

# IEP UPDATE

## FALL 2005

*This newsletter has been prepared to keep you informed about progress made on BC Hydro's 2005 Integrated Electricity Plan.*

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## Progress Report on the Integrated Electricity Plan

### KEY MILESTONES TO DATE

#### First Round of Regional First Nations and Stakeholder IEP Engagement

- :: December 2004 – April 2005

#### Technical Resource Options Engagement

- :: December 7, 2004
- :: March 8 and 9, 2005
- :: May 27, 2005

#### Provincial IEP Committee Meetings 1– 6

- :: December 14 and 15, 2004
- :: February 22 and 23, 2005
- :: March 15 and 16, 2005
- :: May 31 and June 1, 2005
- :: July 12, 13 and 14, 2005
- :: September 22 and 23, 2005

Resource Options Report filed with BC Hydro's regulator the B.C. Utilities Commission June 13, 2005

BC Hydro is preparing its 2005 Integrated Electricity Plan (IEP). An IEP represents BC Hydro's outlook for meeting customer needs over the long term in a reliable, low-cost, environmentally and socially responsible manner.

The goal of the 2005 IEP process is to evaluate portfolios built from various resource options and identify a resource plan that meets BC Hydro's planning objectives, while considering uncertainty and taking into account input received from participants in the First Nations and Stakeholder engagement process.

Resource options are resources such as hydro, wind, biomass, coal or natural gas that can be used to generate electricity. Resource options can be combined into portfolios to meet a variety of objectives, such as low cost, low air emissions, low land impacts, etc. BC Hydro evaluates and compares portfolios against established criteria to meet future electricity requirements.

The process to compare portfolios occurs on many levels. First Nations and Stakeholder

perspectives have been sought through regional Workshops and Information Sessions; technical information was updated through Resource Options Workshops and consultant studies; and a provincial committee has been reviewing the options using a systematic approach to making decisions.

#### SEEKING FEEDBACK

BC Hydro believes that those affected by its business should participate in its decision making process by providing input through a variety of opportunities.

By receiving input to the 2005 IEP BC Hydro hopes to:

- :: Gain insight into First Nations and Stakeholder values around electricity planning
- :: Develop awareness about the electricity planning process
- :: Obtain feedback to improve future IEP processes

The engagement process is documented in the 2005 IEP First Nations and Stakeholder Engagement Plan found on our website.

# Regional Engagement

## WHAT DID WE HEAR?

A diverse set of values was reflected in comments made during Stakeholder Workshops and Information Sessions in 15 communities around the province. In general, feedback from our first round of regional engagement revealed that many participants who were involved in the 2004 IEP felt that the 2005 IEP Workshops were more meaningful and appreciated the broader level of involvement sought in developing the 2005 IEP.

Participants indicated a wide range of priorities from land and air impacts to local economic development. Consistently, participants felt that options such as Power Smart and low impact resources were desirable. To see the views expressed in your region please visit our website.



# First Nations Engagement

## WHAT DID WE HEAR?

BC Hydro and BC Transmission Corporation (BCTC) met with First Nations' representatives and community members in several locations around the province. In general, feedback was positive because many participants felt that they gained a greater understanding of BC Hydro and BCTC's planning and regulatory requirements. First Nations' participants raised an array of issues related to BC Hydro's facilities and they welcomed the opportunity to exchange information with BC Hydro. First Nations stated the importance of having the capacity and resources to respond to consultation requests related to future resource and transmission developments.

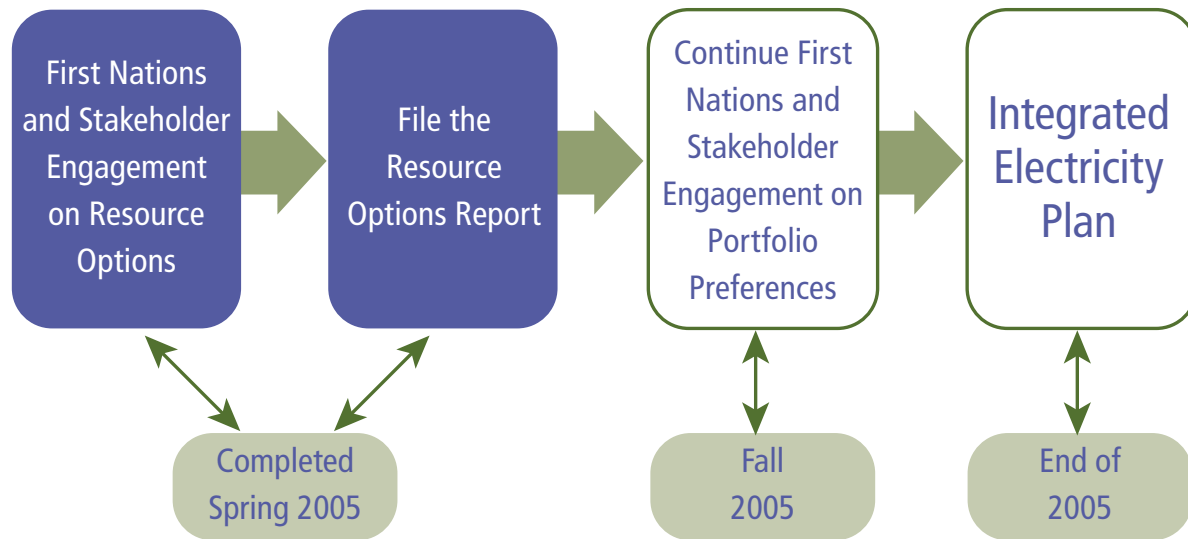
In the Information Sessions, First Nations' participants raised many issues related to quality and reliability of power to remote First Nations' communities. They also expressed concerns about the impacts of transmission lines in their communities including electromagnetic fields, use of pesticides and

herbicides, and loss of land use. With respect to values and priorities of future energy resources, First Nations were primarily interested in small hydro and biomass. For the most part, First Nations' interests were based on environmental and land stewardship values. Participants expressed differing views about BC Hydro's energy efficiency program, Power Smart, because of the barriers (remoteness and affordability) many of their communities' face in realizing the benefits of energy efficiency. Conventional coal and natural gas were consistently the least desirable options.

Impacts to land and water including impacts to fish and habitat were most important to First Nations. Greenhouse Gases (GHG) were also important to First Nations. The cost of resource options was considered to be the least important characteristic of new resources. Notes from the First Nations' meetings are available on our website.



# Electricity Planning Process



## Provincial IEP Committee

### ACTIVITY STATUS

The Provincial IEP Committee (PIEPC) is a group of 17 First Nations, Stakeholders and BC Hydro representatives, who are going through the process of assisting BC Hydro in reviewing several long-term portfolios of electricity resources.

The PIEPC has met five times and reviewed the impacts of different resource options, how they want to evaluate the portfolios, and how they want the portfolios to be constructed. To make these recommendations, the PIEPC works with BC Hydro's IEP team to understand the planning data and the portfolio modeling. The First Nations, regional and technical engagement outcomes have also informed the PIEPC.

The PIEPC is currently reviewing portfolios they have asked BC Hydro to construct.

For more information about the PIEPC, its members and its mandate within the IEP process please visit our website.



## Resource Options Report

### ACTIVITY STATUS

BC Hydro's Resource Options Report (ROR) identifies and describes the resource options available to generate electricity, and the descriptions associated with these options such as cost and environmental impacts. It is from the ROR that the PIEPC and BC Hydro construct possible portfolios for evaluation to meet the future energy needs of BC Hydro customers.

To develop the ROR, BC Hydro hosted two Resource Options Sessions plus a two day in-depth Workshop in which leaders in the energy industry, as well as the general public, met to discuss resources and how they should be characterized. Input from these sessions and through our website were considered in creating the final ROR that was filed on June 13, 2005 with BC Hydro's regulator, the B.C. Utilities Commission.



# Next Steps

BC Hydro will host a second round of First Nations and Stakeholder engagement in regional centres this fall on new resources that will be acquired to meet BC Hydro's customer needs. BC Hydro will be seeking final feedback from interested parties on portfolio preferences. These regional meetings are expected to take place in November. Please visit our website for updates and information.

Additional feedback into the IEP will be gathered from meetings with interested regulatory intervenors and polling of the public at large. Meetings with the PIEPC will also be continuing into the fall.

BC Hydro anticipates submitting the IEP to the BCUC by the end of the year.

# Upcoming Dates

## SEPTEMBER 22 AND 23, 2005

Provincial IEP Committee Meeting No. 6,  
Vancouver

## FALL 2005

Second Round of Regional Meetings  
Continuation of First Nations Engagement  
Please visit our website for updates as they become available this fall.

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