent Power Producers to outline BC Hydro's current inventory of resource options.	Information obtained from this workshop will support the Resource Options Report filing submitted to the BC Utilities Commission in the spring 2005. The information will also be shared broadly with participants throughout the engagement process and form the basis for the PIEPC (described in Section 3.4) evaluation and decision-analysis process. Attendees at this workshop are invited to be participants or observers at the Regional Workshops, and/or participants or observers at the Provincial Integrated Electricity Plan Committee (PIEPC) meetings.	December 7, 2004
<i>Additional Workshop(s) (optional)</i>	The opportunity exists for participants at the initial Technical Resource Options Workshop to identify areas that require further analysis and discussion. The scope and design of any additional workshops will be determined following the initial Technical Resource Options Workshop (described above).	Information obtained from this workshop and/or subsequent ones will support the Resource Options Report filing in the spring 2005. The information will also be shared broadly with each engagement stream and form the basis for the PIEPC evaluation and decision-analysis process. Attendees at this workshop will be invited to participate in (or observe) the Regional Workshops, and/or	February to May 2005

<i>Event</i>	<i>Description</i>	<i>Link to Other Engagement Streams</i>	<i>Timing</i>
		participate or observe the Provincial Integrated Electricity Plan Committee (PIEPC) meetings.	

Potential attendees of these workshops will be notified in two ways: 1) through a general 2005 IEP First Nations and Stakeholder Engagement invitation that highlighted the workshop and was issued on November 16, 2004, and 2) through a follow-up invitation to known intervenors (sent in late November 2004). This information is also available on BC Hydro's website.

Regional Workshops

BC Hydro recognizes that it is likely that First Nations and stakeholders perspectives on energy planning will vary in each region. Since BC Hydro serves customers throughout the province, understanding regional interests is important to how the company plans for the future. In an effort to capture these regional perspectives, BC Hydro is proposing to offer people an opportunity to provide input into the 2005 IEP process through a series of workshops held throughout the province. The objectives of engaging at the regional level are to:

- Learn about regional stakeholders' general values and obtain information about how they value specific resource options (e.g., new sources of electricity)
- Engage regional stakeholders in evaluating possible portfolios of resource options

In this case, the word "values" means information about stakeholders' relative preferences for different planning objectives; for example, how much more important is it to maintain lower electricity rates than to purchase electricity from 'greener' electricity resources which traditionally have fewer environmental impacts? Stakeholders' values indicate their level of preference for one resource option over another.

The proposed process for this engagement stream is a set of at least two workshops that will feed input into the Provincial IEP Committee process (see Section 3.4), and will inform regulatory filings as outlined in the table below (also see Section 5 for more details). Regional stakeholders may apply to become participating members of the PIEPC (see Section 3.4 for more details).

<i>Event</i>	<i>Description</i>	<i>Link to Other Engagement Streams</i>	<i>Timing</i>
<i>First Round of Regional Workshop Meetings</i>	This initial round of Regional Workshop sessions will be focused on learning about regional stakeholders' general "values" and their preferences regarding specific resource options (e.g., new sources of electricity) Workshops will be held throughout the province, including Kitimat, Prince George, Fort St. John, Williams Lake, Vernon, Kamloops, Revelstoke, Cranbrook, Castlegar, Victoria, Campbell River, Nanaimo, Vancouver, Squamish and Abbotsford.	Broadly attended Regional Information Sessions (see Section 3.1) will be held the evening prior to each Regional Workshop. Feedback from the Information Sessions will be shared with participants of the Regional Workshops. The stakeholder input from the Regional Workshops will be forwarded to the Provincial IEP Committee (see Section 3.4) and may also be included in the Spring 2005 filing of the Resource Options Report to the BC Utilities	February to March 2005

Event	Description	Link to Other Engagement Streams	Timing
		Commission.	
Second Round of Regional Workshop Meetings	<p>To meet time and participant constraints, the second round of Regional Workshops will be in a regional symposium format in the five regions in the province (Lower Mainland, Northern BC, Kootenays, Thompson-Okanagan & Upper Columbia, and Vancouver Island). Each will involve a maximum of 20 participants.</p> <p>Stakeholders at the first round of Regional Workshop meetings will be invited to become involved in a second round of workshops. The design of the second round of workshops is under development and will depend on the input and deliberations of the Provincial IEP Committee (PIEPC) process.</p>	<p>These workshops will build on the first round of workshops. This will be an opportunity for the Provincial Integrated Electricity Plan Committee (PIEPC) to provide regional stakeholders with an update on the development of possible electricity resource portfolios. It is also a chance for regional stakeholders to provide input on key questions and highlights emanating from the PIEPC portfolio analysis.</p> <p>Regional Workshop participants are also welcome to review information material from the PIEPC meetings and can attend PIEPC meetings as observers with prior notification.</p>	Fall 2005

To allow for effective facilitation, the number of participants attending the daylong Regional Workshops will be limited to 15. Invitations to participate will be sent to key stakeholders in each region, and those stakeholders that attended information sessions for the 2004 IEP. Invitation letters will be sent in early January 2005 and respondents will be asked to RSVP. Pre-reading material will be sent to parties who confirm attendance to support their full participation. Depending on space, Regional Information Session attendees may participate in (or observe) the Regional Workshop in their community the following day.

Provincial Integrated Electricity Plan Committee (PIEPC)

Integrated electricity planning is a complex process, requiring detailed analysis and evaluation of available options. The three first engagement streams (Broad Public Communication & Engagement, Technical Resource Option Workshops and Regional Workshops) are designed to provide opportunities for involvement for multiple stakeholders representing a broad range of interests at the local and regional level. In contrast, the Provincial IEP Committee (PIEPC) process will tackle provincial resource considerations in much more detail. The PIEPC will attempt to reach consensus on a preferred long-term portfolio of electricity resources over a series of meetings, as described in the table below.

Event	Description	Link to Other Engagement Streams	Timing
Provincial Integrated Electricity Plan Committee (PIEPC)	<p>The PIEPC will work at a more detailed and technical level than other groups. PIEPC will hold two-day meetings at least four times during the 2005 IEP process.</p> <p>It is hoped that the PIEPC is able to reach consensus on a preferred long-term portfolio in</p>	<p>PIEPC will receive feedback on resource options and preferred portfolios from the other engagement streams.</p> <p>PIEPC is expected to</p>	December 2004 to Fall 2005

<i>Event</i>	<i>Description</i>	<i>Link to Other Engagement Streams</i>	<i>Timing</i>
	<p>time for the filing of the Resource Expenditure and Acquisition Plan (REAP) from the 2005 IEP to the BC Utilities Commission in fall 2005. If consensus is not reached prior to that, BC Hydro reserves the right to make a decision to meet the deadline for filing as specified. In a non-consensus situation, input from all stakeholder engagement streams will be documented and presented to the BC Utilities Commission (BCUC) along with BC Hydro's recommendations on a preferred portfolio.</p> <p>The Provincial IEP Committee (PIEPC) will consist of approximately 15 participants with seats allocated as follows:</p> <ul style="list-style-type: none"> • 3 seats for First Nations • 5 seats for Intervenors • 5 seats for at-large representatives of environmental interests, non-governmental agencies, independent power producers, customers, and independent people • 2 seats for BC Hydro to represent its corporate values related to its social, environmental and financial bottom lines 	<p>incorporate this information into their decisions about possible resource portfolios, and the final preferred portfolio.</p>	

Letters of invitation were sent to potential First Nations representatives, typical intervenors, and known stakeholders who might be interested in participating. An Expression of Interest was also broadly circulated to attract applications for the other five representative-at-large seats.

Potential candidates for PIEPC membership were invited to submit applications in the last week of November 2004, indicating their interest in participating and demonstrating how they meet the following key selection criteria:

- Specialized experience or knowledge related to integrated electricity planning
- Specific skills or expertise to share in the areas of environmental, economic, or social aspects related to energy/electricity in B.C.
- Viewed as representative of a group or interest, if applicable
- Experience and interest in committing to a collaborative, shared learning process
- Able to commit the time and resources to fully engage in the defined PIEPC process, and be
- A resident of British Columbia.

An external selection committee, chaired by BC Hydro, was formed to confirm the PIEPC membership, based on the selection criteria above as well as regional representation.

First Nations Meetings & Workshops

BC Hydro recognizes that First Nations have different preferences for involvement in planning processes and different perspectives on what constitutes meaningful engagement. The objectives of the First Nations engagement process are to:

- Inform First Nations about BC Hydro's integrated electricity planning process
- Determine how First Nations would like to be engaged and/or provide input into the 2005 IEP. First Nations will be invited to participate in all of the 2005 IEP engagement streams
- Learn about regional First Nations' values and obtain information about their valuation of specific resource options (e.g., new sources of electricity). A related objective is to understand First Nations interests related to long-term transmission planning. This input will be included in the BC Hydro and BC Transmission Corporation (BCTC) regulatory filings submitted to the BC Utilities Commission (BCUC).
- Determine if and what interests the First Nations may have in the Portfolio design and resource options determination
- Seek input from First Nations about how they would like to be engaged in future IEP processes
- Build the capacity of First Nations to engage in electricity planning issues

BC Hydro's proposed process for engaging First Nations is to hold a series of meetings as outlined below:

<i>Event</i>	<i>Description</i>	<i>Link to Other Engagement Streams</i>	<i>Timing</i>
<i>Introductory Meetings with Political Organizations</i>	<p>Early introductory meetings with representatives of the five recognized provincial Aboriginal bodies to obtain feedback on the process and to gain support for continued engagement.</p> <p>Meetings will be scheduled with leaders from the following organizations: 1) Assembly of First Nations for the BC Region, 2) First Nations Summit, 3) Union of BC Indian Chiefs, 4) Metis Provincial Council of BC, and 5) United Native Nations.</p>	These meetings will lay the foundation for First Nations participation across all the streams of engagement.	December 2004
<i>First Nations Information Sessions</i>	<p>Initial Regional Information meetings with First Nations and Aboriginal groups are designed to introduce the 2005 IEP and information on BC Hydro's utility planning process. These initial Information Sessions would provide follow up on the 2004 IEP engagement process, as well as input on a process to continue engagement, and some high level context on the 2005 IEP. They are a key component of the capacity building element of the First Nations stream.</p> <p>Information meetings will occur in Nanaimo,</p>	Input provided by First Nations at these Information Sessions will be presented to the Provincial Integrated Electricity Plan Committee (PIEPC) for consideration in the design of possible resource portfolios.	December 2004 to January 2005

Event	Description	Link to Other Engagement Streams	Timing
	Abbotsford, Kamloops, Terrace, Prince George, Revelstoke and Fort St John.		
Special Meeting of First Nations with Unique Reliability Issues	A separate, but related issue for First Nations is the reliability of their electricity supply. There will be an additional meeting in Vancouver that will bring together First Nations with unique reliability issues because they live in: 1) BC Hydro's non-integrated service areas, 2) BC Hydro's remote but integrated service areas, or 3) communities serviced by Indian and Northern Affairs Canada (federal government). The First Nations communities in these areas have unique reliability issues and this will be an opportunity for BC Hydro to understand their regional values and concerns for future planning.	This meeting will inform future policy discussions between First Nations, BC Hydro, BCTC, and the Federal and Provincial Governments	April 2005

The proposed process for eliciting First Nations values and input on specific resources options is a set of two workshops that will provide input to the Provincial IEP Committee (see Section 3.4), and will inform regulatory material and filings submitted to the BC Utilities Commission, as outlined in the table below and further described in Section 5 ("Documentation").

Event	Description	Link to Other Engagement Streams	Timing
First Round of Regional Workshops with First Nations <i>(equivalent to first round of Regional workshops described in Section 3.3)</i>	<p>This first round of Regional Workshops with First Nations will focus on eliciting values on resource options for the 2005 IEP.</p> <p>The locations for these Regional Workshops will be in similar locations as the initial Information Sessions (Abbotsford, Fort St. John, Nanaimo, Kamloops, Prince George, and Fort St. John). The independent facilitator from the initial Regional Information Sessions will jointly facilitate these workshops with First Nations and a specialized resource valuation facilitator trained in decision analysis.</p>	<p>This first round of Regional Workshops will be an opportunity for First Nations participants to receive updates on the progress being made by the Provincial Integrated Electricity Plan Committee (PIEPC).</p> <p>It will also be a chance for First Nations to provide input back to the PIEPC to consider as they develop and refine possible electricity resource portfolios.</p> <p>Regional Workshop First Nations participants are welcome to attend PIEPC meetings as observers.</p>	February to April 2005
Second Round of Regional Workshops with First	During the first round of Regional Workshops with First Nations, participants will be informed about the format of the second round of Regional Workshops and will select participants	This second round of Regional Workshops will build upon the first round, with more detailed information about how the resource options were built	Fall 2005

Event	Description	Link to Other Engagement Streams	Timing
Nations (similar to second round of Regional workshops described in Section 3.3)	to attend. The second round may be offered in fewer locations to meet the timeline and resource constraints in obtaining meaningful input to undertake decision analysis.	into the portfolios. This will be an opportunity for participants to receive updates from the Provincial Integrated Electricity Plan Committee (PIEPC). This will also provide First Nations with the opportunity to provide feedback to PIEPC so that First Nations' regional values are considered as they select a preferred portfolio. Regional Workshop First Nations participants are welcome to attend PIEPC meetings as observers.	

First Nations will also be given an opportunity to become members of the Provincial IEP Committee (PIEPC), as described in the table below. This membership involves participating in regularly scheduled Electricity Planning Advisory Group meetings with BC Hydro representatives in between the PIEPC meetings to discuss unique interests and policy considerations, as well as to build capacity for future engagement with BC Hydro.

Event	Description	Link to Other Engagement Streams	Timing
First Nations Participation on Provincial IEP Committee (PIEPC)	Three First Nations representatives will be invited to participate on the Provincial IEP Committee (PIEPC). The invitations will be extended to potential First Nations representatives by BC Hydro's Aboriginal Relationship Department based on those representatives' considerable knowledge and understanding of their region and relationships, and their ability to commit to the process.	Like all other members of PIEPC, the First Nations participants will have a chance to receive and review input from all the other streams of engagement.	PIEPC meetings from December 2004 through to fall 2005
First Nations Electricity Planning Meetings	The three First Nations members of PIEPC will also hold regularly scheduled meetings with BC Hydro to discuss unique interests and policy considerations and build capacity for future engagement with BC Hydro.	Members will be given the option to invite additional regional or political representatives to the First Nations Electricity Planning Advisory Group Meetings for advice or support.	First Nations Planning meetings from February through to July 2005

A number of First Nations representatives commented on BC Hydro's 2004 Integrated Electricity Planning (IEP) Process. First Nations felt that, despite the recent separation of BC Hydro and the British Columbia Transmission Corporation (BCTC), they view the companies as integrally linked and wanted to be able to deal with both organizations in a coordinated manner.

Based on that feedback, BC Hydro and the BCTC have agreed to work together to coordinate First Nations' communication and engagement activities, beginning with the long-term planning processes for both organizations (i.e., BC Hydro's 2005 IEP and the BCTC's Capital Plan). BC Hydro and the BCTC will each be hosting public engagement activities opened to First Nations and stakeholders. Appendix B speaks to the relationship between the two processes.

The notification of First Nations will be planned and coordinated through BC Hydro's Aboriginal Relations Department (ARD), with the majority of notices and invitations being issued by ARD representatives. The ARD team will coordinate communication between First Nations and the BCTC. The following are some key notification and communication activities planned:

- The first notification to First Nations was a general information / invitation letter co-signed by BC Hydro and the BCTC, sent to First Nations band and tribal councils in BC Hydro's integrated service area on 16 November 2004. An additional letter solely from BC Hydro inviting First Nations and advising them of the five opportunities for engagement in the 2005 IEP process was also sent out.
- Meetings will be initiated and held with the five provincial aboriginal political organizations to explain the process (in late November 2004 and early December 2004)
- The next communication will be a copy of the press release announcing the appointment of the Provincial IEP committee members (December 2004)
- BC Hydro ARD staff will follow up with phone calls to communities in the various regions where workshops are being held, again outlining the process and advising who is representing First Nations' interests at the Provincial IEP Committee level. Attendance at the other engagement streams will be encouraged (December 2004 to March 2005)
- Where possible, notices advertising the initial First Nations Regional Information Sessions will be posted in First Nations community newspapers and newsletters (December 2004 - January 2005)

4. IMPLEMENTATION OF THE ENGAGEMENT PROCESS

The five engagement streams will be implemented concurrently to reach the broadest number of stakeholders and First Nations within the project timeframe (December 2004 to end of 2005). The following is the proposed schedule of key milestones and meetings for the 2005 IEP engagement process. As the process unfolds, changes to the overall schedule may be required. Please refer to BC Hydro's website www.bchydro.com/iep for the most current information on dates and locations of upcoming meetings.

The proposed schedule also indicates when notifications and invitations will be issued for each opportunity for involvement.

Month	Engagement Stream	Key Activities
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Month	Engagement Stream	Key Activities
November 2004	Broad Public	<p>Preliminary communication about the 2005 IEP process (e.g., inserts at Union of BC Municipalities conference in September, reference to IEP process in BC Hydro October bill inserts, mention in BC Hydro Fall 2004 Clean Energy advertising campaign)</p> <p>Proposed engagement approach presented to interested parties at recent conferences and summits (e.g., Annual Conference of Independent Power Producers of BC, and BC Power Summit).</p> <p>Initial notification of 2005 IEP First Nations and Stakeholder Engagement process.</p>
December 2004	Broad Public	Ongoing communication & progress updates
	First Nations	<p>Notification via introductory meetings with representatives of the five recognized provincial Aboriginal bodies.</p> <p>General information / invitation letter issued by BC Hydro Aboriginal Relations Department</p> <p>Follow-up phone calls to provide information, answer questions & encourage participation</p>
	Technical Resource Options Workshop	Workshop held in Vancouver on December 7, 2004
	Provincial IEP Committee	<p>Formation of PIEPC Selection Committee</p> <p>Membership of PIEPC confirmed and announce 1st meeting of PIEPC – December 14-15, 2004</p>
January to April 2005	Broad Public	<p>Ongoing communication & progress updates</p> <p>Announcement of PIEPC membership</p>

Month	Engagement Stream	Key Activities
	First Nations	<p>1st round of Regional Information Sessions (1 day each in 6 communities).</p> <p>Phone calls by BC Hydro Aboriginal Relations Department to provide information, answer questions & encourage participation</p> <p>Special Meeting of First Nations with Unique Reliability Issues</p>
	Regional Workshops	<p>Notification (news release) for Regional Information Sessions and invitations to Regional Workshops issued in January 2005.</p> <p>Advertise each Information Session for two weeks prior to meeting.</p>
	Provincial IEP Committee	One on one discussions with facilitator
February to March 2005	Broad Public	Ongoing communication & progress updates
	Technical Resource Options workshops	Second workshops and sessions on specific areas, as identified by participants in the first workshop (optional, as needed)
	Regional Workshops	<p>Regional Information Sessions (evening sessions in 14 communities around the province)</p> <p>1st round of Regional Workshops (daytime sessions) will occur on the next day following the evening Information Sessions in each community</p> <p>BC Hydro to document information and feedback received during 1st round of Regional Workshops</p>
	First Nations	<p>1st round of Regional Workshops</p> <p>First Nations PIEPC members meeting</p>
	Provincial IEP Committee	<p>2nd Meeting of PIEPC</p> <p>Computer modeling of possible resource portfolios</p>

Month	Engagement Stream	Key Activities
April to July 2005	Broad Public	Ongoing communication & progress updates News release about BC Hydro filing of Resource Options Report with the BC Utilities Commission
	Provincial IEP Committee	3 rd meeting of PIEPC 4 th meeting of PIEPC (incorporating input from regional First Nations and stakeholder meetings in May/June) 5 th meeting of PIEPC (as needed)
	First Nations	First Nations PIEPC members meeting
	Regulatory Agencies	June 2005 Filing on Resource Options (Resource Options Report) with BC Utilities Commission
Fall 2005	First Nations	First Nations PIEPC members meeting Ongoing communication & progress updates 2 nd round of Regional First Nations Workshops
	Regional Workshops	Regional Information Sessions (evening sessions in central communities of 5 regions around the province) 2 nd round of Regional Workshops will occur on the next day following the evening Information Session in each of the same 5 communities) Design and format of workshops to be announced
	Provincial IEP Committee	Documentation of the provincial process
	Regulatory Agencies	Final Report on 2005 IEP First Nations and Stakeholder Engagement (submitted to BCUC & released to public) Fall 2005 Filing of Final Integrated Electricity Plan (IEP) and Action Plan with the BC Utilities Commission (BCUC)
	Broad Public, First Nations and	Notification about BC Hydro submission of Final IEP

Month	Engagement Stream	Key Activities
	Stakeholders	and Action Plan with BC Utilities Commission Potential for follow-up engagement to review aspects of the 2005 IEP and subsequent regulatory filings, and to obtain feedback on the engagement process to support design for future IEPs

5. DOCUMENTATION OF THE ENGAGEMENT PROCESS

Throughout the 2005 IEP process, BC Hydro will document input received from First Nations and stakeholders and provide updates on the IEP engagement process. The IEP project team and the facilitator organizing each session/workshop will create a record of each meeting with First Nations and stakeholders. All participants will be provided with a copy of the records created for the sessions they attended, and will have the opportunity to revise notes in the event that their input was not accurately represented.

At the end of the 2005 IEP process, a number of key reports will be produced and submitted for information to the BC Utilities Commission. A listing and description of these documents is provided below.

Once the 2005 IEP has been finalized, BC Hydro will draft a Resource Expenditure and Acquisition Plan (REAP) which provides recommendations about specific resource acquisitions, projects and investments aligned with the IEP. The REAP will be submitted to the BC Utilities Commission for regulatory approval.

Document	Description
<i>Report on 2005 IEP First Nations and Stakeholder Engagement</i>	<p>The engagement process (including the progress and outcomes of all five streams of engagement) will be documented in a separate report.</p> <p>The 2005 IEP Engagement Report will have the following: a description of the streams of engagement; input and feedback received from First Nations and stakeholders; relevant technical information; development of possible electricity resource portfolios; evaluation of those possible portfolios; discussions about a preferred portfolio; and areas of agreement and disagreement (including the deliberations of the PEIPC).</p> <p>This report will be prepared by the BC Hydro IEP Project Team, along with input from the facilitators who conducted meetings, workshops and other sessions throughout the engagement process.</p> <p>This final Engagement Report will be submitted for information to the BC Utilities Commission (BCUC) to ensure they have received complete and accurate information from participants in the 2005 IEP First Nations and stakeholder engagement process.</p>
<i>2005 IEP Resource Options Report</i>	<p>BC Hydro will file a 2005 IEP Resource Options Report to the BC Utilities Commission by spring 2005.</p> <p>The Resource Options Report will be informed by the input received from</p>

<i>Document</i>	<i>Description</i>
	PIEPC members and from First Nations and stakeholders participating in the Regional Workshops and the Technical Resource Options Workshops.
<i>2005 Integrated Electricity Plan (IEP)</i>	<p>The 2005 IEP will aim to reflect the preferred portfolio that will inform which resources BC Hydro will purchase or develop in the future. If no consensus is achieved, BC Hydro reserves the right and responsibility to select which long-term resource portfolio to propose. The final IEP should describe how the proposed resource portfolio is intended to help meet the range of long-term social, environmental and economic values and objectives identified throughout the First Nations and stakeholder engagement process.</p> <p>BC Hydro will draft the 2005 Integrated Electricity Plan (IEP) and submit it for information to the BC Utilities Commission.</p>

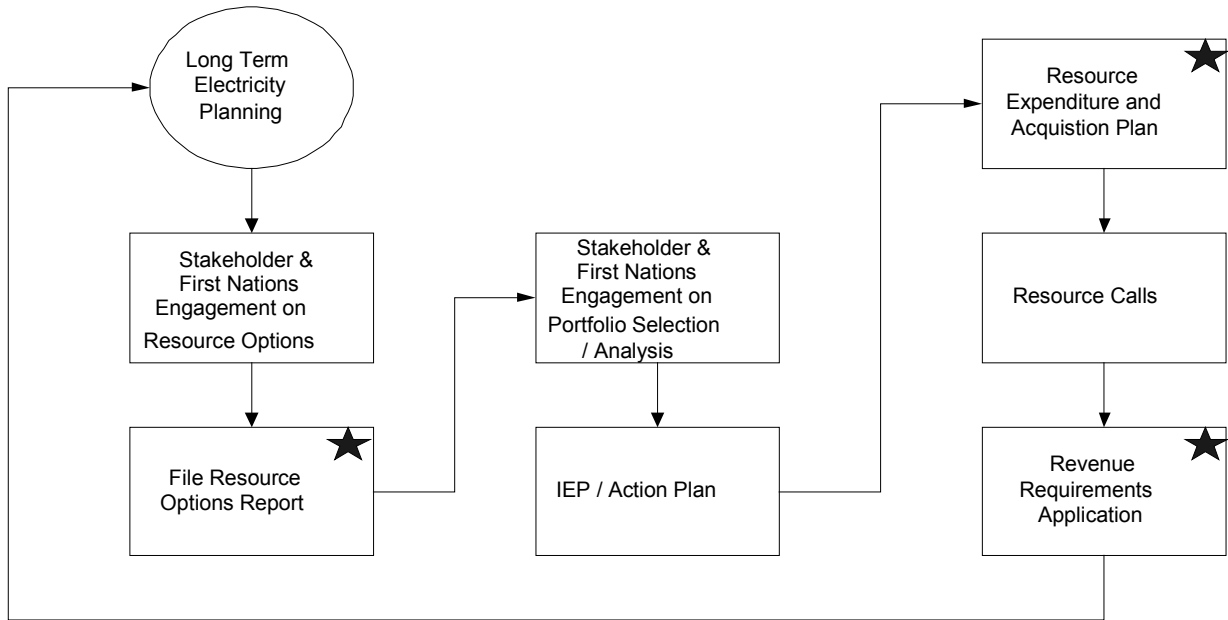
6. SUMMARY

BC Hydro is committed to engaging First Nations and stakeholders to develop the 2005 Integrated Electricity Plan (IEP) in an open and transparent way. BC Hydro will work cooperatively with First Nations and stakeholders to build and maintain public support and awareness for its future energy plans, and provide the opportunity to identify interests, learn about values, and explore alternative portfolio options to meet future electricity needs.

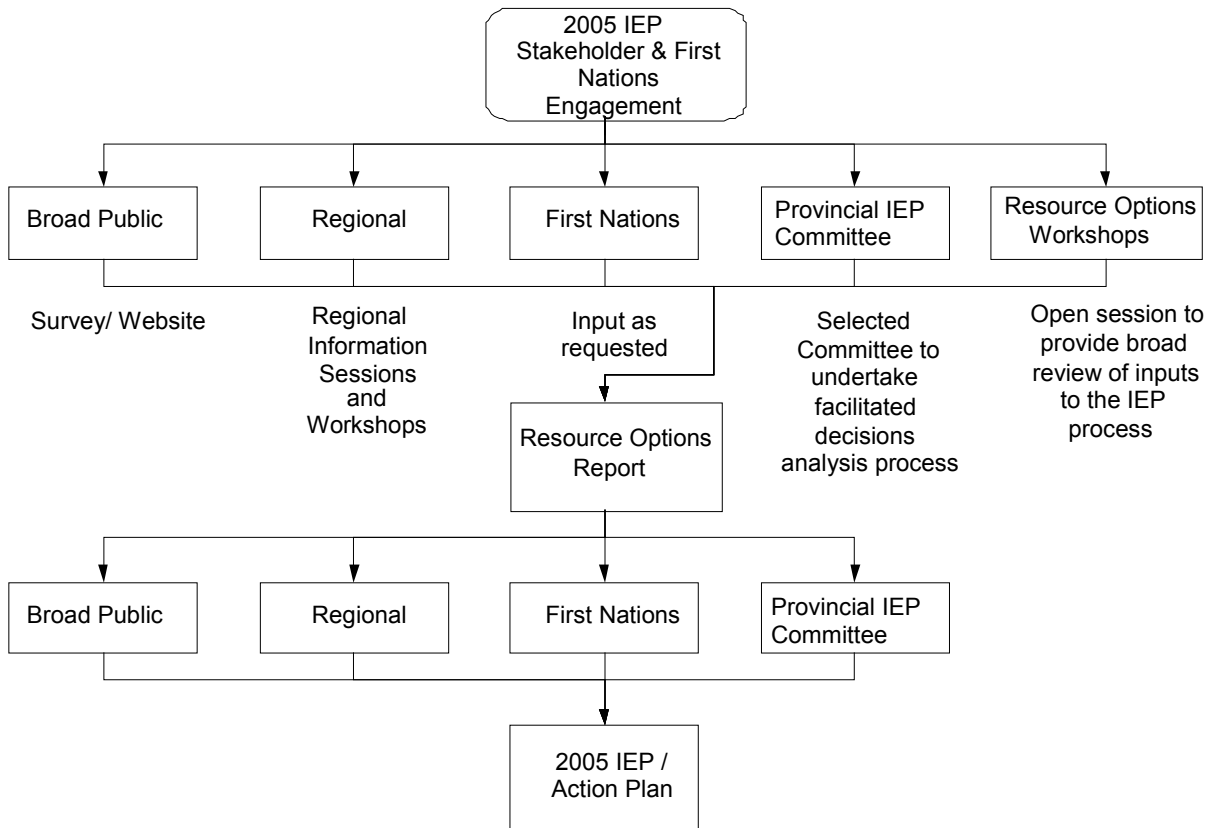
BC Hydro values all input and feedback from First Nations and stakeholders, and will be incorporating feedback received in the engagement process as much as possible into the 2005 IEP. Where time and resource constraints limit the ability to make changes, conduct studies, or meet regulatory obligations, BC Hydro will document the feedback. This feedback will serve to support potential regulatory filings and information, as well as be incorporated into future electricity plan engagement and process design. It is hoped that the Provincial IEP Committee (see Section 3) is able to reach consensus on a preferred long-term portfolio to include in the 2005 IEP which will be filed for information with the BC Utilities Commission by the end of 2005. If consensus is not reached prior to that, BC Hydro reserves the right to make a decision to meet the deadline for submission as specified. Input from all stakeholder engagement streams will be documented and presented to the BC Utilities Commission along with BC Hydro's recommendations on a preferred portfolio.

This plan is intended to support participants' understanding of the scope of the engagement proposed for the implementation of the 2005 IEP. There may be circumstances that necessitate changes to meet stakeholder, First Nations, or BC Hydro requirements. The engagement plan will be updated to reflect those changes, which will be communicated accordingly to participants engaged in the process.

APPENDIX A: LONG TERM PLANNING & ENGAGEMENT INPUT



★ Denote a process that is filed with the BCUC for approval.



APPENDIX B: BCTC CAPITAL PLAN PROCESS

1: Why does BCTC need a separate process?

The BC Transmission Corporation (BCTC) is responsible for ensuring that there is sufficient transmission capacity to move electricity across or around the province for all customers. This includes distribution utilities (like BC Hydro and Fortis), generators, large industrials, electricity marketers and traders. As a result, BCTC has to look at the transmission system more broadly than just BC Hydro's requirements and consider the needs of other customers as well as the system itself.

BCTC planning process will obtain input from stakeholders on a variety of topics including:

- Customer and system needs including the system inter-connections with Alberta and Washington State
- Existing and emerging system constraints (e.g. congestion)
- Transmission solutions
- Interests and concerns of communities, environmental groups and other interested parties related to development of the transmission system

2: What is BCTC proposing?

BCTC is engaging the public in comprehensive discussions about future planning of the transmission system in British Columbia. Ongoing dialogue will occur through BCTC's Transmission Planning Advisory Committee, regular First Nations and Stakeholder engagement and project consultation activities.

The purpose of this process is to:

- Share information and enhance mutual understanding of the major transmission needs and issues in B.C.
- Build understanding with stakeholders about the transmission planning process and future system requirements
- Identify and consider stakeholder views and values concerning transmission planning
- Understand community issues around new transmission investment so that any issues can be identified and addressed early in the planning process.