

# Powering a sustainable B.C.

ENVIRONMENTAL, SOCIAL,  
AND GOVERNANCE REPORT

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FISCAL YEAR 2023



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# CEO letter

I'm pleased to present our inaugural environmental, social, and governance (ESG) report, **Powering a sustainable B.C.**, and share our long-standing and more recent sustainability practices from across the company. Taking an ESG focus is not something new at BC Hydro – we have a long history of contributing to the growth and economic prosperity of British Columbia while working to reduce our environmental impacts and creating positive social impacts in the communities we operate in. We embed ESG criteria as part of the incentive and performance structure for our management and executive teams. I'm eager to share the initiatives and activities that our teams have undertaken so far, and am excited about our future aspirations to extend and improve our work on these important global issues.

Globally, climate change continues to be a defining issue of our time. With attention on the impacts of climate change on the rise, people are taking action as they rethink their own environmental footprint, and they expect the same of the companies they interact with. Meeting our provincial and corporate climate targets means taking advantage of B.C.'s renewable low-carbon electricity by switching the fuel we use for transportation, changing how we heat our homes and businesses, and shifting how we power industry. Our Electrification Plan sets out how we are encouraging and incenting residents and businesses to switch from fossil fuels to low-carbon electricity while supporting economic development. As we provide electricity for more customers, I am personally proud of how we have improved our reliability and reduced the duration of outages when they occur.

Our mission, which we often refer to in shorthand as “keeping the lights on,” comes first and foremost in our plans and is the dedicated focus of our highly skilled team. Beyond this, we have a generational opportunity to shape the future of our province by helping drive the shift towards more renewable energy sources, like our hydroelectricity, wind, and solar.

Across our business, we are working to advance reconciliation with Indigenous Peoples. Most of BC Hydro's power system was built before Indigenous rights were recognized and affirmed in 1982 in Canada's Constitution. We acknowledge that the development of our system has left lasting impacts on Indigenous Peoples with deep ties to the land. BC Hydro's journey towards reconciliation began in the early 1990s when we created an Indigenous Relations team with the long-term goal of building lasting, mutually beneficial relationships with First Nations. In the next few months, we will be sharing our plan to formally incorporate the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) to guide our actions. I am optimistic about the future but know this is a long-term effort that will require ongoing partnership, focus, creativity, commitment and leadership.

As I look forward, I am excited about a clean future powered by water. Every day, we harness the power of water at our hydroelectric facilities, while remaining keenly aware that these waterways support Indigenous traditional uses, community life, food production and a variety of wildlife.



In our activities, we recognize shared accountabilities exist when it comes to managing and stewarding B.C.'s essential water resources. In collaboration with First Nations, regulators, key stakeholders, and the public, we have developed procedures and plans to maintain sufficient downstream water flows to protect both aquatic and terrestrial biodiversity, while continuing to supply reliable hydroelectric power. To compensate for impacts to fish and wildlife from the historical construction and ongoing operation of our hydroelectric facilities, we have invested more than \$230 million in the Fish and Wildlife Compensation Program (FWWCP). We are proud to be members of a partnership that funds projects to improve fish passage, conserve critical habitats, support endangered and at-risk species, restore ecosystems, and fill important data gaps. Through a number of other programs, we also support salmon, trout, white sturgeon and habitat preservation for many other species near our operations.

Our work would not be possible without our people. To keep our workers safe, we have embedded and are driven by safety as our core value. We keep safety at the heart of everything we do and maintain a continual improvement philosophy by learning from our incidents, so everyone goes home safely at the end of every day. I personally meet with our new employees at least monthly to set expectations around safety including our ongoing commitment to Energy Safety Canada's Life Saving Rules and to reinforce the importance of speaking up if employees have a question or concern about safety (the Courage to Intervene).

This philosophy extends to our interactions with customers and the public. In support of our commitment to transparency around our safety practices in operating the system, in February 2023, a fire occurred in an underground vault on Burrard Street in Vancouver injuring members of the public and impacting nearby businesses. Following an extensive investigation of the incident, we took full responsibility for what occurred, and I sincerely apologize to those who were affected, those who live or work nearby, and our employees. In response to these findings, we took several actions including fully decommissioning similar equipment in underground vaults, hiring a third-party risk expert to review other vault equipment, and engaging fully and transparently with our regulators. We will continue sharing our progress in this area and are committed to rebuilding the trust and confidence of our customers and communities.

In our day-to-day interactions, I believe inclusion creates an environment where everyone can thrive and do their best work. Our policies and practices shape our workplace culture through a focus on inclusion, diversity, equity, and accessibility. We educate ourselves on inclusion and diversity, recognize unconscious bias, and provide employees with the skills and knowledge to act in accordance with our values. We have achieved representation in three groups (women, visible minorities, and Indigenous Peoples) and are continuing to improve every day.



Peace Canyon Dam

British Columbians are making positive progress towards a lower-carbon future. We are committed to doing our part by delivering clean electricity that's powered by water and, in the future, more wind, and solar too. As our customers' energy needs evolve, so do we, and Site C is an essential component of how we will continue to meet future electricity needs. As of March 31, 2023, the project is approximately 75% complete and remains on track to be fully in-service by late 2025. The efforts put forth to reduce the impacts of construction have been exemplary. I've been with BC Hydro since the start of construction, and am immensely proud of the progress made to date. We've learned from our past and are committed to a future that includes fostering meaningful and lasting relationships with First Nations, stakeholders and communities; working together to mitigate impacts; and seeking opportunities to create shared prosperity. I look forward to seeing BC Hydro bring this decade-long project into service.

I want to thank our employees for their hard work, our customers for placing their trust in BC Hydro, and our Board of Directors and provincial government for their continued collaboration and support. Powering a cleaner, more sustainable future for all British Columbians is a vision we know we can achieve with the support of every one of you.

**Chris O'Riley**  
President and CEO





# Scope of this report

This report is BC Hydro's first formal communication of our environmental, social, and governance (ESG) practices and is intended to complement the other reports in our reporting suite (read more at right).

- BC Hydro's planning and reporting year is aligned with the provincial government's. This means we plan and report our results based on a fiscal year, which runs from April 1 to March 31 (not a calendar year). Unless otherwise indicated, this report covers data and qualitative information for the fiscal year ended March 31, 2023, referred to as "fiscal year 2023", "FY 2023" or "2022/2023" throughout this report.
- We report environmental and social performance for all assets over which we have operational control, which means we report 100% of data related to environment, human resources, safety and business practices for assets we operate.
- Unless noted, financial data is in Canadian dollars, and environmental data is in metric units.
- The terms "BC Hydro", "our", "we", "us", and "the organization", refer to BC Hydro as an organization unless otherwise noted.
- We report greenhouse gas (GHG) emissions for the calendar year 2022 (January to December) to align with regulatory requirements.
- When available, historical data is provided for two years.

## OUR SUBSIDIARIES

With the exception of annual revenues and annual net income on page 7, this report does not cover any of our wholly owned subsidiaries including our two largest operating subsidiaries, Powerex Corp. (Powerex) and Powertech Labs Inc. (Powertech).

**Powerex** is a key participant in wholesale energy markets across North America, trading wholesale power and natural gas, environmental products (renewable energy credits or other similar products), carbon products (allowances and other similar products), ancillary energy services and financial energy products.

**Powertech** is internationally recognized for its technical expertise in a range of fields related to the electric utility and low-carbon energy industries and offers services and solutions to energy clients, including BC Hydro, and other sectors globally.

## ALIGNING WITH ESG STANDARDS

Although this report does not meet all the requirements to be fully in accordance with a reporting standard, we cross-reference our disclosures to the Sustainability Accounting Standards Board (SASB) (see [page 51](#)).

We also outline our contributions to the Sustainable Development Goals (SDGs) (see [page 11](#)).

Read our caution regarding forward-looking statements on [page 62](#).

## OUR OTHER REPORTS

For more information about BC Hydro and our activities, please read our other reports:



### Service Plan:

2023/24 – 2025/26 Service Plan  
As a provincial Crown Corporation, BC Hydro is required to issue a three-year Service Plan each year, outlining our strategic priorities and how they relate to Government's overall strategic plan.

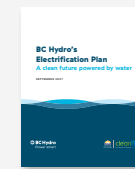


### 2021/22 Annual Service Plan Report

Each year, BC Hydro issues an Annual Service Plan Report showing how our business performance compared to our Service Plan.



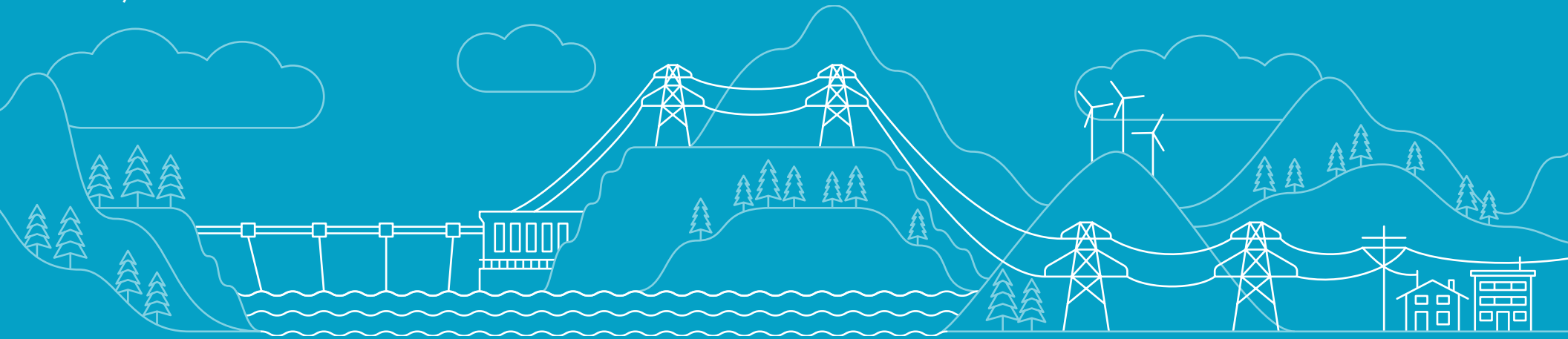
### 2022 Climate Change Accountability Report



### BC Hydro's Electrification Plan (Sept. 2021)

# About BC Hydro

BC Hydro is a provincial Crown corporation, owned by the Province of British Columbia, Canada. We are one of the largest energy suppliers in Canada, generating and delivering electricity to 95% of the population of British Columbia and serving approximately five million people. We report through the Ministry of Energy, Mines, and Low Carbon Innovation.



## GENERATION

**30**

integrated hydro generating facilities

**98%**

of our electricity is generated from low-carbon or renewable sources

## TRANSMISSION AND DISTRIBUTION

**~80,000 km**

of transmission and distribution lines

**>300**

substations

## OUR CUSTOMERS

**~5 million**

people in our service territory

**95%**

of the province's population



# Sharing economic value

As a public utility, BC Hydro provides an essential service to British Columbians and plays an important role in the economy of the Province. By maintaining a strong business, we can pay our employees fair wages and benefits, purchase goods and services, support economic prosperity for Indigenous communities, and give back to local communities. We also contribute to economic development in the province by providing low-carbon, reliable, and affordable electricity to homes, businesses of all sizes, and industry.



## VALUE GENERATED

**\$8.0 billion**

in annual revenues<sup>1</sup>

**\$360 million**

in annual net income<sup>1,2</sup>

## HOW WE SHARE ECONOMIC VALUE WITH DIFFERENT GROUPS

**\$762 million**

Payments to employees<sup>1,3</sup>

**\$124.6 million**

Grants-in-lieu of taxes<sup>4</sup>

**\$151.5 million**

School taxes<sup>5</sup>

**\$1.2 million**

Donations to non-profits and community organizations

<sup>1</sup> These are BC Hydro consolidated financial information, which included Powerex and Powertech's results.

<sup>2</sup> BC Hydro's net income is consolidated into the Province of B.C.'s financial statements, supporting the provision of important services to British Columbians.

<sup>3</sup> This figure is reported in our financial statements as personnel expenses. It includes salaries and wages, benefits and post-employment benefits.

<sup>4</sup> BC Hydro is a Crown corporation that is exempt from all property taxes other than provincial school taxes. To compensate municipalities, regional districts and taxing treaty First Nations for the loss of this taxation revenue, BC Hydro pays grants to them, based on the revenue from electricity sales to our customers within their boundaries, the value of any BC Hydro land and buildings located within their boundaries, and the megawatt-capacity of BC Hydro generating facilities and reservoirs within their region.

<sup>5</sup> BC Hydro pays provincial school taxes on all assessable properties such as land, buildings, and electric system assets such as substations, transmission and distribution lines, and generating facilities. School taxes paid to the Province contribute to the funding of education in BC.

**WHERE WE OPERATE**

BC Hydro operates hydroelectric generating stations across British Columbia sending electricity along approximately 80,000 kilometres of transmission and distribution lines that range over mountaintops and river valleys, forested wilderness, and high-density urban areas.



**30** integrated hydro generating facilities

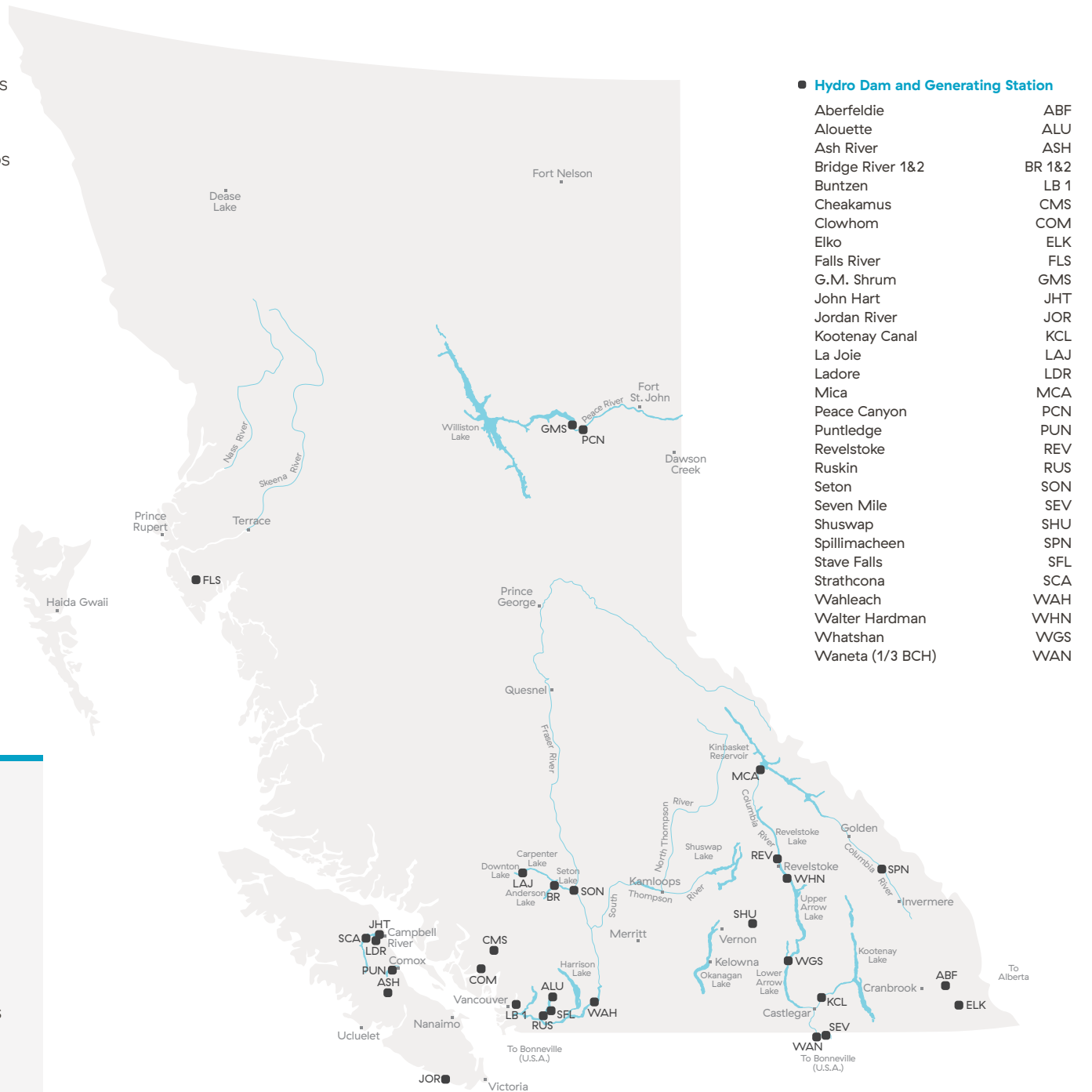


**~55%** of the generation output in our integrated system\* comes from the Peace and Columbia river systems

\* Excludes non-integrated areas

**LAND ACKNOWLEDGMENT**

BC Hydro acknowledges that our infrastructure is located on land where First Nations Peoples have title and rights, and have resided since time immemorial. We recognize that BC Hydro’s system and operations have affected the land, and we share a responsibility to act as stewards for the land. We acknowledge that constructing and operating our system has left lasting impacts on Indigenous Peoples, cultures, traditions, and ways of life which we deeply regret.





### BC HYDRO'S STRATEGY

Our mission (noted at right), which we often refer to in shorthand as “keeping the lights on,” comes first and foremost in our plans. The work to safely maintain, repair, and reinvest in our electricity system is the focus for the majority of our employees. When we do it well and find ways to do it better, we free up capacity to take on new opportunities in support of our province.

To achieve our vision, we focus on what our province needs: maintain affordable and low-cost electricity, meet rising customer expectations, reduce greenhouse gas emissions through efficient electrification, and advance reconciliation with Indigenous Peoples.

We have refreshed our Five-Year Strategy with four goals that will help us advance and address new challenges and seize opportunities over the next five years.

### FOUR GOALS WILL CARRY US FORWARD

**1**  
Energize  
our province

Climate change is one of the biggest issues facing society. What we do today to reduce greenhouse gas emissions matters, and we need to act urgently. With 98% low-carbon energy generation, BC Hydro is well-positioned to support B.C.'s move away from fossil fuels in support of the provincial government's CleanBC climate action targets.

**2**  
Control  
our costs

Managing costs is critical to providing the affordable and competitive rates that our customers expect. It allows us to address new demands on the business and make investments where they're needed most.

**3**  
Strengthen  
our resilience  
and agility

Resilience goes beyond just being reliable. We need to be prepared for threats ranging from cybersecurity attacks and impacts of climate change, to natural disasters and global pandemics.

**4**  
Advance  
reconciliation  
with Indigenous  
Peoples

Advancing reconciliation is an important part of the role BC Hydro plays in supporting the Province's commitment to reconciliation. Our approach is guided by the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), which the Truth and Reconciliation Commission confirms as the framework for reconciliation.

### OUR MISSION

We are here to safely provide our customers with reliable, affordable, clean electricity.

### OUR VISION

A cleaner, more sustainable future for all British Columbians.

### OUR VALUES

These values define our culture and guide our approach to powering the province:

1. We are safe.
2. We are here for our customers.
3. We act with integrity and respect.
4. We are one team.
5. We are forward thinking.
6. We include everyone.

### OUR PURPOSE AND MANDATE

BC Hydro is a provincial Crown corporation, established and continued under the Hydro and Power Authority Act, which sets out our statutory purposes. We are owned by the Province of British Columbia, and chartered to generate and distribute energy in B.C. We report to the Provincial Government through the Minister of Energy, Mines and Low Carbon Innovation and the Government's expectations are expressed through the Board Chair's 2021-2022 Mandate Letter. We are subject to regulation by the British Columbia Utilities Commission and our financial returns revert to the Province.

# Our approach to ESG

BC Hydro's vision is to create a cleaner, more sustainable future for all British Columbians. Our vision celebrates our low-carbon energy advantage and our environmental stewardship role. To achieve our vision, we must balance competing uses for resources, take into account the needs and aspirations of Indigenous Peoples and communities, and work to reduce the environmental and social impacts of our projects and operations. We have focused on these activities for decades. It is a part of who we are, it is part of our past and present, it is aligned with our values, and will continue to guide us toward our vision. ESG priorities are also embedded in both our Five-Year Strategy and Service Plans which drive management priorities and resource allocation.

## DETERMINING OUR MATERIAL ESG TOPICS

In 2022, we conducted six workshops and received input from more than 120 employees, senior leaders, subject matter experts, executive team and Board members. The assessments centred on standardized environmental, social, and governance (ESG) topics, asking participants to rank the relative importance and impact to our business, and our stakeholders and rights holders. The workshops met with significant interest and engagement, and the results demonstrated strong alignment among participants in the attributes that were identified as important priority areas.

For reporting purposes, we have grouped our material ESG topics into five sections that represent our key areas of focus:

KEY AREAS OF FOCUS	MATERIAL ESG TOPICS
<b>1. Maintain the resiliency of our system and enable a sustainable energy future</b>	<ul style="list-style-type: none"> <li>○ Reliability and resilience</li> <li>○ Electrification</li> <li>○ Energy affordability</li> <li>○ Quality of service</li> </ul>
<b>2. Manage the impact of our business on the environment</b>	<ul style="list-style-type: none"> <li>○ GHG emissions</li> <li>○ Biodiversity</li> <li>○ Water</li> <li>○ Land</li> </ul>
<b>3. Work toward lasting and meaningful reconciliation</b>	<ul style="list-style-type: none"> <li>○ Reconciliation with Indigenous Peoples</li> </ul>
<b>4. Power the potential of our people</b>	<ul style="list-style-type: none"> <li>○ Occupational safety and health</li> <li>○ Employee development and engagement</li> <li>○ Diverse, inclusive, and equitable workplace</li> <li>○ Unions</li> </ul>
<b>5. Act in the public interest</b>	<ul style="list-style-type: none"> <li>○ Corporate governance</li> <li>○ Ethics</li> <li>○ Community relations and investment</li> <li>○ Public safety</li> <li>○ Responsible procurement</li> <li>○ Cybersecurity and data privacy</li> </ul>

## SUSTAINABLE DEVELOPMENT GOALS

Considering the needs of future generations, we join Canada and the 192 other countries and large number of non-profit organizations and corporations that support the United Nations Sustainable Development Goals (SDGs). The SDGs are 17 global goals, set by the United Nations General Assembly in 2015, to be achieved by 2030. These goals aim to protect the planet, reduce inequality, and ensure prosperity for all.

We support all the SDGs and have outlined our contributions to some of them on the next page, and throughout this report. To gather ideas on how we can further contribute to these goals, we invited several external parties to participate in conversations, including: academic institutions, Crown corporations, utilities, local and provincial government, customers, environmental non-governmental organizations, intervenors, and Indigenous organizations. We hosted two workshops (one virtual, one in-person) to share our thinking, process, and progress on ESG, and to invite input, advice and learnings. We also engaged our employees through two events and through presentations to business units across the company.

**SUSTAINABLE DEVELOPMENT GOALS**



## HOW OUR ACTIVITIES AND TARGETS SUPPORT THE SUSTAINABLE DEVELOPMENT GOALS

We are taking actions to advance the SDGs in our province. Our contributions to the SDGs that are most relevant to our business are described below.

### FOCUS AREAS AND ACTIVITIES

### RELATED SDGs

### FORWARD-LOOKING BC HYDRO TARGETS

(FY 2024 unless otherwise noted)

#### 1. MAINTAIN THE RESILIENCY OF OUR SYSTEM AND ENABLE A SUSTAINABLE ENERGY FUTURE

- We provide reliable, affordable and low-carbon energy to ~95% of the population of British Columbia
- We maintain our infrastructure and invest in improving reliability and quality of service
- We aim to increase electrification to power homes, buildings and transportation
- We invest in our assets to make them more resilient to climate change



- Achieve SAIDI<sup>7</sup> of 3.35 hours or less
- Achieve SAIFI<sup>8</sup> of 1.38 or fewer number of sustained interruptions
- Achieve a 1.80% Key Generating Facility Forced Outage Factor
- Achieve 85% customer satisfaction index
- BC Hydro's residential, commercial, and industrial rates rank in the first quartile<sup>6</sup>
- Achieve 1,500 gigawatt hours (GWh) load growth supporting CleanBC, cumulative since the start of FY 2021
- Achieve 110 megawatts (MW) of new incremental demand-side management capacity savings from our energy conservation portfolio

#### 2. MANAGE THE IMPACT OF OUR BUSINESS ON THE ENVIRONMENT

- We work to reduce our operational GHG emissions and impacts on air, land and water
- We aim to minimize our impact on aquatic and terrestrial wildlife, and mitigate our impacts when they are not avoidable



- Achieve 43% reduction of total emissions from BC Hydro operations, compared to 2007 baseline

#### 3. WORK TOWARD LASTING AND MEANINGFUL RECONCILIATION

- We work to seek, develop and sustain positive long-term relationships and to better understand Indigenous interests
- We are working to build shared prosperity through Indigenous employment and procurement opportunities



- \$1.25 billion in directed Indigenous procurement, cumulative total beginning in FY 2015
- Maintain gold standing in our Progressive Aboriginal Relations certification
- 80% of BC Hydro employees complete Indigenous awareness training by FY 2026

#### 4. POWER THE POTENTIAL OF OUR PEOPLE

- We work to provide a safe work environment
- We apply the lens of inclusion, diversity, equity, and accessibility to our policies, systems, processes and practices to remove barriers to access, and ensure all employees have equal opportunity to contribute



- Our employees incur zero fatalities or serious disabling injuries
- Achieve 0.74 employee lost time injury frequency rate
- 100% of leaders complete Inclusion and Diversity Leadership Training
- Reflect the diversity of our communities by achieving workforce representation of 30% women, 25% visible minority, 4.6% Indigenous people and progress toward 10% of persons with disabilities

#### 5. ACT IN THE PUBLIC INTEREST

- We act with transparency and disclose information about our impacts to the public
- We act with integrity in our dealings with communities, stakeholders and the public



- Safely complete the Site C project within the approved budget by 2025

<sup>6</sup> Based on an analysis of Hydro Quebec's annual report, Comparison of Electricity Prices in Major North American Cities.

<sup>7</sup> System Average Interruption Duration Index.

<sup>8</sup> System Average Interruption Frequency Index.

# Maintain the resiliency of our system and enable a sustainable energy future





# Reliability and resilience

BC Hydro plans, operates and maintains our electric system in accordance with Mandatory Reliability Standards established by the North American Electric Reliability Corporation (NERC) and the Western Electricity Coordinating Council (WECC), adopted in British Columbia by the British Columbia Utilities Commission (BCUC). We measure our reliability using industry-recognized metrics, SAIDI and SAIFI (see below).

We ensure our customers continue to receive the reliable and low-carbon electricity that is vital to the province’s economic prosperity and climate objectives. We also provide electricity to remote regions of the province served through our off-grid, non-integrated areas. We take a proactive approach to reliability and invest in our assets and programs so they can continue to operate during increasingly challenging weather events.

Three ways we work to reduce outages and minimize their duration are:

### Maintenance and capital programs

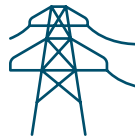
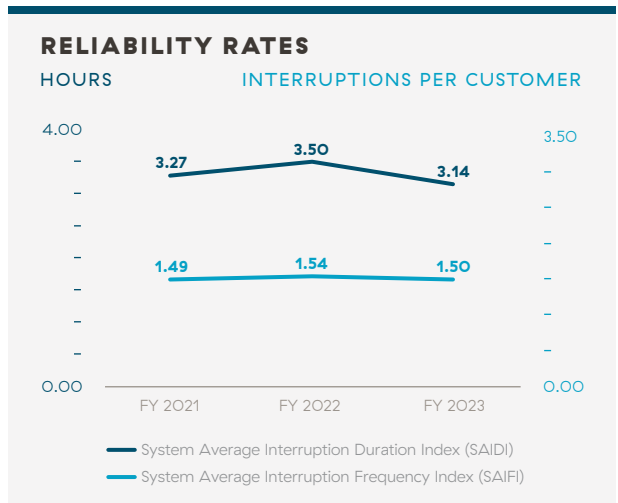
We continually monitor the health of our power system from the generation facilities to the distribution feeders using industry-leading practices. Our maintenance and capital programs are structured to enable us to address the reliability and safety needs of our assets.

### Vegetation management

More than half of all outages in the province are caused by adverse weather causing trees and vegetation to come into contact with our system. B.C. has some of the tallest and fastest-growing trees in North America. We monitor and maintain trees and plants near our electrical infrastructure and facilities to ensure our system remains safe and reliable and to help prevent these types of outages. This work is performed in accordance with best vegetation care practices and our Integrated Vegetation Management Plans.

### Distribution automation

To minimize the impact of forced outages for our customers, we are evolving our distribution system through the use of automation devices. One way we restore outages faster is through the use of reclosers, which help reduce the duration of outages by providing visibility, remote operability and automation. The devices allow for faster identification of outage causes and locations, automatic restoration, and better isolation of affected customers. This helps to reduce outage duration and minimize “sustained” outages (more than one minute long).



**\$3.9 billion** invested in FY 2023 to upgrade aging assets and build new infrastructure

### REDUCING OUTAGES AND OUTAGE DURATION

Most customer related outages occur as a result of impacts to our transmission or distribution assets. Our asset management practices focus on maintaining our approximately 80,000 km of transmission and distribution lines.

**SAIDI** represents the total outage duration (in hours) of sustained interruptions experienced by an average customer in a year (excluding major events).

**SAIFI** represents the total number of sustained interruptions experienced by an average customer in a year (excluding major events).

A sustained interruption has a duration greater than or equal to one minute.



### SDG TARGET 9.1

Develop quality, reliable, sustainable and resilient infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.

### HOW BC HYDRO CONTRIBUTES

We maintain customer reliability by proactively monitoring and planning for overall system reliability while investing in our assets so they will remain resilient during increasingly challenging weather events.

## INCREASING RESILIENCE TO CHANGES IN WEATHER AND CLIMATE

Our electricity grid must deliver power reliably and support provincial electrification, while also withstanding an increasingly changing climate resulting in more frequent and severe weather events. To prepare for, predict and adapt to climate change, we use programs and technology, including:

### Proactive asset replacement

To improve the safety and reliability of our electric system, we make investments each year to replace our aging infrastructure. Our assets are prioritized based on condition and other risks and may undergo either major refurbishment or full replacement. One example is our pole replacement program. We have about 900,000 wooden poles<sup>9</sup> across the province. Although the average lifespan of a wooden power pole is 40 to 50 years, adverse weather, insects, and wildlife all contribute to the deterioration of the poles over time, which results in thousands of poles needing to be replaced each year. Proactively replacing our infrastructure helps our system run optimally and minimizes the occurrence of outages.

### Weather forecasting

Drought, intense storms, rapid glacial melt, increasing temperatures, and increasing amounts of precipitation will directly affect electric utilities, like BC Hydro, that rely on water to generate power. Our Hydrology team manages a network of more than 150 automated, real-time climate, snow, and surface water monitoring stations to forecast river flows and reservoir inflows.



Spillway chute at our WAC Bennett Dam

To predict and prepare for extreme weather events that may impact reliability, our team of meteorologists share daily weather briefings. We have improved our meteorology models to provide greater insight into where and when a storm might hit to inform preparedness and response plans. We also forecast temperatures that may impact customer electricity use, air speeds for Independent Power Producers wind generation, and issue special weather statements and weather warnings to our operational staff.



More than **150** real-time climate, snow, and surface water monitoring stations inform our weather forecasting

## ATMOSPHERIC RIVER EVENT

In 2021, B.C. experienced unprecedented levels of rain and flooding as a series of weather systems known as an “atmospheric river” impacted Southwestern B.C. and the Fraser Valley. We responded to this event by repairing and restoring our transmission and distribution line infrastructure, managing the water volume in our dams and reservoirs, and helping those who live and work near the rivers. Key learnings from this event were that access to our dams were impacted and an approach was needed for a wider customer disconnection. We have worked to improve road access and have developed a wider disconnect process to better prepare for future extreme weather events.

<sup>9</sup> To reduce infrastructure footprint, most poles are jointly-owned with TELUS and carry both power and telecommunications infrastructure. We work with other telecommunications providers to host their infrastructure on these poles to minimize the prevalence of poles, keep costs down for all parties, and to support the extension of broadband connectivity.



### SDG TARGET 13.1

Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

### HOW BC HYDRO CONTRIBUTES

We monitor, forecast and integrate weather and climate-related data into our operations to prepare our teams and assets for extreme weather events and other impacts of climate change.





Providing site supervision and assistance at Abbotsford's Barrowtown Pump Station in 2021.

## STEPPING IN TO SAVE THE BARROWTOWN PUMP STATION

BC Hydro provided technical guidance, operational assistance and overall site supervision to the City of Abbotsford's Barrowtown Pump Station during the atmospheric river event, from mid-November to early December 2021.

By providing technical advice and equipment, the BC Hydro team was able to keep the pump station operating around the clock to help protect the homes and buildings of approximately 2,000 customers affected by the high water, and averted the catastrophic property damage they would have experienced had the pumps failed.

### Long-term climate projections

We are a member of the Pacific Climate Impacts Consortium (PCIC), a regional climate service centre at the University of Victoria that provides practical information on the physical impacts of climate variability and change in the Pacific and Yukon Region of Canada. PCIC has produced climate projections to 2100 and hydrologic projections for our largest watersheds (i.e., how the hydrology may change in each basin). We have also worked with PCIC to examine how temperature may affect customer electricity use into the future. The resulting information is helping to inform:

- Possible changes, and potential adaptations, to BC Hydro's future water resources.
- Our longer-term asset planning and design (50–60-year assets).
- Our energy planning, i.e., how hydroelectric generation might be affected by climate change over the next 20–40 years and how customer electricity use might change as a result of climate change.

We also partner closely with industry counterparts and associations such as the Western Energy Institute, Electricity Canada, and Waterpower Canada.

### EMERGENCY PREPAREDNESS

Every day we respond to a variety of emergencies such as motor vehicle accidents, downed wires, and storm response. We have a corporate emergency response plan, follow Emergency Management B.C. legislation and policies, and use the Incident Command System.

Each year, we conduct dozens of drills and exercises to test our plans and enhance our response capabilities. Since B.C. is the most seismically active area of Canada, once a year we participate in the Great ShakeOut Earthquake Drill, a day when millions of people around the world practice how to take cover during an earthquake.



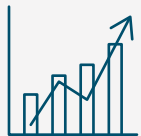
# Electrification

A significant societal transformation is happening around the globe regarding how people use energy and the impact our energy choices have on climate change. With 98% of BC Hydro's power being generated from low-carbon or renewable resources, we have an opportunity to support the energy transition and help meet the provincial climate change targets. BC Hydro supports electrification and has been supporting customer initiatives since 2016.



A heat pump installed at a home provides heating and cooling.

## OUR PERFORMANCE IN FY 2023



**739 GWh** load growth supporting [CleanBC Roadmap to 2030](#)



**535 MW** of new connected commercial and industrial load



**92%** of customer Interconnection studies completed on time

## ENERGIZING OUR PROVINCE

One of the ways we support provincial climate change targets is through electrification, which entails switching from fossil fuels like gasoline, diesel and natural gas to electricity generated from low or no carbon sources. Our \$260 million [Electrification Plan](#) aims to increase awareness about existing programs and address barriers to electrification through new program offerings. The plan is expected to contribute approximately 3,100 gigawatt hours of load toward our goal of 4,700 gigawatt hours of load by the end of 2026. To get there, the plan focuses on attracting new customers, making it easier and faster for customers to connect to our grid, and encouraging and incenting existing customers to switch from fossil fuels to low-carbon electricity in three key areas: buildings, industry, and transportation.

### 1. Homes and buildings

Residential and commercial buildings in B.C. represent almost 11% of the province's total emissions—mostly due to space and water heating. We are encouraging a shift toward low-carbon electricity by supporting the adoption of heat pumps for space and water heating and working with different levels of government and standard-making bodies to increase energy efficiency standards and standards that advance electrification for builders and developers. A few of our offers for residential and commercial customers are:

- We offer an extensive range of awareness programs on heat pump technology for both consumers and providers as well as a [heat pump rebate top-up](#) for residential customers switching from a fossil fuel heating source.
- For commercial customers, we provide [Strategic Energy Management resources](#) as well as incentives for fuel switching measures in retrofit and [new construction](#), and have expanded our [Energy Manager program](#), which provides funding support to large commercial customers to hire an Energy Manager for their organization.

7 AFFORDABLE AND CLEAN ENERGY



### SDG TARGET 7.2

By 2030, increase substantially the share of renewable energy in the global energy mix.

### HOW BC HYDRO CONTRIBUTES

Our Electrification Plan is expected to help us reach our target of 4,700 gigawatt hours of load and GHG emissions reductions of 2.5 million tonnes per year by the end of fiscal year 2026.

## 2. Industry

The industrial sector accounts for approximately 40% of B.C.'s GHG emissions, from sources like compressors in the natural gas sector, process heat in the forest products industry, and diesel engines in forestry and mining (see sidebar for an example of electrification in the mining industry). Much of this could be powered by low-carbon electricity, and BC Hydro provides incentives to businesses interested in making the switch.

Our Electrification Plan also includes incentives to attract new low-carbon industry to B.C., including hydrogen production, carbon capture, synthetic fuel production, and data centres.

We collaborate with our customers to understand their climate goals and explore how we can support them.

A few of our offers for industry include:

- Low rates to help industry make the switch from fossil fuels to low-carbon electricity.
- Funding to hire an [Industrial Energy Manager](#) to help businesses understand their energy use and track savings over the long term.
- Our [Strategic Energy Management Cohort program](#) for mid-sized industrial customers.
- Funding from the CleanBC Facilities Electrification Fund to customers with fuel switching projects that reduce GHG emissions and will help reduce the cost of connecting to our grid. The Province allocated \$84 million of federal green infrastructure funding to create the fund.



One of the hybrid Komatsu haul trucks at the Copper Mountain mine near Princeton, B.C.

### ADVANCING THE ELECTRIFICATION OF MINING OPERATIONS

For decades diesel has been the standard fuel for mining operations, from haul trucks to other equipment including drills. So how does a mining operation such as Copper Mountain mine near Princeton, B.C. take steps toward reaching a net-zero emissions objective by 2035? By installing a one-kilometre section of electric trolleys designed to help 11 full-size hybrid Komatsu trucks (bigger than the average two-storey house) haul ore uphill from the main mining pit to the operation's primary crusher.

BC Hydro's key accounts and industrial marketing teams collaborated with Copper Mountain to secure funding. The trolley-assist operation is the first of its kind in North America and installation of the electric trolley assist began in the spring of 2022.

Rising carbon taxes and diesel prices are two major reasons why Copper Mountain is electrifying. Each hybrid Komatsu haul truck is expected to displace the use of 400 litres of diesel (or about one tonne of CO<sub>2</sub> emissions) per hour while working via trolley assist. Plus, moving to BC Hydro's low-carbon electricity creates a more stable costing model compared to relying on volatile diesel prices and supply. The trucks are also faster, enabling Copper Mountain to haul more ore in less time. [Read more.](#) See how the trolley assist will work in this [Copper Mountain video.](#)





One of the Nanaimo-Ladysmith School District's new electric buses.

## SCHOOL DISTRICT GETS TOP MARKS ON ELECTRIFICATION

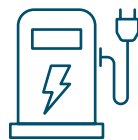
One customer that is ahead of the curve on electrification is the Nanaimo-Ladysmith school district, which has set a target to reduce GHG emissions by 4.5% per year. A big part of the school district's plan for reducing emissions is through heat pumps. The district is retrofitting one of its high schools, Cedar Secondary, with a 37-tonne air-to-water heat pump. With the assistance of BC Hydro and the CleanBC program, the pump will complement the "boiler loop" as the main source of heating and cooling, dramatically offsetting the school's boiler load and reducing overall emissions.

The school district is also working to electrify its fleet of 27 school buses and five spare diesel vehicles. The district has added six electric buses and installed seven DC chargers to help meet its target of reducing the number of diesel buses in its fleet by 5% each year. BC Hydro played a key role in enabling the district's transition to electric buses by providing a rebate toward its charging infrastructure upgrade.

### 3. Transportation

Cars, trucks and other transportation equipment account for about 40% of B.C.'s GHG emissions. Currently, most light-duty passenger vehicles such as cars and SUVs in B.C. run on gasoline, while most heavy-duty vehicles such as large trucks and buses run on diesel. The Province has set ambitious targets that require automakers to meet increasing annual levels of electric vehicle sales in B.C., reaching 10% by 2025, 30% by 2030, and 100% by 2040. We are working to encourage electrification by investing in infrastructure for:

**Passenger electric vehicles (EVs):** BC Hydro is encouraging EV adoption by installing and expanding public charging infrastructure and raising public awareness about the benefits of passenger EVs. Since 2013, we have deployed 141 fast chargers at 83 sites across B.C. in collaboration with the Province. We also regularly implement charging pilots to test new EV charging solutions including new forms, factors, installation methods, power levels, and how EV charging can enable grid management including supporting future time-of-use rates or demand response. We have also provided rebates in partnership with various levels of government toward the purchase and installation of at-home charging equipment and have assisted small communities and First Nations communities with the installation of charging infrastructure. We have a current target to expand our fast-charging network to 325 charging stations at 145 sites by the end of 2025.



BC Hydro aims to have **325** fast charging stations installed across the province by 2026



We are prudently investing in GHG-reducing technologies within our mobile fleet and recently introduced a Ford F150 Lightning electric truck, which joins more than 300 other lower-emission and electric vehicles in our fleet.

**Medium and heavy-duty fleets:** While B.C. is leading North America in passenger EV sales, electrifying medium and heavy-duty vehicles such as buses, ferries and commercial fleets is an important next step in meeting B.C.'s climate targets and reducing carbon emissions. We developed a [fleet vehicle electrification program](#) to help our customers successfully integrate EVs into their business operations. The program is tailored for corporate fleet vehicles, commercial trucking, or other transportation fleets and includes funding for: fleet planning, EV charging infrastructure installs, and EV fleet pilot projects. As part of the program, we provided a series of [EV Fleet Electrification 101 Webinars](#) in 2022 to build technical industry knowledge in support of EV fleet transition planning. We also offer several [EV Resources for Industry](#) including our [Fleet Electrification Guidelines](#).

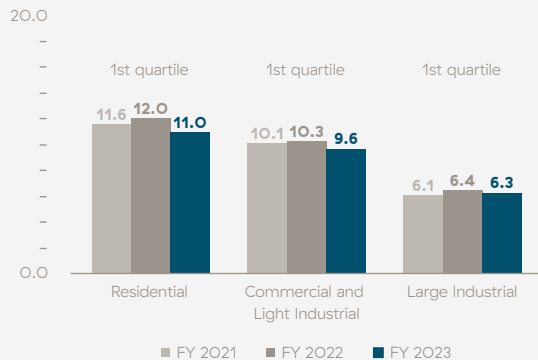


# Energy affordability

BC Hydro serves 95% of the province’s population and we incorporate energy affordability considerations into our planning and operations as this is important to our customers. We want to make it easy for our customers to connect to our system and choose low-carbon electricity to power their homes and businesses. BC Hydro is keeping rates as affordable as possible (see below) and helping customers manage their electricity costs through flexible payment options and efficiency programs, including a number of offers for lower-income customers.

## AVERAGE ELECTRIC RATE

CENTS PER KWH



The first quartile ranking represents the six utilities that have the lowest monthly electricity bills on April 1 of a given year from Hydro Quebec’s annual report on North American electricity rates. The full ranking includes 22 participating utilities.

## SUPPORTING OUR CUSTOMERS

Our Customer Care team offers flexible payment arrangements including installment plans to assist customers who need longer to pay their electricity bill. We also offer our Equal Payment Plan (some organizations refer to this as budget billing) to redistribute a customer’s yearly energy charges into equal amounts each month. This plan helps customers avoid high bills due to high seasonal consumption.

For some customers, a loss of employment or benefit income, unanticipated medical expenses, or a death in the family, may cause a temporary financial crisis. The Customer Crisis Fund is a program that offers a one-time per year grant amount up to \$600 to eligible residential customers who have fallen into arrears and are facing disconnection of their BC Hydro service.



**BC Hydro is keeping rates as affordable as possible and helping customers manage their electricity costs**

## ENABLING ENERGY EFFICIENCY FOR LOWER-INCOME CUSTOMERS

Although on average our rates are amongst the lowest in North America, some customers still struggle to pay their electricity bills given low household incomes or high expenses.

We work to understand and improve energy affordability for lower-income customers through the following:

**Low Income Advisory Council:** We established the Low Income Advisory Council in 2017 and co-chair the council with BC Public Interest Advocacy Centre. The council is composed of services and advocacy organizations that want to collaborate on improved utility rates and poverty reduction. The council provides opportunities to obtain feedback on existing or proposed programs.

**Home upgrades for lower income households:** Customers living in an income-qualified household can receive free product upgrades to improve the efficiency of their home with our Energy Conservation Assistance Program. The products and upgrades received depend on the housing type and individual characteristics of each home. As part of the program we also offer solutions for non-profit housing and Indigenous communities.

**Focus on manufactured homes:** B.C. has one of the highest concentrations of mobile dwellings in Canada, with about 70,000 BC Hydro customers living in manufactured homes. Customers living in manufactured homes often consume much more electricity than would be expected for the square footage of their home. In order to improve this situation, we have been testing new heat pump technologies and other renovations in a pilot program for manufactured homes in order to develop a better offer for this customer sector. As results come in, we plan to work with our customers to expand our offers.



### SDG TARGET 7.1

By 2030, ensure universal access to affordable, reliable and modern energy services.

### HOW BC HYDRO CONTRIBUTES

BC Hydro contributes to affordability for all customers by keeping electricity rates as affordable as possible and helps customers manage their electricity costs through flexible payment options and efficiency programs, including a number of offers for lower-income customers.

## HELPING CUSTOMERS MAKE SMART ENERGY CHOICES

We are committed to helping new and existing customers electrify and reduce their carbon footprint as well as offering a variety of programs to help customers be as efficient as possible with their use of B.C.'s low-carbon electricity. In addition to our own programs, we also administer several CleanBC programs on behalf of the provincial government and incentive top-ups from a number of municipalities. Some of our offers include:

### Power Smart Shop

This online platform provides customers with a one-stop-shop to research and select energy-using products. The platform consolidates all relevant product, pricing, rebate, efficiency, energy cost, and shopping information for multiple retailers in one place. We do not sell products within the platform, but rather link customers to retail partners in a convenient, simple tool. The Power Smart Shop builds on many of the educational resources and tools we have provided to shoppers for decades in physical brick and mortar stores via our retail programs (e.g., identifying efficient products, promoting rebates, and educating customers on efficiency). It can also reduce barriers for rural and remote customers, who may not have access to information and rebates traditionally limited to physical retail outlets often located in larger communities.

### Energy-saving products

Customers living in an income-qualified household can receive a free [energy savings kit](#) to help conserve electricity and make their home more comfortable year-round. Each kit includes simple, easy-to-install energy-saving products to help seal drafts, save on lighting costs, and reduce water use.



### Peak Saver

Introduced in November 2022, this growing voluntary demand-side management program challenges customers to reduce their electricity consumption during peak events, which are short periods when electricity demand is at its highest. If customers reduce their electricity use by 20% during the event, they receive a monetary reward. Rewards are accumulated and paid out at the end of the winter season. Events may be called by BC Hydro when electricity demand is expected to peak. In fiscal year 2023, we expanded our Peak Saver offer to more than 25,000 participants to understand the technical challenges and considerations associated with offering the program on a province-wide basis.

### Home Retrofits

Sustainability home retrofits (including installing a heat pump) can be complex, from finding a contractor to understanding all the available incentives. To help improve the experience for customers, we aggregate the incentives from several local governments and regional districts, together with the provincial government's CleanBC program and our program. This provides a one-stop-shop that simplifies the process for our customers. We also facilitated the creation of a Home Performance qualified contractors list to ensure customers can find a quality installer for their renovation. For our business customers, we also offer our Alliance of Energy Professionals, a similar service for finding a qualified contractor, consultant, or supplier.

### Power Smart for Schools

Our Power Smart for Schools program helps youth in British Columbia develop a low-carbon energy mindset and behaviours that will benefit future generations. Read more on [page 51](#).



# Quality of service

We serve about five million people in our service territory. Our customers include residential, commercial (small and medium businesses), and key accounts (such as large industrial). Our customers have varied needs and expectations around responsiveness, reliability, and low-carbon electricity. We are dedicated to meeting our customers' growing expectations and continuously improving the customer experience such as cultivating the skills of our customer team and working to understand customer needs.

## BUILDING A HIGHLY TRAINED TEAM

To provide high-quality customer service, we have a dedicated team of employees who work in our contact centre. During onboarding, each new customer care agent is given six weeks of training, plus a practicum that includes coaching support. To enable continuous improvement, we use a third-party provider that completes about 600 surveys each month on agent transactions. We also have an internal quality management team that listens to calls and scores them to identify opportunities to coach or recognize our agents.

## LISTENING TO OUR CUSTOMERS

We work hard to listen to feedback from our customers through our Voice of the Customer program. To measure customer sentiment, satisfaction and perception, we use tools such as:

**Surveys:** Surveys are often emailed after specific interactions with customers. We use the responses to establish a baseline of customer feedback, make adjustments, and survey again to determine the level of improvement from our customers' perspective.

**Empathy interviews:** When designing programs, we conduct these in-person or virtual interviews with select groups of customers to elicit conversation and determine underlying needs. Empathy interviews can be particularly insightful in program design, such as when we looked into improving user experience during our EV fast-charging program development. This type of interview is based on design thinking that engages users on different ends of a spectrum (for example, experts and those new to something) with open-ended questions to understand their needs, thoughts, emotions, and motivations.

## MEASURING CUSTOMER SATISFACTION

The Customer Satisfaction Index gauges the level of customer satisfaction in meeting their electricity needs. Our high scores (see table below) reflect our ongoing efforts to provide high customer reliability, our continued commitment to customer service, and improvements in our customer communications.

CUSTOMER SATISFACTION	FY 2021	FY 2022	FY 2023
Customer Satisfaction (CSAT) Index* [% of customers satisfied or very satisfied]	91.0%	91.0%	89.0%

\* CSAT is an index measuring customer satisfaction of BC Hydro's three main customer groups (residential, commercial and key accounts). The index is comprised of the five key drivers of satisfaction weighted equally across the three customer types.



## MOVING TOWARD ACCESSIBLE EV CHARGING

During a BC Hydro presentation to the Vancouver Electric Vehicle Association (VEVA), our team was made aware of accessibility issues in the design of our planned charging stations. As VEVA member Jacques Courteau, who uses a wheelchair for mobility, described the challenges in accessing public charging stations, we recognized an opportunity to truly understand the needs of these customers. "Their reaction was amazing," Courteau recalled. "They were so eager to do something about it."

A team of our associates arranged to ride along with Courteau to watch him use four different charging stations in the Lower Mainland. Witnessing Courteau's experiences first-hand provided insights we could never have gleaned from behind a desk or by applying only published accessibility guidelines. We now plan to incorporate these insights into the design of all future charging station installations to meet the needs of drivers who are mobility impaired. [Read more.](#)



# Manage the impact of our business on the environment





# GHG emissions

As a predominantly hydroelectric generator of power, BC Hydro’s greenhouse gas (GHG) emissions are among the lowest in the North American electricity industry. We recognize the importance of being leaders in the fight against climate change and we are committed to continuing to reduce emissions associated with our operations.

As a Crown corporation, BC Hydro has an important role to play in supporting government climate actions and targets. Our approach to reduce our direct and indirect GHG emissions aligns with British Columbia’s [Carbon Neutral Government Regulation](#) and the [CleanBC Roadmap to 2030](#).

## SETTING TARGETS

We have developed a GHG management plan to align with the CleanBC Roadmap 2030 and set ambitious reduction targets for ourselves. Our targets exceed the Provincial CleanBC industry sector targets and include:

- Achieving net-zero emissions from buildings, fleet and paper through both emissions reduction and by purchasing offsets for residual emissions via the B.C. offset retirement program.
- Setting a reduction target each year as part of our Climate Change Accountability Report to ensure we have measures and actions in place that will help us meet our longer-term reduction goals. As of 2023, we are forecasting to achieve a reduction in our emissions of 52% by 2025 and 71% by 2030 compared to our 2007 baseline.



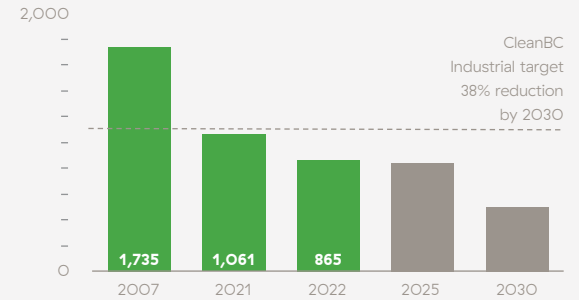
We have reduced our GHG emissions by 50% between 2007 and 2022



Read more in our [2022 Climate Change Accountability Report](#)

## GHG EMISSIONS

THOUSAND TONNES CO<sub>2</sub>e



Between 2007 and 2022, we have reduced our GHG emissions by 50%. Note that emissions are reported on a calendar year basis to align with regulations. Our GHG industrial emissions are verified by a third party as required by the Greenhouse Gas Reporting Regulation. We report on Scope 1, Scope 2, and select categories of Scope 3 emissions.

### WHAT ARE SCOPE 1, 2, AND 3 EMISSIONS?

**Scope 1:** Direct GHG emissions occur from sources owned or operationally controlled by BC Hydro.

**Scope 2:** Indirect GHG emissions are associated with the purchase of electricity and steam consumed to heat and cool BC Hydro owned/leased properties.

**Scope 3:** Other indirect GHG emissions come from business activities (i.e., GHG emissions that are a consequence of BC Hydro’s activities but occur from sources not owned by BC Hydro).



Peace Canyon Dam



**REDUCING OUR EMISSIONS**

We report on Scope 1, Scope 2, and select categories of Scope 3 emissions. Our GHG Management Plan targets GHG reductions across the following areas:<sup>10</sup>

<b>IPPs</b> <b>66%</b> <b>OF OUR TOTAL EMISSIONS</b>	<b>THERMAL</b> <b>23%</b> <b>OF OUR TOTAL EMISSIONS</b>	<b>NIAs</b> <b>6%</b> <b>OF OUR TOTAL EMISSIONS</b>	<b>FLEET</b> <b>2.4%</b> <b>OF OUR TOTAL EMISSIONS</b>	<b>BUILDINGS</b> <b>1.3%</b> <b>OF OUR TOTAL EMISSIONS</b>	<b>SF<sub>6</sub> AND CF<sub>4</sub></b> <b>1.2%</b> <b>OF OUR TOTAL EMISSIONS</b>
<p>Our energy mix includes some power from Independent Power Producers (IPPs). We do not own or operate IPP facilities, but our agreements with IPPs can directly influence the use and operation of these facilities.</p>	<p>BC Hydro owns and operates two natural gas (thermal) generation plants in Prince Rupert and Fort Nelson, serving Northwest British Columbia and the Fort Nelson area respectively.</p>	<p>BC Hydro supplies electricity generation and distribution to 14 Non-Integrated Areas (NIAs) serving 27 off-grid communities. These areas are supplied by approximately 50% diesel generation and the remainder with low-carbon and renewable resources such as stored hydro, run-of-river hydro, and solar.</p>	<p>Fleet Services manages more than 3,000 vehicles, trailers, and pieces of equipment to support our front-line operations. Most of these GHG emissions come from our heavy-duty vehicles (such as bucket trucks) that are required to respond to, restore, and maintain our power system infrastructure.</p>	<p>BC Hydro owns and leases more than 280 buildings across British Columbia.</p>	<p>Sulphur hexafluoride (SF<sub>6</sub>) and carbon tetrafluoride (CF<sub>4</sub>) are potent greenhouse gases used in electrical equipment worldwide. Equipment leaks can result in the release of these gases to the atmosphere which have 23,500 and 6,630 times more global warming potentials than CO<sub>2</sub>, respectively.</p>

**EMISSIONS REDUCTION ACTIVITIES**

<p><b>↓57% SINCE 2007</b></p> <ul style="list-style-type: none"> <li>Looking to acquire electricity from low-carbon or renewable resources, as new IPP resources are required in the future.</li> </ul>	<p><b>↓19% SINCE 2007</b></p> <ul style="list-style-type: none"> <li>Prince Rupert is run to meet the need for stand-by emergency generation in the north coast. Fort Nelson runs to meet local reliability while meeting Alberta Electric System Operator (AESO) operating rules, providing trade revenue, and displacing thermal facilities in Alberta. Fort Nelson GHG emissions vary mostly because of plant availability.</li> </ul>	<p><b>↑14% SINCE 2007</b> (as a result of load growth)</p> <ul style="list-style-type: none"> <li>Working with communities to advance low-carbon energy projects.</li> <li>Supporting other diesel reduction activities in NIAs, such as demand-side management initiatives and the installation of batteries.</li> <li>Developing an overarching strategy focused on NIA diesel reduction, expected to be complete in 2023.</li> </ul>	<p><b>↓8% SINCE 2010</b></p> <p><b>Light-Duty Vehicles</b></p> <ul style="list-style-type: none"> <li>93% of our light-duty fleet sedan vehicles are already either zero emission or hybrid electric.</li> <li>Incorporating new and existing commercially available technologies for our light-duty vehicles such as electric-gas hybrids or electric vehicles.</li> </ul> <p><b>Heavy-Duty Vehicles</b></p> <ul style="list-style-type: none"> <li>While technologies for reducing GHGs in heavy-duty vehicle categories are not readily available, we are testing technologies (such as Electric Power Take-Off systems) to advance our knowledge and experience with non-GHG emitting alternatives.</li> <li>Leveraging programs to increase the efficiency of BC Hydro's fuel consumption.</li> </ul>	<p><b>↑52% SINCE 2010<sup>11</sup></b></p> <ul style="list-style-type: none"> <li>Upholding design standards that include energy efficiency targets, low carbon directions, and prioritizing electric options.</li> <li>Installing low-carbon heating systems in our new facilities and exploring options for upgrading our existing buildings where it makes financial and technical sense.</li> </ul>	<p><b>↓86% SINCE 2007</b></p> <ul style="list-style-type: none"> <li>Maintaining an SF<sub>6</sub> Management and Tracking Program, established maintenance programs, and targeted equipment repair and replacements.</li> <li>Seeking alternatives to SF<sub>6</sub> and CF<sub>4</sub> insulated equipment where these are viable, reliable and safe.</li> <li>Piloting emerging technologies to use alternatives to avoid or reduce using potent GHGs.</li> </ul>
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<sup>10</sup> Emissions sources have been rounded to the nearest whole percentage and also exclude negligible amounts for paper (0.01%) and air travel (0.1%).

<sup>11</sup> Although our overall building portfolio and GHG emissions have increased by 52% since baseline due to the Site C project's temporary worker accommodation camp, the emissions from our core buildings portfolio have decreased by 16% since baseline. It is expected that the Site C buildings' emissions will decrease significantly starting in 2025 when construction is substantially complete and the camp is decommissioned.

# Biodiversity

BC Hydro operates 30 integrated hydro facilities and approximately 80,000 km of transmission and distribution lines that traverse the province of British Columbia. The climate and unique terrain across our province result in some of the richest biodiversity in North America.

Our Environment Strategy includes four strategic objectives: 1) be in environmental compliance; 2) minimize habitat loss and fragmentation from BC Hydro projects and operations; 3) achieve environmental benefits that also have additional value; and 4) support climate actions and targets. These four objectives continue to guide our decisions and actions as we work to avoid and minimize our impacts to ecosystems and biodiversity. We also developed a Statement of Environmental Principles consisting of [seven principles](#) that outline our commitment to environmental protection and that apply to all employees and contractors.

## REDUCING OUR IMPACTS ON ECOSYSTEMS AND BIODIVERSITY

We have a robust and integrated network of programs and practices to conserve fish, wildlife and their ecosystems, considering both historic and current impacts. We work to reduce our impacts in two areas:



### Historical

To compensate for the historical impacts of dam construction on land, water, fish and wildlife, we annually fund the [Fish and Wildlife Compensation Program \(FWCP\)](#). The FWCP is a partnership with the Province of B.C., Fisheries and Oceans Canada, First Nations, and public stakeholders to conserve and enhance fish and wildlife in watersheds impacted by the construction of BC Hydro dams.

Initiated in 1988, we have invested more than \$230 million in program funding to date. The FWCP's 95 projects, totalling \$9.8 million in 2022–2023, are improving fish passage, conserving critical habitats, supporting endangered and at-risk species, restoring ecosystems, and filling important data gaps. The projects include 37 in support of fish and 58 focused on wildlife.

15

LIFE  
ON LAND

### SDG TARGET 15.1

By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands.

17

PARTNERSHIPS  
FOR THE GOALS

### SDG TARGET 17.17

By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands.

### HOW BC HYDRO CONTRIBUTES

We invest in reducing or mitigating the impact of our infrastructure and operations on B.C. ecosystems including wetlands and forests and through partnerships like the Fish and Wildlife Compensation Program.





The Burton Flats, Arrow Lakes Reservoir

### Ongoing operations and projects

We apply a continuous improvement approach to the operation and maintenance of our generation, transmission, and distribution systems to reduce impacts on B.C.'s aquatic (read about aquatic biodiversity on [page 28](#)) and terrestrial (read about terrestrial biodiversity on [page 31](#)) ecosystems. For example, we operate our hydroelectric systems in accordance with our Water Use Plan Orders (see [page 27](#) Managing our Water Resources). The Orders include operational requirements such as environmental flows, reservoir elevations, and ramp rates to help support fish and fish habitat.

We also undertake monitoring studies to examine the effect of our operations on ecosystems and have completed several projects (e.g., habitat enhancements—including installing artificial habitats for roosting mammals and revegetation trials) which support the biodiversity of the watersheds in which we operate.

At any given time, we have more than 400 active capital projects across our operating area. During the initial stages of project planning, we strive to minimize our impacts to the environment through design of each project and employ comprehensive environmental screening standards and practices to identify and mitigate any impacts. Project teams adhere to environmental best practices and regulatory requirements.

### BUILDING A WETLAND TO SUPPORT WILDLIFE

To help mitigate the impacts of changing water levels on wildlife and aquatic habitats, we built an ambitious wetland complex in the drawdown zone of our Arrow Lakes Reservoir.

The project included the development of multiple tiered ponds, bat box installations, and an extensive adaptive vegetation enhancement effort. This project was completed in 2021 and is being monitored to assess the effectiveness of this approach.



# Water

As a hydroelectric utility, we rely mainly on the power of moving water to power the province of B.C. Water is also critical for sustaining life in all forms, in addition to supporting agriculture, industry, recreation, and having cultural significance to Indigenous communities. We are dedicated to responsible use and proper management of our province's water resources and to minimizing our impacts on fish, wildlife, and the habitats they require.

## MANAGING OUR WATER RESOURCES

Water use planning helps us find a better balance between competing uses of water in the watersheds in which we operate. In collaboration with First Nations, regulators, key stakeholders, and the public, we have developed 23 [Water Use Plans](#) for our watersheds across the province, which are implemented through Water Use Plan Orders issued by the Province. These orders outline operating requirements (e.g., environmental flows, reservoir elevation limits and ramping rates), environmental monitoring programs, and, in some cases, physical works (e.g., habitat, recreation, and safety enhancements). We are currently reviewing, in consultation with First Nations, regulators, key stakeholders, and the public, if the orders meet the intended environmental, social, and cultural benefits, and if any new issues have arisen.



[Read more about our efforts to protect fish and fish habitat](#)



Revelstoke Dam in Revelstoke, B.C.

## PREPARING FOR DROUGHT

In 2022, B.C. experienced one of its warmest and driest late summer and early fall seasons on record so far. The unusually dry weather posed challenges for fish in B.C. rivers and watersheds, where water levels were near record lows in some areas. We helped by maintaining downstream water flows to protect the environment while continuing to supply safe and reliable power to our customers.

Going forward we are:

- Continuously working to improve our weather and inflow forecasting.
- Expanding our hydroclimate monitoring technology.
- Investing in capital projects—like spillway gate replacements—that will increase resiliency of the system to climate change.

[Read more about our learnings.](#)



### SDG TARGET 6.6

By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes.

### HOW BC HYDRO CONTRIBUTES

We work to protect and restore water-related ecosystems through wetland restoration as part of our funding of the FWCP, adherence to our Water Use Plan Orders for daily operations and by maintaining high environmental standards for project work.



## REDUCING IMPACTS ON AQUATIC BIODIVERSITY

The biodiversity of aquatic wildlife is reliant on water flows upstream and downstream of our facilities. At our reservoirs, changes in water levels can affect fish spawning cycles. Changes in plant life and nutrient levels can have an impact on the food chain. Dams can also alter the natural habitat of fish by stopping them from moving upstream to reach their spawning grounds. Fish directly upstream of our facilities risk being drawn into our water intakes, which can impact the fish through injury or death, and may also impact the upstream population. Some of our practices to reduce these impacts are:

### Flow and reservoir levels

Our Water Use Plans prescribe minimum flows and ramp rates to preserve different species. Our reservoir operations, including minimum levels, are managed to maintain sufficient downstream water flows to protect both aquatic biodiversity and terrestrial wildlife, while continuing to supply reliable hydroelectric power.

### Fish screens and passages

Where possible, we use different physical barriers or guidance mechanisms (such as fish screens and passages) to direct safe fish movement. For example, at our Puntledge hydroelectric facility on Vancouver Island, we invested in penstock “Eicher” screens designed to divert fish away from the turbines and guide them back to the river on their way to the ocean. During construction of our Site C project, we built a temporary facility to enable fish passage during construction, and to inform the final design of the permanent fish passage facility.

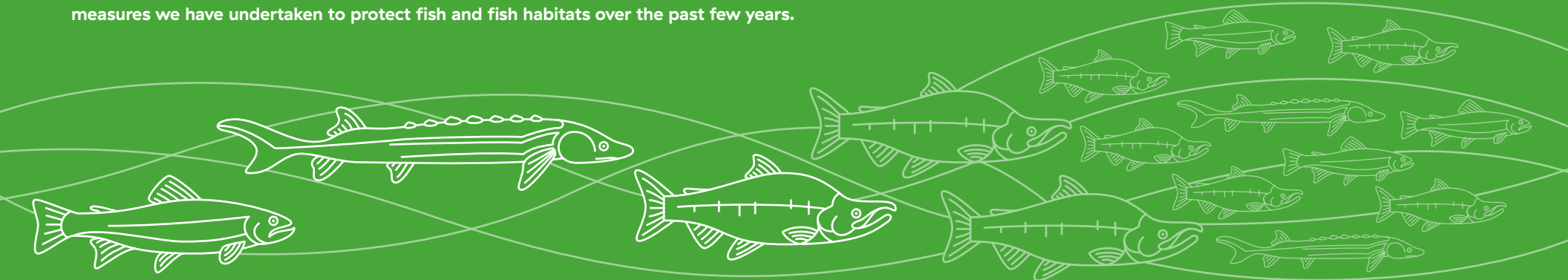
### Nutrient restoration programs

The creation and operation of reservoirs can reduce the availability of nutrients important for fish survival. To mitigate this, we may add nutrients (via liquid fertilizer) to reservoirs and streams to increase juvenile fish survival. For example, at our Seven Mile facility near Trail, we fertilize an important tributary to the reservoir to improve bull trout production. Nutrient restoration initiatives are delivered as part of our FWCP, *Fisheries Act* Authorization, and Water Use Plans in partnership with the Province of B.C. and local First Nations.



# Working to protect fish and fish habitat

We invest significant efforts in understanding potential impacts to aquatic biodiversity and continually work to implement mitigation methods to reduce our impacts. The below graphic highlights some of the mitigation measures we have undertaken to protect fish and fish habitats over the past few years.



## Protecting fish habitat

The Quinsam River system on Vancouver Island provides habitat to a number of fish species important to the fishery, local community and Indigenous groups. In October 2022, extended hot and dry weather led to droughts in the Quinsam River system where we operate a storage dam and water diversion facility.

Our teams approached Fisheries and Oceans Canada with a plan to avoid stranding millions of salmon eggs already in the gravel, and support the ongoing migration and spawning activity.

We put in place three pumps and around 300 metres of pipe, which were very effective in moving water and increasing water levels.

## Recovering white sturgeon

When Columbia River white sturgeon were listed as an endangered species, we worked with First Nations, Fisheries and Oceans Canada, the Province, and other hydroelectric operators to develop the Upper Columbia White Sturgeon Recovery Initiative.

Over the past 15 years, we have implemented a hatchery program, habitat improvements, and fisheries management programs that have resulted in dramatic improvements to sturgeon recovery. However, there is more work to be done to extend their recovery to their historic range.

## Protecting salmon and trout

As in all watersheds that have hydroelectric power generation, we play a large role in managing water levels, and, by association, influencing downstream fish stranding during flow reductions. If we reduce flows too slowly, we risk providing fish with the opportunity to spawn in habitat that will not be available through critical winter periods. If we reduce flows too rapidly, some juvenile and adult salmon may be unable to return to the main channel.

At our Cheakamus River project near Squamish, we had fish strandings and, as a result, have been working with community groups, Squamish Nation, and Fisheries and Oceans Canada to develop the Cheakamus Adaptive Stranding Protocol (CASP), which aims to balance the need to manage water levels with fish stranding. With much work still required, the CASP is an example of BC Hydro collaborating with communities to manage a complex challenge. [Read more](#)

## Partnering to build a salmon hatchery

Construction of the Coquitlam Dam in the early 1900s proceeded without fish passage provisions, resulting in the near extinction of the sockeye salmon population in the Coquitlam River watershed. Those decisions had significant impacts on the Kwikwetlem First Nation way of life.

Sockeye salmon in B.C. have since reached historic lows, and we have been working with the Kwikwetlem First Nation to address decisions made during dam construction to exclude fish passage. Most recently, the Kwikwetlem Salmon Restoration Program has implemented a sockeye salmon passage program, helping adults move upstream of the dam to spawn, and juveniles move safely downstream of the dam to rear in the ocean.

Because the remaining sockeye in the Coquitlam system are too few to meet our restoration goals, we are partnering with the Kwikwetlem to operate a new sockeye hatchery to be constructed below the Coquitlam Dam, with completion expected early 2024.

## Restoring fish passage

Our Salmon River diversion facility has provided support to our facilities on the Campbell River since 1958. Although salmon and steelhead migration were not affected by the diversion facility construction at the time, a natural barrier below the facility was removed in the 1970's, and fish passage upgrades were constructed in the 1990's. Over time, the river has become important to Coho salmon and steelhead, and the outdated passage facilities were regularly impacted by natural sedimentation and debris.

We worked with First Nations and stakeholders to evaluate different passage improvement options, and in 2017, we decommissioned the Salmon River diversion facility. The project greatly improved access to 44 km of upstream habitat, and has restored the natural flow to the river.

# Land

Many of our assets are located in areas of rich biodiversity and within, or in close proximity to, critical habitat<sup>12</sup> for species at risk. In fact, several *Species at Risk Act* (SARA)–protected species nest or roost in or near our facilities or on transmission structures. We recognize that the location and operation of our facilities have environmental impacts and are working to minimize our footprint and operational impacts and support conservation of terrestrial biodiversity across B.C. The following sections highlight some of our efforts in this area.

## PRESERVING HABITATS

Minimizing habitat loss and fragmentation is an objective in our Environment Strategy and is a standard criteria supporting decision–making in BC Hydro projects that will impact the landscape (see sidebar for an example). In considering habitat fragmentation we look at how project alignments could affect connectivity among populations, now and into the future.

## MINIMIZING IMPACTS ON BIODIVERSITY DURING POLE REPLACEMENTS

Our daily operations involve high volumes of work that is low risk for wildlife; however, the work is not risk–free. An example of this is our pole replacement program through which we replace thousands of poles each year.



Aerial photo of Peace Region Electricity Supply project area.

To identify where risks occur and mitigations are required, we developed a screening procedure to consider SARA–protected species before work begins. This screening may influence the timing of work, prescribe special work instructions or mitigations, or identify when a qualified species expert needs to be involved to manage risks, depending on the nature of the work, the location, and the species. These procedures and other protocols allow us to avoid harming species at risk, their residences, and their habitats.

## HABITAT RESTORATION IN RESERVOIR DRAWDOWN ZONES

We have been testing ways to restore wetlands and riparian habitats within reservoir drawdown zones. This work has included removal of debris from wetlands, creating new wetlands (see sidebar example on [page 26](#)), altering surface texture to promote native plant growth, and a wide variety of direct re–vegetation treatments.

## HOW BC HYDRO CONTRIBUTES

We work to minimize habitat loss and fragmentation on all BC Hydro infrastructure projects, support wetland conservation and other conservation and restoration efforts as part of the Fish and Wildlife Compensation Program, and do our part to protect at–risk species.

## REDUCING OUR FOOTPRINT IN THE PEACE REGION

When designing new transmission corridors, BC Hydro seeks alignments immediately adjacent to existing roads and other linear features to optimize access, minimize environmental impacts, and reduce incremental land fragmentation.

During consultation for our Peace Region Electricity Supply project, the project’s overall footprint and impact on habitat fragmentation was a concern from all identified First Nations. In response, the project team conducted a habitat fragmentation analysis to quantify the fragmentation and footprint impact of the project alignment.

Our efforts demonstrated to the First Nations that we had heard and sought to address their concerns. In turn, this supported our consultation and subsequent approval of provincial permits. The project went into service in May 2021 ahead of the planned October 2021 in–service date.



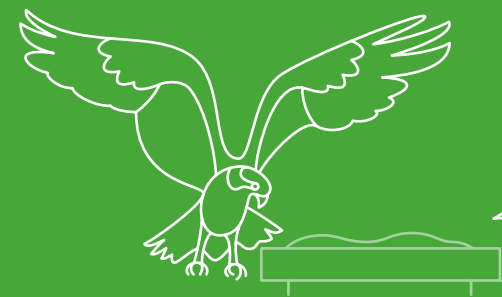
### SDG TARGET 15.5

Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.

<sup>12</sup> Critical habitat identified under the *Species At Risk Act* (SARA).

# Working to protect terrestrial biodiversity

At BC Hydro, we have comprehensive screening practices to determine potential biodiversity impacts and we work to implement mitigations to minimize habitat loss and other impacts to biodiversity. Over the past few years, some of the ways we have worked to protect terrestrial biodiversity, including several SARA-listed species, include:



## Building Osprey platforms

Ospreys find certain power pole designs attractive for building nests on, especially near rivers and lakes where forests have been cleared and few natural nesting areas remain. These nests can cause power outages and fires in some cases, and must be removed for the safety of the birds and people.

Rather than simply making our structures nest-proof, every year BC Hydro installs newly-dedicated, safe nesting platforms for Osprey that have been successfully used repeatedly over the years.



## Avoiding Oregon Forestsnail habitat loss

During a 2022 project to realign overhead wires, our Environment staff noted that the new construction was in potential critical habitat for Oregon Forestsnail. The Oregon Forestsnail is listed as endangered under the federal *Species at Risk Act*.

Our staff went to site and found an abundance of the snails where the project was initially sited. In response, we worked to re-design the location of the overhead conductors and were able to avoid habitat loss for this species.



## Creating nesting habitat for Barn Swallows

A seismic upgrade project at our John Hart dam on Vancouver Island was projected to impact some of the existing Barn Swallow nesting habitat at the dam site. Barn Swallows, a SARA-protected species, nest almost exclusively around human structures such as barns and outbuildings.

To provide nesting habitat during project implementation, we built a large shed. We have previously built habitat structures for Barn Swallows, but this was our most ambitious to date. We anticipate interest in the shed by Barn Swallows will increase once construction begins.



## Preserving bat maternity roosts

Bats were encountered during the initial stages of a project to secure a cliff face with sprayed concrete above the office building at our Seven Mile dam in southeastern B.C.

The project was delayed, and the site was studied by a bat biologist the following summer. Acoustic monitoring was used and noted a large increase in bat acoustic detections during the pup-rearing season. Biologists believed that several cracks were probable candidates for bat maternity roosts.

We determined a way to protect the most suitable cracks so that they would be available to the bats in future years. Work was completed after the bat pup-rearing season and follow-up acoustic monitoring showed similar volumes of bat activity in the area as before the project.



## Installing diverters in Deltaport area

The coastal wetlands near a container terminal in Delta, B.C. (Deltaport) are used as foraging habitat for numerous migratory birds such as the Dunlin and Western Sandpiper. The electric lines that supply power to the terminal can be a hazard to those migratory birds.

In 2022 and 2023, BC Hydro funded a project to install bird diverters (devices attached to wires to make them more visible to birds) on a stretch of overhead transmission lines that supply power to the terminal.

The installation at Deltaport is the largest installation of bird diverters ever completed by BC Hydro and included almost 2,000 diverters over 5 km of line.



# Work toward lasting and meaningful reconciliation

8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



Kwantlen drummers at the Ruskin art installation ceremony in 2019.

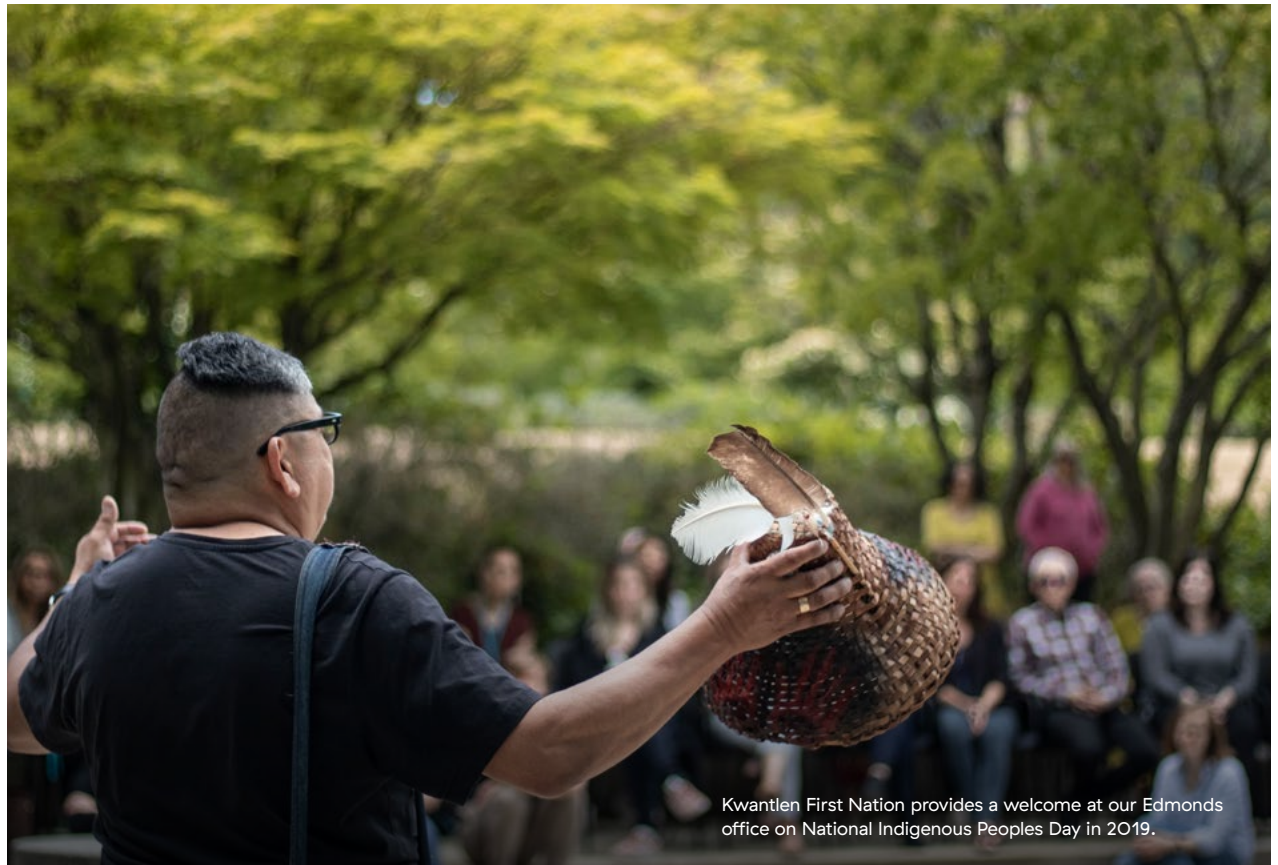


# Our role in reconciliation

We have a responsibility to operate in a way that respects the rights of Indigenous Peoples. Constructing and operating our system has left lasting impacts on Indigenous Peoples, cultures, traditions, and ways of life which we deeply regret. Most of BC Hydro’s power system was built before Indigenous rights were recognized and affirmed in 1982 in Canada’s Constitution. The presence of our infrastructure continues to have impacts on water, land, the environment, and Indigenous rights and title that affect our relationships with Indigenous Peoples today.

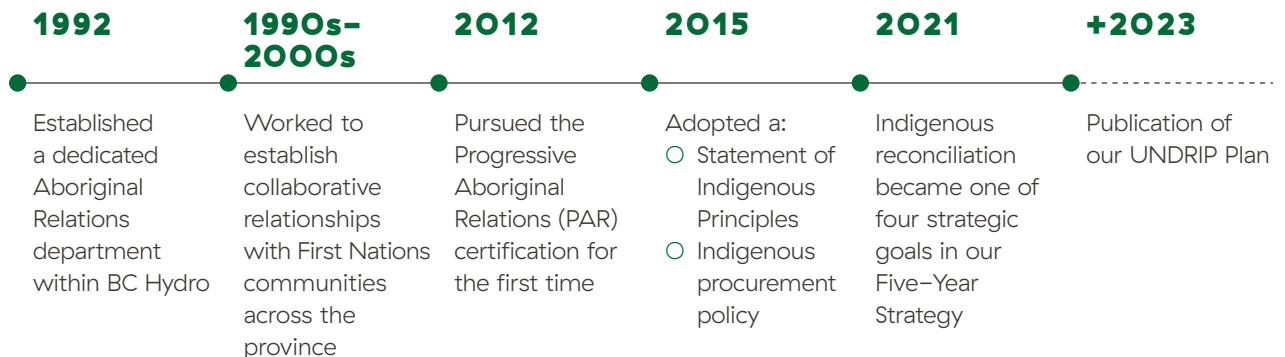
Our infrastructure and operations are located on lands where First Nations have resided since time immemorial and have affected the land and resources on which they rely. Some First Nations have borne a disproportionate share of these impacts. BC Hydro respects Indigenous rights and title, and works in collaboration with First Nations to avoid or mitigate impacts and ensure Nations receive benefits from our projects and operations when they have been impacted.

Advancing reconciliation in our business involves building and maintaining respectful relationships that help us understand and support First Nations’ interests and perspectives while also delivering on our mandate as a public utility. One way we integrate Indigenous viewpoints into our decision making is through insights from the two Indigenous members on our Board of Directors (read more about governance on [page 49](#)).



Kwantlen First Nation provides a welcome at our Edmonds office on National Indigenous Peoples Day in 2019.

## MILESTONES IN OUR JOURNEY TOWARDS RECONCILIATION





## OUR UNDRIP PLAN

BC Hydro has drafted a plan that outlines actions to incorporate the principles of UNDRIP into our business for the benefit of Indigenous peoples. In 2023/24, we will continue to consult with First Nations on the development of the plan.

## PAR GOLD CERTIFIED

BC Hydro achieved our fourth consecutive Gold level Progressive Aboriginal Relations designation from the



Canadian Council for Aboriginal Business 

Canadian Council for Aboriginal Business in 2021, demonstrating our commitment to implementing leading Indigenous relations practices across the areas of leadership, community relationships, business development and employment. Achieving Gold certification is one of our goals and demonstrates our ongoing efforts and commitment to advancing reconciliation with Indigenous Peoples. BC Hydro is one of 18 companies in Canada to achieve Gold status, and one of only two utilities at the Gold level. Work is currently underway to seek PAR certification for 2024 (certification occurs every three years).

## PRINCIPLES GUIDING OUR APPROACH

- [BC Hydro Statement of Indigenous Principles](#)
- [United Nations Declaration on the Rights of Indigenous Peoples \(UNDRIP\)](#)
- The [Calls to Action](#) of the Truth and Reconciliation Commission
- [Draft Principles that Guide the Province of British Columbia's Relationship with Indigenous Peoples](#)

A sign at our Cheakamus Generating Station features artwork from Squamish Nation Coast Salish artist Cory Douglas (pictured).



## INDIGENOUS AWARENESS TRAINING

To help advance reconciliation, BC Hydro is working to build Indigenous awareness with our employees across the company. To date, 4,963 (74% of total) employees have completed either of the following courses:

**INDIG 101: Indigenous Awareness:** Available to employees and contractors, this e-learning course provides an overview of our approach to enhancing Indigenous relations in B.C. Participants learn about the historical, governmental, and legal context of our operations and the impact upon Indigenous communities.

**INDIG 201: Applying our Principles:** This half-day in-person course provides an overview of the history of colonization in Canada and B.C., BC Hydro's history with First Nations communities, and our approach going forward. The course helps participants understand their role in building relationships with Indigenous groups, how and why BC Hydro is working to advance reconciliation as a company, and the importance of keeping Indigenous interests at the forefront during planning and decision-making in all areas of BC Hydro. The course was developed through close engagement with Indigenous employees at BC Hydro and is facilitated by both Indigenous employees and external Indigenous facilitators.

## RECOGNIZING INDIGENOUS OBSERVANCES

We seek to provide our employees with opportunities to enhance their understanding of Indigenous history, culture and perspectives by marking Indigenous observances including:

**National Indigenous Peoples Day:** In celebration of Indigenous culture, we hold events and activities at various BC Hydro offices across the province showcasing Indigenous speakers, performers, foods, and/or cultural workshops.

**National Day for Truth and Reconciliation/Orange Shirt Day:** We bring in keynote speakers to share their stories and perspectives with our employees. For example, in 2021, we invited the founder of Orange Shirt Day, Phyllis Webstad, to tell her story and share why she founded this day. In 2022, we invited an Elder from the Indian Residential Schools Survivors Society who spoke about her experience in a residential school and the impacts to her and her children's lives.



Squamish Eagle Song dancers perform at our Vancouver office for National Indigenous Peoples Day in 2019.

# Shared prosperity

We are committed to positively contributing to Indigenous peoples’ ability to improve their social and economic conditions and facilitate economic development. We seek to support First Nations economic aspirations where they align with and support the needs of BC Hydro’s business. Some of the ways we aim to create shared prosperity include:

## RELATIONSHIP AGREEMENTS

We hold relationship agreements with First Nations where our most significant infrastructure footprint is located as these are the First Nations that are most impacted by our business. The purpose of these agreements is to foster and maintain meaningful long-term relationships and to outline how we will work together as we advance projects and operations in their territory. Through these agreements we offer employment and/or procurement opportunities that benefit these Nations.

## INDIGENOUS EMPLOYMENT

BC Hydro is working to attract and retain Indigenous employees across all areas of our business, and has a goal of reaching 4.6% Indigenous representation by FY 2024, which exceeds the 3.6% of Indigenous workforce available in the province<sup>13</sup>.

Programs that support this work are:

**Work experience:** Our Indigenous Professionals In Development (IPID) program welcomes Indigenous post-secondary graduates interested in exploring career options with BC Hydro. Launched in August 2021 with an initial cohort of seven university graduates, the program offers 12–24 months of employment in one to two rotations (6–12 months each) across business groups within BC Hydro. The program’s objective is to build business acumen and provide work experience and networking to support Indigenous candidates in finding long-term employment within BC Hydro. In total, the program has brought 16 participants into BC Hydro since fall 2021. Seven have successfully applied to BC Hydro jobs and are now permanent employees. Another recruitment is planned for summer/fall 2023.



**\$179,000 for Indigenous students from BC Hydro-awarded scholarships and bursaries in FY 2023**

**Scholarships:** We offer scholarships and bursaries to Indigenous students who are from a B.C. First Nation or are an Indigenous permanent resident of B.C., and who are registered at an accredited post-secondary institution in a program that closely matches to careers at BC Hydro. In FY 2023, we awarded 37 Indigenous students from across the province with scholarships and bursaries to advance their education, totalling approximately \$179,000.



**\$227 million in contracts to Indigenous-designated businesses in FY 2023**

## INDIGENOUS PROCUREMENT

Our directed procurement approach is focused on the First Nations with whom we have relationship agreements. Since fiscal year 2015, we have awarded more than \$1.16 billion in direct contracts to Indigenous-designated businesses, largely on the Site C project. After surpassing our original \$1 billion goal early, we set a new goal to reach \$1.425 billion by the end of fiscal year 2026. By partnering with Nations in this way, we support their long-term economic interests.



### SDG TARGET 8.5

By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

### HOW BC HYDRO CONTRIBUTES

Our practices and programs work to increase Indigenous employment throughout the company. We focus on pay equity for all designated groups, including Indigenous Peoples, and conduct bias mitigation training for leaders.



### SDG TARGET 10.2

By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

### HOW BC HYDRO CONTRIBUTES

We support the long-term economic interests of Indigenous peoples through our directed procurement approach and relationship agreements.

<sup>13</sup> Based on the available B.C. workforce derived from the most recent census (2016).



# Respecting Indigenous rights and culture

As a public utility, we recognize our responsibility to operate in a way that respects the rights of Indigenous peoples and honours their unique culture.

## HERITAGE RESOURCES AND TRADITIONAL LAND USE

BC Hydro works in collaboration with First Nations to preserve Indigenous heritage resources and traditional land use. We employ comprehensive screening checklists and procedures to prevent impacts to archaeological sites following B.C.'s *Heritage Conservation Act*. We also partner with First Nations to employ cultural monitors. "Cultural monitoring" refers to the monitoring of BC Hydro work by a First Nation for the purposes of protecting Indigenous cultural heritage (e.g., artifacts, medicinal plants, spiritual sites, etc.), outside of a permitted archaeological process.

We also work with First Nations to identify and prevent impacts to archaeological sites in our reservoirs resulting from daily operations and maintenance through the Reservoir Archaeology Project. The project is designed to complete an inventory of archaeological sites and collaboratively develop archaeology management plans.



Panel installation at Ruskin Dam in February 2019

## COLLABORATING TO PRESERVE ARTIFACTS CELEBRATE KWANTLEN CULTURE

During the redevelopment of the Ruskin Dam near Vancouver, an important Kwantlen archaeological site was uncovered and disturbed. In response, BC Hydro and Kwantlen worked together to develop a cultural centre to house the artifacts that were disturbed.

This experience brought us closer together and led to six panels designed by a Kwantlen artist being installed on the Ruskin Dam. These panels acknowledge the depth of Kwantlen's spiritual, cultural, and physical presence in the area, and our commitment to a lasting relationship with them that is built on reconciliation.



### SDG TARGET 11.4

Strengthen efforts to protect and safeguard the world's cultural and natural heritage.

### HOW BC HYDRO CONTRIBUTES

We recognize the importance of working in collaboration with First Nations to preserve Indigenous heritage resources and traditional land use, as well as to acknowledge and honour Indigenous culture.





An exterior portion of the “Our Story, Our Voice” gallery at our WAC Bennett Dam Visitor Centre.

## HONOURING INDIGENOUS CULTURE

One of the ways we demonstrate our respect for Indigenous rights and culture is by collaborating with First Nations to incorporate elements of cultural recognition. Some examples include:

**Cheakamus Substation:** We worked with Squamish Nation to ensure that visitors to the Cheakamus Generating station in the Squamish–Lillooet area would be greeted with a piece of Squamish Nation culture and history. A newly installed sign depicts a canoe travelling down a river plentiful with salmon, while grizzly bears fish, surrounded by forests and mountains in a Coast–Salish design honouring the Squamish Nation’s ancestors. The sign, which was designed by Squamish Nation Coast Salish artist Cory Douglas, also features the Squamish language and village name. Collaboration on the sign was initiated in support of our relationship and reconciliation.

**Cathedral Square Substation:** We provided funding, access to our infrastructure and safety support, to enable Musqueam, Squamish, and Tsleil–Waututh artists to install murals on the towers at the Cathedral Square substation public plaza in downtown Vancouver as part of the Vancouver Mural Festival’s initiative ‘Blanketing the City’. Blanketing the City offered an opportunity to share Indigenous art while beautifying the city and demonstrating a commitment to inclusion, while also reducing vandalism. The work focused on the park above our underground Cathedral Square substation. There are six cooling towers at Cathedral Square, so each Nation had an artist represent them to paint two of the towers.

## MAKING DECISIONS TOGETHER

We are working in collaboration with First Nations to mitigate or avoid impacts on their rights. We consult with First Nations about our project, operational and strategic decisions, and we will seek to do more to collaborate with First Nations as partners, owners and share holders since the decisions we make around building and operating our infrastructure can have significant impacts on Indigenous Peoples. An example of this collaboration is:

**Joint Planning Forum:** In 2019, as part of a renewed agreement with St’at’imc, the Joint Planning Forum was established to resolve a significant dispute related to our operations and to enable improved collaboration on BC Hydro’s capital projects and operations. The Forum is composed of three BC Hydro representatives and three representatives from St’at’imc who meet regularly and as equals to decide on and oversee the progress of environmental mitigation projects related to fish and fish habitat, and to review any projects that may impact water management in the Bridge River System. The Forum also provides direct in–season operational recommendations to BC Hydro on managing flows in the Lower Bridge River and Seton Rivers using mutually agreed–on guiding principles, incorporating science, Indigenous, and regulatory agency input.

## ACKNOWLEDGING ENDURING IMPACTS

About a quarter of the electricity used in B.C. comes from the water held behind the WAC Bennett Dam, constructed in the 1960s. While the adverse impacts were not recognized at the time of its construction, BC Hydro acknowledges and deeply regrets the impacts of the dam and reservoir on the environment and on the original people of the land. We will not repeat the mistakes of the past and hope this acknowledgment can be an important step in reconciliation.

### The gallery at our WAC Bennett Dam Visitor Centre represents some of the culture of the First Nations and Métis people who were impacted by the dam

Acknowledging these impacts is something we have tried to achieve through the “Our Story, Our Voice” gallery opened in 2016 at our WAC Bennett Dam Visitor Centre. The gallery represents some of the culture of the First Nations and Métis people who were impacted by the dam. The gallery takes visitors on an emotional journey that explores before, during, and after the valley was flooded in 1968 told from the perspective of Indigenous groups in the area who were displaced by the creation of the dam and reservoir.

Significant contributions to the gallery and exhibits were made by an Aboriginal advisory committee consisting of members from B.C. Métis Federation, Doig River First Nation, McLeod Lake Indian Band, Métis Nation B.C., Saulteau First Nations, and Kwadacha First Nation.



# Supporting low-carbon electricity for Indigenous communities

While our integrated power system generates and delivers low-carbon electricity to 95% of B.C.'s population, it is not accessible to some remote communities. These Non-Integrated Areas (NIAs) have microgrids that are powered primarily by diesel, or through a combination of diesel and renewable energy. BC Hydro currently provides electricity to 14 NIAs, serving 27 communities and 12 First Nations. Although NIAs are not exclusively Indigenous, they are predominantly composed of Indigenous communities.

## FUEL SWITCHING IN NON-INTEGRATED AREAS

Customers in these remote communities experience longer, more frequent outages and relatively higher energy costs than those on the integrated system. While approximately half of the electricity for these communities is produced through renewable sources, such as small hydro facilities, diesel is used for the remainder of their power. BC Hydro uses approximately 20 million litres of diesel per year to generate electricity in NIAs. This fuel is not only used for combustion but is also transported over logging roads and across water, creating a higher potential for environmental risks.

In the past few years, new sources of funding from provincial and federal agencies for low-carbon energy projects have driven increasing interest in, and development of, renewable energy projects for NIAs. We have continued to respond to these development opportunities and have been actively working with communities and partners to accelerate diesel reduction in NIAs.

Our Non-Integrated Areas Strategy sets out our approach to reduce diesel consumption for power generation in remote communities. In addition, the Strategy directly supports our goal to reduce the carbon footprint of our operations. Our NIA Strategy is aligned with the [CleanBC](#) diesel reduction target and is an important step toward improving access to low-carbon, reliable, affordable electricity for customers in remote areas of the province.

We have been working with remote communities for several years to advance energy efficiency solutions and different types of low-carbon energy projects—work that has informed our strategy. We currently have 10 low-carbon energy projects in various stages of development.

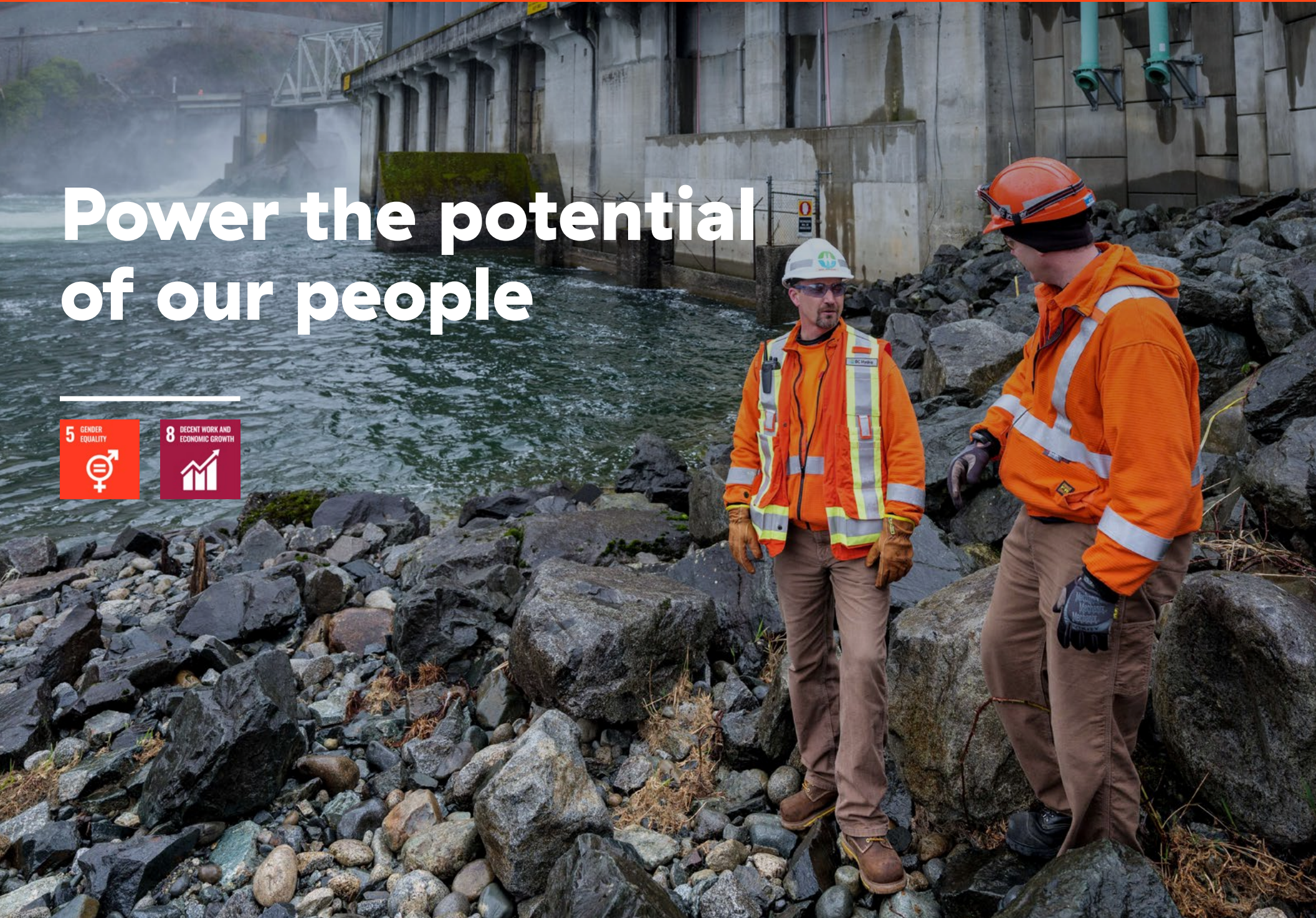
### How we work in partnership

BC Hydro works directly with our NIA communities, First Nations, developers, and provincial and federal governments on the development of low-carbon energy projects that will be financially viable, technically feasible, and will provide reliable power that reduces the use of diesel to generate electricity. To accomplish this, we share our institutional knowledge about the electricity system and aim to build the capacity of local communities to achieve their low-carbon energy goals.





# Power the potential of our people



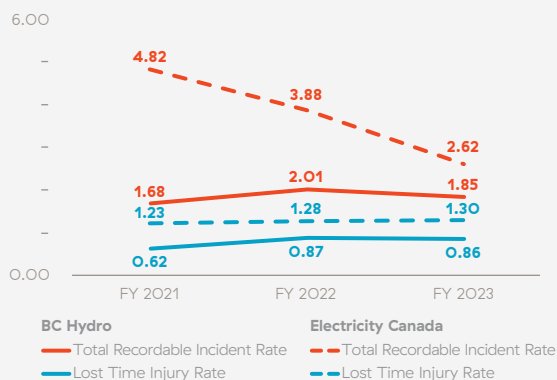


# Occupational safety and health

At BC Hydro, safety is a core value and our goal is to ensure everyone goes home safe every day. We are committed to the safety and health of all workers who help us deliver reliable power across the province. This extends to our customers and the public, as we do all we can reasonably do so that interactions with our power system are as safe as possible (read more on [page 52](#)).

## SAFETY RATES

INCIDENTS PER 200,000 HOURS WORKED



As of March 31, 2023, BC Hydro had gone more than 12 years since our last employee fatality in August 2010.

Our injury rates are consistently lower than a benchmark of comparable integrated Canadian utilities provided by Electricity Canada. FY 2021 was much lower than our historical rate due to the low exposure during COVID-related restrictions. Most lost time injuries are related to slips, trips and falls, and musculoskeletal stress and strain. We continue to work hard to strengthen our safety culture and practices.

## SAFETY FRAMEWORK

We invest in governance, management systems, engineered safeguards and standards, safe work procedures, tools, and equipment to meet organizational responsibilities, all guided by our Safety Framework. Driven by our continual improvement philosophy, our Safety Framework helps us fulfill our regulatory obligations, design and perform safe work, and promote safety in a consistent, disciplined, and structured manner. The Framework is designed to align with [CSA Z45001](#) (the nationally recognized standard for occupational health and safety management systems).

## DEVELOPING QUALIFIED ELECTRICAL WORKERS

In addition to providing broad skills and leadership training, BC Hydro is responsible for developing and delivering training specific to our electrical trade workers. We provide classroom and on-the-job technical training for 10 trade apprenticeships. Our Trades Training Centre is a Skills BC-certified school for powerline technicians and trains all powerline technicians in the province, including those who work outside of our company. We provide full support to apprentices progressing to journeypersons, as well as to the workers and managers in the field working with those apprentices.

We also utilize an ongoing “70-20-10” learning model to strengthen competency and encourage positive safety supporting behaviours throughout a worker’s career. “70-20-10” refers to 70% on-the-job training, 20% developmental relationships and 10% classroom learning. As part of this model, our Trades Training Instructors provide training in the field. Safety Advocates, who are typically senior union members, work in a full-time mentoring role for trades workers. Our Occupational Safety & Health Specialists provide coaching and support to managers, supervisors and workers to understand and fulfill their safety responsibilities, and safely execute work.

## WORKING TOGETHER TO CONTINUALLY IMPROVE

Safety is a collaborative effort where participation of our workers and others is key to achieving our safety goals. We have a long history of all-employee safety calls where workers have direct communication with our senior leaders in an open forum. Business groups also typically hold additional safety and technical townhalls throughout the year to review safety trends, promoting psychological safety, discuss safe work practices, and review workplace opportunities. Additionally, each workplace with 20 or more employees has a Joint Health & Safety Committee that meets regularly. Through these communication and participation tools, we tailor our safety approach and programs to the unique needs of our workforce, and embed safety at every level of the organization.



### SDG TARGET 8.8

Protect labour rights and promote safe and secure working environments for all workers.

### HOW BC HYDRO CONTRIBUTES

We work to provide a healthy and safe work environment. We have systems in place to support improved safety outcomes towards BC Hydro’s vision that everyone goes home safe every day.

## PREVENTING SERIOUS INCIDENTS AND MANAGING SAFETY RISK

We use a systematic approach to mitigate risk and to be responsive to the dynamic environments and conditions our workers experience. As we learn from our performance, we continuously adapt and improve our practices to promote safety for all workers. Our work includes exposure to hazards that have the potential to cause death or serious injury. This is why preventing fatalities and serious disabling injuries is our top priority when it comes to safety. Across our operations we manage our highest-risk activities and most common injuries by:

### Engaging our workers, and learning from our performance

Our employees complete more than 11 million hours of work each year, the vast majority of which is completed safely. To manage risk and continually improve our safety performance, we learn from what goes wrong, but more importantly, we learn from what goes right.

Our proactive learning activities start with safe work observations, which give managers, supervisors, and those in safety roles opportunities to engage with workers in the workplace and provide opportunities for constructive two-way feedback about safety responsibilities, practices, behaviours, and conditions. When it comes to event reporting and investigation, we emphasize learning from the potential, meaning that our good catches, near-misses, or minor injuries that had the potential to cause serious injury or fatality are as important as learning from actual serious incidents.

### Preventing serious injury and fatality

We have established multiple layers and types of barriers to support safe execution of our high-risk work. Our barriers are applied in the design and planning phases, such as our asset investment planning and Safety by Design, and at the field level. In the field, barriers include physical or mechanical protection, our rules, hazard identification and risk assessments, procedures, training, and supervision. Our supervisors, Trades Training Instructors, Safety Advocates, and Occupational Safety & Health Specialists provide coaching, training and support to help our trades workers understand and control the highest-risk hazards.

### Reducing our most common injuries

In addition to preventing serious incidents, we are also committed to reducing the frequency and impact of the injuries our workers most commonly face. These include our most common sources of lost-time injury: slips, trips and falls, and musculoskeletal stress and strain. For example, certain trades in our industry, such as powerline technicians, are at higher risk for shoulder injuries due to repetitive strain during overhead work. To reduce these injuries, we have implemented comprehensive and proactive prevention programs and communication campaigns. This includes our robust ergonomics program, which supports proactive identification and mitigation of office and field musculoskeletal injuries, and our annual winter hazards safety awareness campaign, which aims to reduce slips, trips and falls. We integrate human factors thinking in the design of our workplaces, work, and tools in efforts to “engineer out” repetitive strain hazards.



## SAFETY IN HIGH-RISK AND HIGH-STAKES SITUATIONS

At BC Hydro, we use helicopters to complete maintenance on power lines that are remote or difficult to reach from the ground. This type of work is highly specialized and involves many unique risks, including weather-related hazards, proximity to energized power lines, high elevations, and mountainous terrain.

To manage these safety risks, we use only pre-qualified helicopter operators and highly capable pilots to work with our crews. A rigorous safety program is in place that dictates clear roles and responsibilities, training requirements, and work procedures for aviation-related work. Assurance activities include aviation audits of helicopter operators and job site safe work observations.

To support high risk aviation-related work, we require workers and pilots to take a training course adapted from the airline industry that teaches crew resource management. Over the last decade, the high standards set by our program have improved and influenced aviation industry work in B.C.



# Employee development and engagement

Developing our workforce helps ensure we have the right skills and capabilities; maintaining an engaged workforce improves employee productivity, morale, and retention. We work to develop and engage our employees through a variety of programs and initiatives.

## EMPLOYEE DEVELOPMENT

At BC Hydro, we strive to continually develop the skills of our workforce. Our training courses are designed to support employee development and expand skillset for employees' current and potential future roles at BC Hydro. We offer 30 different course topics ranging from “7 Habits of Highly Effective People” to “Managing Stress and Responding with Resilience”. We also have a robust succession planning process and report to the Board annually on successors for senior and critical roles. Examples include:

### Coaching

Our coaching program matches employees with credentialed coaches. Coaches work with employees at various stages of their careers on an area of growth or interest. More than 300 employees accessed the coaching program over the last three years.



### Mentoring and job shadowing

These programs are employee driven and benefit from the long tenure and extensive institutional knowledge of many of our employees. Our job shadow opportunities are available upon request and are typically a full- or half-day experience.

### Taking the Stage course

Since 2015, more than 700 women have successfully completed the Taking the Stage course and we continue to offer 10 classes per year. Taking the Stage teaches women how to influence and inspire through communication. It empowers women employees with the knowledge and the communication tools to speak with confidence and courage every time they communicate (e.g., presentations, meetings, emails, phone calls, or in the elevator). Senior women leaders act as facilitators and share their stories, both challenges and successes, to each class in an authentic way. This course deals with sensitive subject matter such as systemic inequality and experiences in navigating a male-dominant environment.



#### SDG TARGET 5.1

End all forms of discrimination against all women and girls everywhere.

#### HOW BC HYDRO CONTRIBUTES

Our corporate values, Code of Conduct, and respectful workplace training foster a welcoming culture in which discrimination is not tolerated.



**EMPLOYEE ENGAGEMENT**

We listen to our employees to get their feedback, to understand their perspectives, and to learn where there may be issues or barriers. We do this through our employee survey, pulse checks, focus groups, employee resource groups, employee calls, our intranet, recognition programs, and social events. One of our most important tools to foster two-way communication is the employee engagement survey conducted every two years. The survey includes questions about diversity and inclusion, provides an option for employees to self-identify, and asks questions about whether employees feel safe to voice their opinion, whether leadership behaviour is consistent with our values, and whether employees feel they have the opportunity for personal development and growth. Feedback received from the survey is used to inform areas for improvement.

**EMPLOYEE ENGAGEMENT SURVEY RESULTS**

For our most recent survey (September 2021) more than 4,800 employees responded, resulting in an overall participation rate of 70% and an engagement index of 83%. This is 10% higher than the Global Utilities Index – the external benchmark that we compare ourselves against.



BC Hydro’s employee engagement survey participation has met or exceeded the Global Utilities Index for the past three years

**DISTINCTION AND AWARDS**

**In 2023:**



One of Canada’s Best Employers: Forbes (#20)



B.C.’s Top Employers: Canada’s Top 100 Employers



Canada’s Greenest Employers: Canada’s Top 100 Employers



Top Employers for Young People: Canada’s Top 100 Employers



One of Canada’s Best Diversity Employers: Canada’s Top 100 Employers



One of B.C.’s Most Loved Brands: BC Business (#2)

**In 2022:**



One of Canada’s Best 50 Corporate Citizens: Corporate Knights (#27)



# Diverse, inclusive, and equitable workplace

We believe diversity supports innovation, sound decisions and helps us understand our customers better and that inclusion creates an environment where everyone can thrive and do their best work. We are shaping our workplace culture through a focus on inclusion, diversity, equity, and accessibility (IDEA).

## MEASURING AND TRACKING DIVERSITY

We are building a workforce that reflects the diversity of our communities and customers. We measure our progress by comparing representation of designated groups (women, visible minorities, Indigenous Peoples, and persons with disabilities) against the available workforce in B.C. We have achieved representation in three groups: women, visible minorities, and Indigenous Peoples.



Read our [Statement of respect, inclusion and diversity](#)

WORKFORCE REPRESENTATION BY DESIGNATED GROUP*	FY 2022	FY 2023	FY 2024 TARGET**
Women	32.0%	32.6%	30.0%
Visible minorities	27.6%	28.0%	25.0%
Indigenous Peoples	4.1%	4.0%	4.6%
Persons with disabilities	3.7%	3.7%	Progress toward 10.0%

\* Designated groups in alignment with the federal *Employment Equity Act*.

\*\* The percentage targets are based on the available B.C. workforce in the subset of the labour market in the occupations we hire, as derived from the current census (2016).

## RECRUITMENT AND PROMOTION

Increasing diversity throughout the company means hiring people with diverse backgrounds (education and social experience), abilities, sexual orientations, cultural and ethnic heritage, and life experience. Our goal is to continue to be an employer of choice for all candidates. We have reviewed our hiring process for systemic barriers that may unintentionally limit the hiring of qualified, skilled people from diverse backgrounds. We also review the diversity in our leadership pipeline, and in promotions and lateral moves, to ensure equitable opportunity for advancement.

## UNDERSTANDING EQUITY

We focus on pay equity (providing equal pay for work of equal value) through data and transparency. We began by first evaluating gender pay equity and are now analyzing pay equity across all the designated groups. Our approach includes: annual reporting on pay gaps, intentionally working to close found gaps, narrowing salary ranges to reduce pay disparities, conducting training for people leaders on bias mitigation in advance of each performance cycle, and reviewing the diversity in our talent pipeline.

## TEACHING BYSTANDER INTERVENTION SKILLS

BC Hydro partners with the Ending Violence Association of B.C. to deliver the program “Be More than a Bystander” to field employees. These sessions can be delivered virtually or in person. They are facilitated by ex-BC Lions (professional football players) who speak about their experiences of bullying and harassment in a male-dominated environment and locker rooms. They use storytelling to illustrate how they worked together to change the toxic culture and provide a range of tools to participants to prevent bullying or to respond when they witness hazing, bullying, harassment, or discrimination. This training has provided a safe space for field employees to discuss their own experiences and take away practical tools.







Our RAIN employee network is a way for Indigenous employees to come together to support one another and honour their ancestors, families, and culture. The RAIN network led a survivor flag-raising ceremony on September 30, 2022 during which the flag was carried by four employees while a Squamish Nation honour song was sung. [Read more.](#)

## ENCOURAGING EMPLOYEE NETWORKS

We have five employee networks (often referred to as employee resource groups) – they are our Women's Network, Cultural Exchange Network, RAIN Network (Indigenous employees), Pride Network (2SLGBTQ+), and AccessAbility Network (employees living with disabilities). These groups draw people from across the organization and create a safe space to discuss common experiences or challenges. The groups also help BC Hydro identify systemic barriers to their full engagement or participation. The groups engage employees and allies for inclusion across the organization through newsletters and events, strengthening employees' empathy and perspective-taking abilities.

## FOCUS ON ACCESSIBILITY

The *Accessible British Columbia Act* requires more than 750 public sector organizations to establish an accessibility committee, an accessibility plan, and build tools to receive feedback on their accessibility. In response, BC Hydro has begun to engage employees and customers to better understand their barriers to access. We have established an accessibility committee made up of employees with lived experience of disability, and external experts who represent communities of people with disabilities, to help guide our work. We also had our headquarters and Burnaby Campus assessed by the Rick Hansen Foundation (RHF), with our headquarters receiving RHF Accessibility Certified Gold (80%+) and our Burnaby campus receiving RHF Accessibility Certified (60–79%). We plan to publish our first Accessibility Plan, along with a way for the public to provide feedback on it, by September 2023.

## TRAINING TO FOSTER INCLUSION

We educate ourselves on inclusion and diversity, recognize unconscious bias, and provide employees with skills to act and perform their work consistent with our values. We offer the following training:

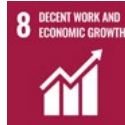
**Inclusion and Diversity 101:** Available to all employees and contractors, this is an on-demand, self-paced, fully accessible web-based training course that engages employees in an exploration of the core concepts of diversity and inclusion.

**Inclusive Leadership:** Available to all people leaders, this course covers the strategic drivers for inclusion, diversity, equity, and accessibility, as well as unconscious bias, inclusion's contribution to a safe workplace, and managing mental health at work. Our goal is to train 100% of leaders in inclusive leadership by 2024.

**Inclusive Leadership for Field Leaders:** Specifically designed for leaders of crews, this training adapts the core concepts from the original Inclusive Leadership course to address what inclusion, diversity, equity, and accessibility look like in their specific work context. A library of realistic scenarios provides practical and adaptable tools to use in everyday interactions with crew members or other teams.

## ACTIVATING ALLIES

There are many employees across BC Hydro who want to play an active role in helping us become more inclusive. Our Inclusion Allies intranet site provides them with the tools and resources to integrate inclusive behaviours in their day-to-day work. Over time, with new topics published monthly, the website has developed into a significant knowledge base on IDEA topics.



### SDG TARGET 8.5

By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

### HOW BC HYDRO CONTRIBUTES

Our practices and programs work to foster inclusion, diversity, equity, and accessibility. We focus on pay equity and conduct bias mitigation training for leaders.

# Unions

We respect the rights of our employees to participate in unions. 60% of our workforce is represented by union members of the Movement of United Professionals (MoveUP) and the International Brotherhood of Electrical Workers (IBEW) Local 258, and the rest of our workforce are non-unionized management and professional employees.

## MAINTAINING COLLABORATIVE RELATIONSHIPS

Our approach in working with unions is one of transparency and collaboration. We consult with union representatives in advance of policies or business initiatives that directly impact union members. We respect our obligations under the collective agreements, such as abiding by timelines and following established processes. Some of the ways we maintain open and productive relationships include:

**Regular meetings:** We conduct regular meetings with our unions. These meetings provide a useful consultation forum to keep each other apprised of the latest issues and as another opportunity for unions to raise concerns or ask questions.

**Joint Labour Management Committees:** These committees meet throughout the year and include representation from either MoveUP or IBEW and the BC Hydro employee relations team.



Joint Labour Management Committee meetings provide an opportunity for the union and the employee relations team to discuss issues arising in the workplace and issues resulting from the application of the collective agreements, as well as to provide a forum for the parties to problem-solve together.

**Partnerships for safety:** We have a strong and committed relationship with the unions on safety. We work collaboratively with the IBEW on the Safety Practices committee. In addition, both unions participate on the Senior Safety Leadership team, a bi-monthly meeting of Executive team and union members during which everyone works together on continuous safety improvement and communication. During quarterly safety calls, both unions take an active role in speaking to the importance of safety.

## COLLECTIVE AGREEMENTS

In December 2022, BC Hydro successfully renegotiated its collective agreement with IBEW. In February 2023, BC Hydro renewed its collective agreement with MoveUP. Both renegotiations were settled without labour action or disruption, and both were ratified by a majority of the membership.

## WORKING TOGETHER TOWARDS WORK FLEXIBILITY

Following the COVID-19 pandemic, we introduced a new Flexible Work Model to allow some employees more flexibility with their working arrangements depending on their role type.

We kept both unions apprised of our plans for flexible work following the end of pandemic restrictions. When it came time to begin the transition to the new model, we worked collaboratively to establish a specific agreement with MoveUP to enable the efficient implementation of the model.

Our ability to work collaboratively with our unions throughout the pandemic and through the implementation of our Flexible Work Model speaks to the strong relationships with our unions and our grounding in mutual respect.



# Act in the public interest





# Corporate governance

BC Hydro is a Crown corporation under the *Hydro and Power Authority Act*. We are committed to best practices in corporate governance. Strong corporate governance practices provide for greater public accountability and transparency.

## BOARD COMPOSITION AND DIVERSITY

Our Board of Directors is appointed by the Lieutenant-Governor in Council and is ultimately accountable to the Government of B.C. The Directors are stewards of the corporation, and the Board of Directors is responsible for charting the corporation's future and for ensuring appropriate systems are in place to allow management to implement the chosen strategic direction. The terms of reference, roles, and responsibilities of the Board of Directors are defined in the *Board Governance Manual*. On our current Board of Directors, we have seven women (representing 58% of the Board) and two Indigenous members (17%). As we operate across the province, we aim to achieve regional diversity on our Board.

## BOARD FORM AND FUNCTION

Our Board of Directors is responsible for overseeing BC Hydro's affairs. The Board meets quarterly and also meets annually on the strategic plan. In fiscal year 2023, the Board was composed of 12 members, all of whom were considered independent, including the Chair. The Board is responsible for overseeing conduct of business, supervising management, and ensuring that all major issues affecting the business affairs of the corporation are given proper consideration.

The Board carries out its mandate through five standing committees that meet quarterly: the Audit, Finance and Capital Committee; the Corporate Governance and ESG Oversight Committee; the Operations, Planning and Information Technology Committee; the People and Culture Committee; and the Strategy Oversight Committee. The entire BC Hydro Board meets monthly, following the monthly meeting of the Site C Project Assurance Board (discussed below).

## Site C Project Assurance Board

In addition to our standing committees, we have a separate board tasked with ensuring that the Site C project is completed on time and on budget, and that risks are appropriately identified, managed, and reported on an ongoing basis. The Site C Project Assurance Board reports to government and is composed of two BC Hydro directors, two members from government, and five independent members (who are neither BC Hydro Board members nor members of government), one of whom is non-voting. This separate board meets monthly to review progress on the project.

## ROLE OF THE BOARD IN MANAGING ESG MATTERS

The Board of Directors as a whole has the highest level of oversight on ESG matters. The Corporate Governance and ESG Oversight Committee is responsible for overseeing non-financial corporate performance through the lens of environmental, social, and governance factors.

## STRONG GOVERNANCE PRACTICES

BC Hydro's practices and policies meet the "Best Practice Guidelines on Governance and Disclosure" for public sector organizations, issued by the B.C. Provincial Government. We review our governance framework regularly to ensure it meets BC Hydro's ongoing business needs, while being consistent with the government's guidelines.

## KEY LEGISLATION AND POLICIES

The following legislation and policies are particularly important to our governance:

- [The Hydro and Power Authority Act](#)
- [The Utilities Commission Act](#)
- [The Clean Energy Act \(CEA\)](#)
- [The Financial Administration Act](#)
- [The Budget Transparency and Accountability Act](#)
- [The BC Hydro Public Power Legacy and Heritage Contract Act](#)
- [The Board Chair's Mandate Letter](#)
- [CleanBC](#) and the [CleanBC Roadmap to 2030](#)

## ROLE OF MANAGEMENT IN MANAGING ESG MATTERS

Management acts to direct and guide the efforts of employees in implementing the corporate strategic direction and achieving ESG-related targets. Management reports to the Board quarterly on ESG-related activities through the Senior Vice-President of Customer and Corporate Affairs primarily, and through other members of the management team, as appropriate.

# Ethics

British Columbians rely on us to act with integrity and honesty. In alignment with our corporate values, we work to promote a culture of workers who act ethically and are aware of their behaviour and the way it is perceived by others.

Our [Code of Conduct Policy](#) and our [Contractor Standards for Ethical Conduct](#) provide general guidance on standards of conduct, including guidelines on conflict of interest, as well as requirements associated with confidential information, entertainment and gifts, environment and safety, and use of BC Hydro property.

Our Code of Conduct applies to BC Hydro and our subsidiaries, including our Board of Directors, and our full-time, part-time, casual, and executive team employees. Directors and employees are required to take training on the Code when first joining the company and complete online or in-person refresher training annually. This training has been designed to be accessible to improve ease of access for all.

Ethics concerns may be reported to an employee's supervisor, our confidential external reporting service or our Ethics Office. We also have an ombudsperson program for all employees so they can access a neutral third-party to help them address any concerns. Our stated practices on whistleblower protection outlined in our Code of Conduct Policy note that there will be no retaliation against any individual who, in good faith, has made a disclosure, or is cooperating in an investigation, about a breach or potential breach of the Code.



## ETHICS OFFICE

The Ethics Office supports our commitments to an organizational culture characterized by fairness, transparency and integrity, as well as to a safe and respectful workplace for employees and contractors. The Office champions and supports the administration of the Code of Conduct and related policies, and provides training and tools to

help all employees comply with policy requirements and consistently demonstrate BC Hydro's values while performing their work. The Ethics Office also handles conflict of interest disclosures and reports of policy non-compliance including possible fraud, bullying, or harassment complaints.



### SDG TARGET 16.5

Substantially reduce corruption and bribery in all their forms.

### HOW BC HYDRO CONTRIBUTES

We work to promote a culture that prevents acts of fraud, corruption and bribery, and where everyone at BC Hydro acts ethically and with integrity in our interactions with customers, suppliers and communities.



# Community relations and investment

In addition to working closely with Indigenous communities, we engage with approximately 140 local communities in our service territory, across four main regions of B.C.: Vancouver Island/Sunshine Coast, the Lower Mainland, the north, and the southern interior.

## COMMUNITY RELATIONS

We have an extensive community relations program with staff located in regions of the province where BC Hydro's presence is significant. We place a high priority on communities impacted by the creation of reservoirs, dams, and generating stations and work to foster strong local relationships with elected officials and community leaders by providing ongoing engagement and information about our operations. Engagement includes annual Operations Update meetings, advisory committees, specialized briefings, and direct presentations to affected town councils. In addition, our Community Outreach Team attends virtual and in-person events around the province, year-round, to educate British Columbians about a variety of topics, including energy efficiency and ways to save energy, making the switch to low-carbon electricity, and electrical safety. This outreach is augmented by four visitor centres, located in each of the major regions where BC Hydro operates, serving approximately 50,000 visitors per year.

## STAKEHOLDER ENGAGEMENT AND CONSULTATION FOR PROJECTS

On projects large and small, we reach out to potentially affected individuals, communities, community leaders, or local governments who have a stake in the project.

We proactively communicate the location of the projects, the reasons for completing and the process for executing it. Where required, additional steps to consult with affected parties will be undertaken. We follow the guidelines from the *Utilities Commission Act* and/or the *Environmental Assessment Act* for public and stakeholder engagement and work closely with our Indigenous Relations team where there is a need to engage and consult with Indigenous communities on projects with common interest.

## COMMUNITY INVESTMENT

Through our community giving initiatives, we partner with and support organizations that share our vision of building a more energy-conscious, safe, and sustainable province. We provide community investment funding through:

### Grants

We provide donations through our Community Grants program, which enables eligible non-profits and registered charities to apply for grants in three areas that align with our business objectives: building the STEM workforce of tomorrow; safety education; and building a low-carbon and sustainable future. Each year, we fund up to 90 different projects. We also provide grants through our Community ReGreening program toward the purchase of trees and other vegetation for small-scale community planting projects.

### Sponsorships

We partner with organizations to provide sponsorships for initiatives in key business objective areas, including safety, government relations, Human Resources, emergency management, and electrification.

### Scholarships

We work with post-secondary institutions to deliver 46 scholarships that closely match to careers at BC Hydro, including engineering, electrician roles, and mechanical trades.



**>\$1.2 million** in donations to non-profits and community organizations for FY 2022/23

## POWER SMART FOR SCHOOLS

BC Hydro funds and manages this program to help students learn how electricity in B.C. is produced, the journey it takes to get to their home, how it powers everyday things we use, and the value of power smart energy choices to fight climate change.

Power Smart for Schools supports K–12 teachers in B.C. by providing curriculum-aligned resources and lesson plans through an open-source online platform that includes energy literacy topics like efficiency, sustainability, electrification, and electrical safety. Many resources include Indigenous perspectives to educate students about Indigenous Peoples' knowledge of climate change and environmental systems interconnectedness.

### In FY 2023:



**150,000** unique visitors to the website



**4,438** material downloads



**>100** communities reached, covering all 60 B.C. school districts

# Public safety

Our public safety program ensures that public safety risks are assessed and managed throughout the lifecycle of our assets (controls in place to restrict public access to our facilities, infrastructure is designed to meet public safety standards, and equipment is maintained and inspected.) We strive to maintain a safe environment for the public that interacts with our system through the following programs:

## DAM SAFETY

We safely operate and maintain 85 dams at 41 locations across the province. Our hydroelectric dams play an important role in flood management and public safety. Through our dam safety program and active involvement in the Canadian Dam Association, the International Commission on Large Dams, and other industry groups, BC Hydro is recognized as a leader in the safe operation and management of dams and reservoirs. Our dam safety program includes inspections, independent expert reviews, and monitoring of instrumentation data from the dams. Potential deficiencies are identified for further study, and when dam safety improvements are found to be necessary, the projects are prioritized and brought into BC Hydro's capital planning process.

We are investing more than \$2 billion over the next 10 years in upgrades to our dams and water passages, including improvements to earthquake resistance and to the reliability of our spillways.



Read more:  
[Dam Safety Reports](#),  
published quarterly

## ELECTRICAL SAFETY

Anyone working near our lines needs to learn how to keep a safe distance from a power line and maintain compliance with WorkSafeBC. We offer free [Electrical Safety Awareness Training](#) for non-BC Hydro workers (including separate courses for trades workers, first responders, and firefighters), teaching them how to work safely around high-voltage lines and electrical equipment. In FY 2023, 7,860 participants completed this training. We also support safe work by third parties, such as construction contractors, who are doing their own work in proximity to the BC Hydro power system. This is accomplished through WorkSafeBC's Assurance in Writing process where we provide companies with required information on our electrical hazards and maintain a documented assurance process.

Our Upper Campbell Reservoir Campground, located 5 km upstream of the Strathcona Dam on Vancouver Island, opened in 2021 and features 21 campsites and campground facilities.



## PUBLIC SAFETY AROUND OUR RESERVOIRS

In addition to generating hydroelectricity, BC Hydro's reservoirs also attract recreational activities such as hiking, boating, camping, and swimming. We have developed and maintain a wide range of public use areas as one part of our efforts to balance the province's energy needs with the safe use of natural environments in the vicinity of our dams and hydroelectric facilities. While these designated public use areas are there for public enjoyment, they are also located at or near working dams and power stations that contain both natural and man-made hazards including water levels that can change quickly.

We raise public awareness about these hazards and manage public safety risks through specific warning signage and fencing, hours of operation and restricted areas, public safety information on our website, and on-site wardens and engagement with surrounding communities. Many sites experience a high volume of visitors and where warranted, we have instituted designated swim areas, lifeguard services, traffic control, and parking management.



### SDG TARGET 11.7

By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities.

### HOW BC HYDRO CONTRIBUTES

BC Hydro's reservoirs also serve as recreational sites that are safe, inclusive and accessible to all British Columbians.



# Responsible procurement

Our policies and processes guide our actions to act with integrity as we procure goods and services to fulfill our role as a utility provider. We seek suppliers and contractors who align with our values and practices.

Our supply chain spending entails about 75% on services and 25% on materials and equipment. Examples of services include vegetation management, line services, civil underground work, security services, helicopters, and construction. Some of the materials and equipment we procure include poles, wires, distribution transformers, generators, and turbines.

## PROCUREMENT PROCESSES

Adhering to applicable trade agreements, the vast majority of our spend with suppliers is sourced through public competitions or allowable direct awards, including more than \$1.16 billion of Indigenous procurement since FY 2015. On high risk and/or high dollar value procurements, we use independent third-party fairness monitors to ensure the procurement process is conducted in a fair and transparent manner.

## STANDARDS FOR ETHICAL CONDUCT

We expect fair and honest behaviour from our suppliers and contractors—expectations that are covered in our [Contractor Standards for Ethical Conduct](#), which is referenced in all contractor agreements. A contractor's failure to comply with the standards, if applicable, may be a breach of contract and could result in the termination of the contract.

## SCREENING AND MONITORING

We have a strict screening process for our suppliers. When we go out for competitive tender, we have requirements related to safety, the environment, and for large supplier contracts we may also do financial, security, or reference checks.

Our contract managers are responsible for going out to site to verify that the work is being executed according to our contractor agreements. Where relevant, we also use Environmental Monitors to verify that suppliers are adhering to environmental protection plans and Occupational Safety & Health Specialists to validate that safety management plans are being adhered to. For our largest suppliers, we work with them to track work performance through key performance indicators which are reviewed at the executive level.

## SUPPLIER ENGAGEMENT

We have invested in developing strong relationships and long-term contracts with many of our suppliers. Maintaining good communications practices enables us to be more agile and resilient through increasing supply chain complexity and labour challenges of today and during the COVID-19 pandemic.



## INDIGENOUS PROCUREMENT IN OFFICE PROJECT

Our Lillooet District Office is located on a culturally sensitive site, on former reserve land and beside the St'át'imc community of Sekw'el'was (Cayoose Creek Indian Band).

For our refurbishment of this office in 2021, we wanted to support the economic interests of Indigenous Peoples through direct procurement. Sekw'el'was had expressed strong interest in being involved in the refurbishment project. Projects like this one provide good opportunities for local work experience and enhancing business capacity.

Our teams worked closely with the prime contractor and chose Antares Construction, a 100% Indigenous-owned company, as subcontractor. Antares Construction coordinated teams to deliver the demolition, civil, site work, concrete, mechanical, electrical, and drywall. There were 13 different work packages awarded to Antares, and sub-contractors delivered them.



### SDG TARGET 12.7

Promote public procurement practices that are sustainable, in accordance with national policies and priorities.

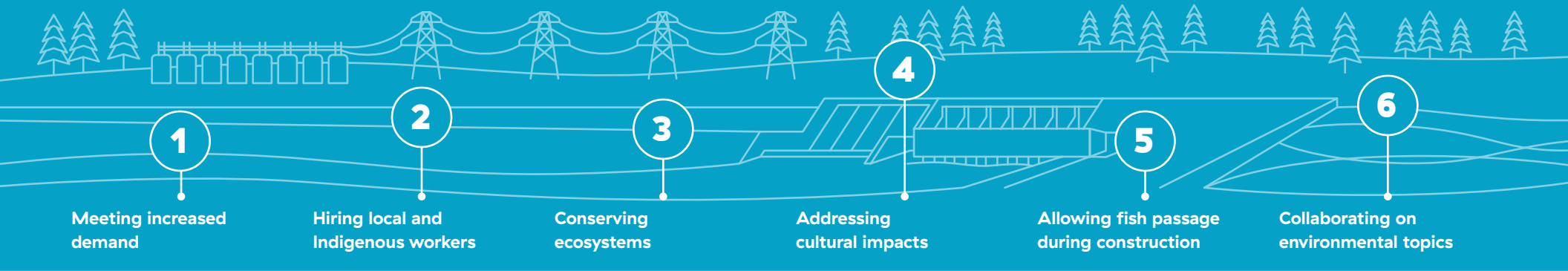
### HOW BC HYDRO CONTRIBUTES

Our procurement practices align with our standards of ethical conduct, and we seek to work with companies that uphold those values.

# Spotlight: Site C in brief

From the 1960s through the 1980s, we built six dams to meet the energy demands of a province in which the population almost doubled in 25 years. Electricity demand in B.C. is expected to grow by another 40% over the next 20 years. Although we continue to lean on conservation as the first and best way to meet demand growth, we must reinvest in our aging assets and in new assets like the Site C Project. Construction on Site C has been underway since July 2015.

As of March 31, 2023, the project is approximately 75% complete and remains on track to be fully in-service by late 2025. Given the magnitude of this project, we seek to reduce our environmental impacts, complete the project safely, and enhance our positive economic and social impacts. The graph below is a snapshot of just a few of our practices; read a full update on our [Site C project website](#).



Site C will provide:

**1,100** MW of capacity

**5,100** GWh of electricity generation each year – enough energy to power the equivalent of about **450,000** homes per year

**5,233** people working on Site C in March 2023

**69%** workers from B.C.

**419** Indigenous workers

**522** women

**243** apprentices

**~\$700** million

in procurement opportunities have been awarded to Indigenous-designated companies since the beginning of the project

**225** hectares of wetlands constructed, and counting

**121** bat maternity roost structures built, many are already occupied

**38** bald eagle nesting platforms built

**120** wildlife trees created, and counting

**1,500** rare plants translocated

**277** nest boxes installed

We collaborated with four First Nations to develop bilingual signage in the Dane-zaa language for five river crossings along the highway. Doig River First Nation's language team and elders identified the traditional place names and spellings.

We held seven multi-Nation working group meetings to seek input to define the building concept and preliminary design of a cultural centre to reflect cultural values.

The Culture and Heritage Resources Committee met three times in 2022. This committee has been meeting since 2013 to address cultural impacts, and this year it focused on the travelling exhibit, the video project, viewpoint signage, and community artifact displays.

BC Hydro is temporarily rerouting the Peace River to allow for the construction of the Site C dam. Migratory fish are naturally attracted to fast-flowing water, so we located a temporary [fish passage](#) where fish will be attracted to the high flows exiting the tunnels. To date, more than 6,300 fish have passed through the temporary fish passage. A permanent fish passage is being constructed and will be in operation after the Site C project is in-service.

The Environmental Forum met seven times in 2022. This forum brings Nations and BC Hydro together to share information, collaborate and seek input and involvement on environmental mitigation plans and monitoring programs, including: methylmercury, fish passage, aggregate sources, permitting, and beaver monitoring.



# Cybersecurity and data privacy

As a Provincial Crown corporation with critical infrastructure, BC Hydro maintains comprehensive cybersecurity and data protection practices.

## CYBERSECURITY

Our cybersecurity program is based on the National Institute of Standards and Technology Cybersecurity Framework. To maintain high levels of threat protection, we conduct regular self-assessments and follow Public Safety Canada's National Cyber Security Strategy. We closely monitor external threats, which include the global geopolitical situation, to validate that our controls, monitoring and reporting are appropriate. In 2022, we conducted a third-party, enterprise-wide threat risk assessment that evaluated our business environment and operational technology (power generation, transmission, and distribution assets). The threat risk assessment resulted in no immediate or urgent action items.

### Ongoing awareness and training

We strive to equip our employees with the knowledge and resources they need to help protect our organization from cyber threats. We regularly provide cybersecurity awareness materials (newsletters, email alerts, and other communications) that highlight best practices for maintaining secure online behaviours, identifying and reporting suspicious activity, and protecting sensitive company data. Each employee is required to take our *Security and Awareness* training at the time of onboarding and to complete annual refresher training. To improve our resilience to phishing-related threats, we also complete quarterly internal phishing testing.

Other activities include:

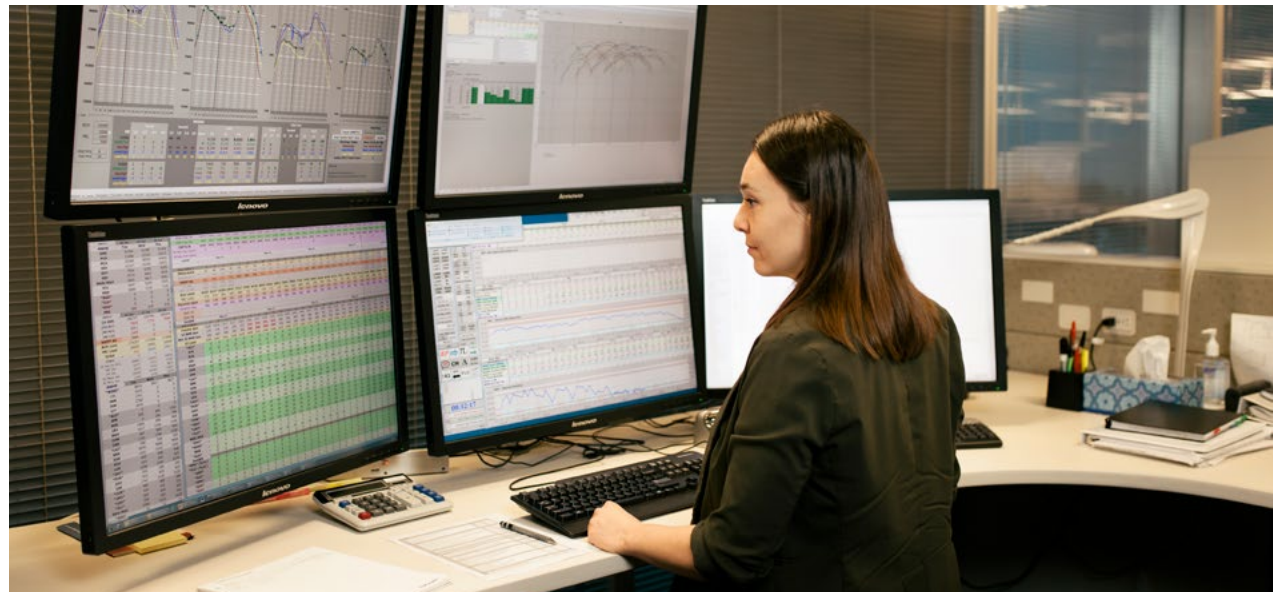
**Cyber Security Awareness Month:** To help our employees and contractors learn more about the importance of cybersecurity, we participate in this international campaign each October. Our internal campaign includes lunch and learn sessions, a daily news story, spotlights on our website, weekly cyber-related cartoons, videos, and more. In 2022, our “Life Happens Online” theme provided employees with tools and tips for improving their security at work and at home.

**Gone Phishing Tournament:** To help educate our employees about phishing and measure behaviour change, we participate in this global phishing simulation event which uses examples of real-world phishing emails. We receive a feedback report on how our employees did in the simulation and can compare ourselves against other similarly sized utilities in Canada, as each company is tested on the same scenario.

**GridEx:** We also participate in GridEx, a large grid security and resilience exercise hosted every two years by the North American Electric Reliability Corporation. This exercise—the largest of its kind in North America—provides organizations with the opportunity to practice how they would respond to and recover from organized physical and cybersecurity threats and incidents.

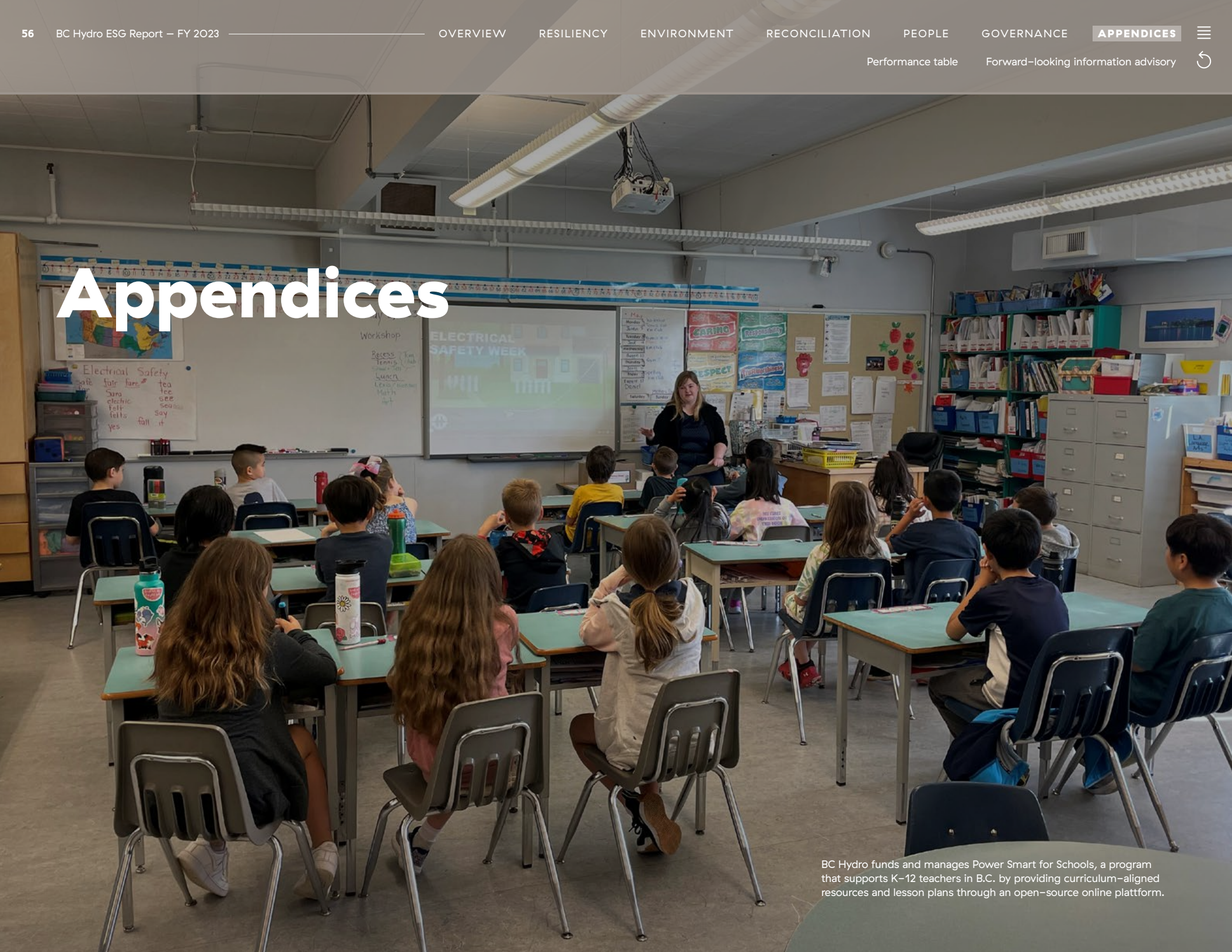
## PERSONAL INFORMATION AND PRIVACY

BC Hydro is subject to the *Freedom of Information and Protection of Privacy Act (FOIPPA)*, the legislation governing privacy and personal information for most provincial public bodies in B.C. We have a dedicated office that deals with access to information and privacy and we undertake privacy impact assessments of any initiatives that may involve personal information to ensure the initiatives are compliant with FOIPPA. Every employee receives mandatory training. We also work with the B.C. Office of the Information & Privacy Commissioner to ensure we are following up-to-date privacy practices.





# Appendices



BC Hydro funds and manages Power Smart for Schools, a program that supports K-12 teachers in B.C. by providing curriculum-aligned resources and lesson plans through an open-source online platform.





# Performance table

The consolidated performance table below reflects key data points from BC Hydro operations inclusive of metrics from the Sustainability Accounting Standards Board (SASB) standard for electric utilities and power generators, where applicable.

ABOUT OUR COMPANY	UNITS	FY 2021	FY 2022	FY 2023	SASB REF.	NOTES
<b>ELECTRIC UTILITY</b>						
Electricity sold to customers	GWh	51,140	53,452	<b>54,256</b>		NR = not reported
<b>POWER GENERATION</b>						
Number of integrated hydro facilities	number	NR	NR	<b>30</b>		
Number of thermal generation facilities	number	NR	NR	<b>2</b>		
Net energy output electricity generated	GWh	NR	48,520	<b>46,576</b>		
Hydro	GWh	NR	48,065	<b>46,038</b>		
Thermal	GWh	NR	336	<b>417</b>		
Non-integrated areas	GWh	NR	119	<b>121</b>		
<b>TRANSMISSION AND DISTRIBUTION</b>						
Total transmission lines	km (approximate)	18,419	18,447	<b>18,488</b>		
Total distribution lines	km (approximate)	59,587	59,768	<b>60,289</b>		
Number of substations	number	303	303	<b>303</b>		

RESILIENCY	UNITS	FY 2021	FY 2022	FY 2023	SASB REF.
<b>SMART GRID</b>					
Percentage of electric load served by smart metering infrastructure	per cent load	100%	100%	<b>100%</b>	IF-EU-420a.2
<b>RELIABILITY</b>					
Key generating facility forced outage factor	per cent	1.21%	1.03%	<b>1.05%</b>	
System Average Interruption Duration Index (SAIDI)	hours	3.27	3.50	<b>3.14</b>	IF-EU-550a.2
System Average Interruption Frequency Index (SAIFI)	# interruptions per customer	1.49	1.54	<b>1.50</b>	IF-EU-550a.2
Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	hours	2.90	3.00	<b>2.90</b>	IF-EU-550a.2
Mandatory reliability standards non-compliance reduction <sup>1</sup>	per cent	NR	57%	<b>80%</b>	IF-EU-550a.2
<b>QUALITY OF SERVICE AND ENERGY AFFORDABILITY</b>					
Customer Satisfaction (CSAT) Index	% of customers satisfied or very satisfied	91%	91%	<b>89%</b>	
Average retail electric rate for residential customers <sup>2</sup>	cents per kilowatthour	11.60	12.00	<b>11.00</b>	IF-EU-240a.1
Average retail electric rate for commercial (and light industrial) customers	cents per kilowatthour	10.10	10.30	<b>9.60</b>	IF-EU-240a.1
Average retail electric rate for large industrial customers	cents per kilowatthour	6.10	6.40	<b>6.30</b>	IF-EU-240a.1
<b>CLEAN ELECTRIFICATION</b>					
Load growth supporting CleanBC	gigawatt hours (GWh)	NR	NR	<b>739</b>	
New connected commercial and industrial load	MW	NR	NR	<b>535</b>	
Clean electricity standard	per cent of clean energy available	NR	NR	<b>100%</b>	
Customer interconnection studies completed on time	per cent	NR	91%	<b>92%</b>	
Customer electricity savings (capacity)	MW	NR	NR	<b>96</b>	
GHG emissions reduction electrification	million tonnes CO <sub>2</sub> e/year	NR	NR	<b>0.48</b>	
GHG emissions reduction – BC Hydro operations	per cent reduction since 2007	NR	NR	<b>50%</b>	

<sup>1</sup> Reduction is relative to fiscal year 2021.

<sup>2</sup> BC Hydro's rates have stabilized after a period of increases. The impact of rate increases was partially mitigated by improved energy efficiency, as well as an increasing proportion of customers residing in apartments that generally consume less electricity. Rate increases since FY 2020 have been below the rate of inflation.





## ENVIRONMENT

	UNITS	FY 2021	FY 2022	FY 2023	SASB REF.
<b>GHG EMISSIONS<sup>3</sup></b>					
Scope 1 emissions	tonnes CO <sub>2</sub> e	247,266	226,194	<b>292,313</b>	IF-EU-110a.1
Scope 2 emissions	tonnes CO <sub>2</sub> e	2,110	1,237	<b>1,426</b>	
Scope 1 emissions by source					
Thermal generation	tonnes CO <sub>2</sub> e	162,132	134,766	<b>198,883</b>	
NIA (non-integrated areas)	tonnes CO <sub>2</sub> e	44,781	46,967	<b>52,839</b>	
Fleet	tonnes CO <sub>2</sub> e	20,602	20,950	<b>20,560</b>	
Buildings	tonnes CO <sub>2</sub> e	9,258	9,779	<b>9,830</b>	
SF <sub>6</sub> and CF <sub>4</sub>	tonnes CO <sub>2</sub> e	10,493	13,732	<b>10,201</b>	
Scope 2 emissions					
Buildings	tonnes CO <sub>2</sub> e	2,110	1,237	<b>1,426</b>	
Scope 3 (partial) – other relevant indirect greenhouse gas emissions by weight					
IPPs	tonnes CO <sub>2</sub> e	595,001	833,379	<b>569,400</b>	
Air travel (domestic)	tonnes CO <sub>2</sub> e	493	314	<b>1,130</b>	
Paper	tonnes CO <sub>2</sub> e	62	50	<b>55</b>	
<b>AIR QUALITY<sup>4</sup></b>					
NO <sub>x</sub> (excluding N <sub>2</sub> O)	tonnes	708	723	<b>817</b>	IF-EU-120a.1
SO <sub>x</sub>	tonnes	13	12	<b>16</b>	IF-EU-120a.1
Particulate matter (PM <sub>10</sub> )	tonnes	13	12	<b>15</b>	IF-EU-120a.1

<sup>3</sup> All GHG information is available on calendar year basis only.

<sup>4</sup> Air quality information is available on most NIA and Thermal generating sites. BC Hydro only collects air quality information on sites that use fossil fuels to generate electricity.

## RECONCILIATION

	UNITS	FY 2021	FY 2022	FY 2023	SASB REF.
<b>INDIGENOUS</b>					
Indigenous procurement (cumulative since 2014)	\$ billion	NR	0.914	<b>1.162</b>	
Indigenous employment	per cent	NR	4.1%	<b>4.0%</b>	
Indigenous Awareness Training at BC Hydro	per cent complete	NR	53%	<b>74%</b>	
Progressive Aboriginal Relations Certificate	certification level	Gold	Gold	<b>Gold</b>	



PEOPLE	UNITS	FY 2021	FY 2022	FY 2023	SASB REF.	NOTES
<b>EMPLOYEES</b>						
Total number of employees	number	6,763	6,726	<b>7,301</b>		
Percentage of employees covered by a collective bargaining agreement	per cent	60%	59%	<b>60%</b>		
Total number of new employee hires	number	315	753	<b>1,119</b>		
Employee turnover rate	per cent	3%	6%	<b>7%</b>		
<b>EMPLOYEE SAFETY</b>						
Total recordable incident rate	injuries per 200,000 hours worked	1.68	2.01	<b>1.85</b>	IF-EU-320a.1	<sup>5</sup> This is a count of electrical contact, fall from height, mechanical energy, or transportation incidents that have resulted in an injury resulting in a permanent disability for which a disability pension has been received or is expected.
Lost time injury rate	injuries per 200,000 hours worked	0.62	0.87	<b>0.86</b>		
Severity rate	lost work days per 200,000 hours worked	11	37	<b>13</b>		<sup>6</sup> This metric is a count of the incidents in which there was a loss of control that resulted in—or could reasonably be expected to result in—a fatality or serious injury (as defined by WorkSafeBC). This measure excludes incidents where the injured person or potentially injured person would be a contractor or member of the public. Definition and calculation of this metric aligns with industry standard and follows the Electricity Canada methodology.
Exposure hours	hours	11,631,001	11,319,440	<b>11,666,770</b>		
Serious disabling injuries <sup>5</sup>	number	0	1	<b>0</b>		
Fatalities	number	0	0	<b>0</b>	IF-EU-320a.1	
Near misses	number	595	545	<b>488</b>	IF-EU-320a.1	<sup>7</sup> Inclusion and diversity training started in FY 2022.
Serious injury or fatality potential (SIFP) <sup>6</sup> incidents	number	9	14	<b>15</b>		
Good catches	number	783	1,008	<b>844</b>		
Safe work observations	number	2,697	9,409	<b>12,590</b>		
<b>TRAINING AND DEVELOPMENT</b>						
Average hours per Operations technical employees, excluding safety	hours	NR	39	<b>49</b>		
<b>DIVERSITY AND INCLUSION</b>						
Leaders who completed inclusive leadership training <sup>7</sup>	per cent	NR	36%	<b>73%</b>		
Diversity metrics, total workforce						
Women	per cent	NR	32.0%	<b>32.6%</b>		
Indigenous	per cent	NR	4.1%	<b>4.0%</b>		
Visible minority	per cent	NR	27.6%	<b>28.0%</b>		
Disability	per cent	NR	3.7%	<b>3.7%</b>		



**PEOPLE CONTINUED**

	UNITS	FY 2021	FY 2022	FY 2023	SASB REF.
Women at various levels					
Sr. mgmt.	per cent	26%	25%	<b>27%</b>	
Workforce	per cent	32%	32%	<b>32%</b>	

**GOVERNANCE**

	UNITS	FY 2021	FY 2022	FY 2023	SASB REF.
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**CORPORATE GOVERNANCE**

Total board of directors	number	NR	NR	<b>12</b>	
Board – women	number	NR	NR	<b>7</b>	
Board – Indigenous	number	NR	NR	<b>2</b>	

**PUBLIC SAFETY**

Number of public injuries <sup>8</sup>	number	8	11	<b>14</b>	
Number of public fatalities <sup>9</sup>	number	1	3	<b>0</b>	

**ETHICS**

Number of employees who completed ethics training <sup>10</sup>	per cent	98%	99%	<b>97%</b>	
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**CYBERSECURITY**

Number of phishing tests conducted	number	4	3	<b>4</b>	
Number of employees who completed cybersecurity training	number	6,453	6,378	<b>7,012</b>	

**ECONOMIC VALUE GENERATED AND DISTRIBUTED**

Investment to upgrade aging assets and build new infrastructure	\$ billion	NR	3.5	<b>3.9</b>	
Total assets	\$ million	40,383	42,734	<b>45,749</b>	
Revenue	\$ million	6,414	7,591	<b>8,027</b>	
Payment to employees	\$ million	711	736	<b>762<sup>11</sup></b>	
School taxes	\$ million	139.3	145.5	<b>151.5</b>	
Grants-in-lieu of taxes	\$ million	117.3	125.4	<b>124.6</b>	
Donations to non-profits and community organizations <sup>12</sup>	\$ million	0.7	0.9	<b>1.2</b>	

**NOTES**

<sup>8</sup> This is a count of injuries sustained by members of the public (people not working for BC Hydro) as result of exposure to or interaction with BC Hydro assets or activities, reported by BC Hydro employees and contractors.

<sup>9</sup> This is a count of fatalities sustained by members of the public (people not working for BC Hydro) as result of exposure to or interaction with BC Hydro assets or activities, reported by BC Hydro employees and contractors.

<sup>10</sup> Mandatory annual refresher training.

<sup>11</sup> This figure is reported in our financial statements as personnel expenses. It includes salaries and wages, benefits and post-employment benefits.

<sup>12</sup> Grants and contributions to non-profit organizations and registered charities.

## FORWARD-LOOKING INFORMATION ADVISORY

Forward-looking information or statements included in this environmental, social, and governance report are provided to inform readers about management's assessment of BC Hydro's future plans and operations. They are based on BC Hydro's estimates and assumptions concerning future results and events. Due to the risks and uncertainties inherent in any forecasted outlook, the actual results could differ materially from those anticipated. These risks and uncertainties include, but are not limited to, changes in government policy and regulations, variations in regulatory rate setting and the market price of electricity in North America, market conditions in other jurisdictions, weather and the impact of climate change, economic conditions, our number of customers, cybersecurity breaches, the organization's current credit ratings, completion of operating and capital projects, including those projects that have been deferred, the performance of such projects relative to specifications, availability of labour, labour relations, relations with local communities and Indigenous peoples, supply chain issues, and no significant event occurring outside the ordinary course of business.

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