



BC Hydro's Bioenergy Call

Prince George, BC
April 3, 2007

David Kusnierczyk
Power Acquisitions

Agenda

for generations



- BC Energy Plan
- Bioenergy Call
- Biomass to Bioenergy
- Request for Expressions of Interest
- Other Power Acquisitions Processes
- Next Steps

Reliable power, at low cost, for generations. Reliable power, at low cost, for generations. Reliable power, at low cost, for generations. Reliable power, at low cost, for generations.

- The newly released BC Energy Plan – *A Vision for Clean Energy Leadership* referenced a need to generate electricity from mountain pine beetle wood by turning wood waste into energy (Energy Plan Electricity Policy #31)
- On March 9, 2007 - BC Hydro launched a Bioenergy Call process with a Request for Expressions of Interest



Bioenergy Call



The BC Energy Plan
A Vision for Clean Energy Leadership

- Directed by Energy Plan Electricity Policy #31
- Competitive call utilizing sawmill residues, logging debris and mountain pine infested timber as energy source
- Encourages greater development and use of “home-grown” wood-fired electricity in the province
- Helps address the mountain pine beetle situation and capture value from the affected timber
- First Nations and stakeholder engagement planned during the design of the call

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Bioenergy Call Considerations



The BC Energy Plan
A Vision for Clean Energy Leadership

- BC Hydro views the Bioenergy Call as an opportunity for the private sector to be creative in turning the pine beetle wood into energy
- This call is unique in its intent to bring together diverse partners, such as:
 - > Forest companies
 - > Pulp & Paper companies
 - > First Nations
 - > IPPs
 - > Local government
 - > Others?
- The Independent Power Producers of BC (IPPBC) have offered to take on a “matchmaker” role and assist where they can to help link fuel sources with bioenergy developers

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Biomass to Bioenergy

- Bioenergy utilizes stored energy in plant life
- Raw materials (“biomass”) are converted into energy fuels through a range of processes
- Bioenergy characteristics
 - > Low in sulfur, nitrogen, mercury and other pollutants
 - > Carbon dioxide neutral
 - > Renewable resource
 - > Eligible for EcoLogo certification



Request for Expressions of Interest

- BC Hydro is seeking expressions of interest from the private sector as a way to identify potential projects that will generate electricity from wood fibre fuel sources such as sawmill residue, logging debris and beetle-killed timber
- Submission of an RFEOI **is not** mandatory and failure to respond will not prohibit participation in the bioenergy call
- The RFEOI **is** an important opportunity to inform BC Hydro on the design of the call and MOFR on their wood fibre requirements
- The RFEOI deadline is April 17, 2007
- *Developers are strongly encouraged to submit the RFEOI early to allow for potential meetings and greater understanding of your project*



Other Power Acquisitions Processes

- **Standing Offer Program**

- Directed by Energy Plan Electricity Policy #11
- Program to purchase power from small producers with a capacity of up to 10 MW
- Designed with the intention of reducing administration for small power producers and simplifying the process and EPA
- Intends to promote BC innovation by designing a stream for developing technologies
- Currently under development with collaborative stakeholder engagement to determine key aspects of the Program



- **F2007 Call**

- All source call (except nuclear)
- Assessing additional acquisition processes
- Competitive process
- 5,000 GWh per year target
- COD window of at least 6 years
- Stakeholder engagement planned for 2007 Call with interested parties

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Next Steps

- First Nations and stakeholder engagement planned in upcoming months
- April 5th – First Nation Forestry Council Board Meeting
- April 17th – Deadline for submitting RFEOIs to BC Hydro
- April 18th to April 27th – Meetings planned with RFEOI respondents
- May – Draft term sheets to be issued to call participants
- June – Workshop on draft term sheets is being planned, the location will be determined based on responses received
- How to get involved
 - > Go to this website www.bchydro.com/2007bioenergy.
 - > For questions on the RFEOI, please contact the Power Acquisition Records Manager, by email at power.acquisitions@bchydro.com or by phone at 604 623-4093.