



April 18, 2018

Mr. Kenneth G. Peterson
Chair
BC Hydro
18th Floor, 333 Dunsmuir Street
Vancouver, BC V6B 5R3

Dear Mr. Peterson:

On behalf of Premier John Horgan, thank you for your service to the people of British Columbia. The Province remains committed to working with our Crown agency partners to deliver on the Government's commitments to British Columbians; to help make life more affordable for people, invest in services and build a strong, sustainable economy.

This Mandate Letter outlines the guiding principles of the Government which should inform the preparation of your three-year Service Plan for *Budget 2018*. This Mandate Letter also confirms your organization's mandate, provides Government's annual strategic direction and sets out key performance expectations for the 2018/19 fiscal year.

The Government made three key commitments to British Columbians. All ministries and Crown agencies are expected to work together to help the Government achieve these commitments.

Our first commitment is to make life more affordable. We expect all public sector organizations to support the Government's agenda to help manage the daily cost of living for British Columbians.

Our second commitment is to deliver the services that people count on. Many of the programs and services that British Columbians access on a regular basis are delivered by Crown agencies. We want to build on programs that are working well, and make improvements where needed, to ensure British Columbians get quality and timely customer service from public sector organizations across the Province.

Our third key commitment is to build a strong, sustainable, innovative economy that works for everyone. The Government believes that public sector organizations have a key role to play in supporting broad-based economic growth in every region of the Province.

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To support true and lasting reconciliation with Indigenous Peoples in British Columbia, the Government is fully adopting and implementing the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), and the Calls to Action of the Truth and Reconciliation Commission (TRC). Please ensure that going forward your organization incorporates the UNDRIP and TRC, given the specific mandate and context of your organization.

As the Minister responsible for BC Hydro, I expect that you will make substantive progress on the following priorities and incorporate these priorities when developing the goals, objectives and performance measures for inclusion in the Service Plan:

- Complete the Site C Project by November 2024, at a total cost of no more than \$10.7 billion, provide quarterly progress reports in accordance with the June 2015 Reporting and Accountability Framework, and:
 - enhance project oversight by adding an independent expert Project Assurance Team to supplement the Site C Project Board;
 - work with the Ministry of Transportation and Infrastructure and Treaty 8 First Nations to re-design the re-alignment of Highway 29, and where possible, provide opportunities to Treaty 8 First Nations to participate in delivering this work;
 - work with the Ministry of Transportation and Infrastructure and Treaty 8 First Nations to re-design the re-alignment of Highway 29, and work with project contractors to ensure that project benefits assist local communities and increase opportunities for apprentices, Indigenous workers, and other equity groups, with the aim to provide meaningful jobs and training;
 - continue to engage with Treaty 8 First Nations to seek additional solutions to mitigate the adverse impacts of Site C, and to advance reconciliation;
- Implement affordability measures, such as low income rates and expanded demand-side management programs targeted to low income ratepayers;
- Develop, in cooperation with the Ministry of Energy, Mines and Petroleum Resources (EMPR), a refreshed plan to keep electricity rates low and predictable over the long-term while making significant investments to expand the system and maintain aging infrastructure;
- Work with the Ministry to complete and begin to act on a comprehensive review of BC Hydro's activities, performance and organizational structure to identify potential efficiencies and revenue generating opportunities that could benefit ratepayers, and ensure that the organization is positioned to deliver on BC Hydro's objectives and the Government's priorities;

- Support the creation of a roadmap for the future of BC energy that will drive innovation and the electrification of BC's economy, expand energy efficiency and conservation programs, generate new energy responsibly and sustainably, and create lasting good jobs across the Province;
- Provide leadership in advancing the Government's climate action strategies, including through electrification, fuel switching, and energy efficiency initiatives in the built environment, transportation, oil and gas, and other sectors;
- Work with EMPR, the Ministry of Finance and Indigenous groups to make recommendations by fall 2018 for new Indigenous-focused clean energy and/or clean capacity power procurement;
- Provide comprehensive quarterly and annual performance reports to the Deputy Minister of EMPR on the status of BC Hydro finances and forecasts, as well as other initiatives and directions approved by the BC Hydro Board and the Minister of EMPR. As and when appropriate, also update the Deputy Minister of EMPR on other emerging trends and issues as they occur;
- Continue to deliver planned capital projects on time and on budget to maintain the reliability of the system, while providing community benefits and training and apprenticeship opportunities;
- Perform system upgrades where necessary to ensure that BC Hydro is well-positioned to connect future customers in a timely and cost-effective manner; and
- Maintain or improve customer satisfaction by providing timely and responsive service.

The Crown Agencies and Board Resourcing Office (CABRO) at the Ministry of Finance has lead responsibility for overseeing and maintaining the Public Sector Organizations Governance Framework and provides leadership for the merit-based appointment of qualified and competent individuals to the boards of Crown agencies.

BC Hydro is asked to work closely with CABRO through your ministry contact on board appointments, all governance matters including orientation and training of board members, and meeting public sector reporting requirements under the *Budget Transparency and Accountability Act*.

Each board member is required to acknowledge the direction provided in this Mandate Letter by signing this letter. The Mandate Letter is to be posted publicly on your organization's website after Budget Day 2018 following the release of your organization's Service Plan.

I have appreciated your support as Board Chair to me as Minister responsible in the first few months of our Government's term in office. I look forward to ongoing dialogue and engagement going forward through our scheduled meetings and other communication channels between my Ministry and your organization. Part of that engagement process includes regular meetings between your communications staff and the appropriate Government Communications and Public Engagement staff who provide support to your ministry responsible.

Once again, thank you to you and your Board of Directors for your commitment to public service. Together, we will work to build a better British Columbia.

Sincerely,



Michelle Mungall
Minister of Energy, Mines and Petroleum Resources

Date: April 18, 2018



Kenneth Peterson
Chair

Date: May 15, 2018



Bill Adsit, Director



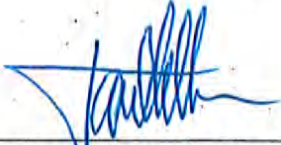
Len Boggia, Director



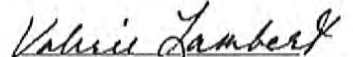
Robert Gallagher, Director



Debra Hanuse, Director



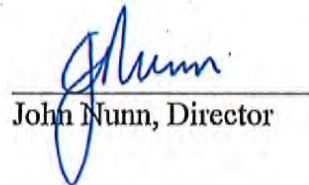
James P. Hatton, Director



Valerie Lambert, Director



Janine North, Director



John Nunn, Director



John Ritchie, Director



Chris Sanderson, Director

cc: Honourable John Horgan
Premier

Mr. Don Wright
Deputy Minister to the Premier and Cabinet Secretary

Ms. Lori Wanamaker
Deputy Minister
Ministry of Finance

Mr. David Galbraith
Associate Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Mr. Dave Nikolejsin
Deputy Minister
Ministry of Energy, Mines and Petroleum Resources

Mr. Chris O'Riley
President and Chief Operating Officer
BC Hydro

Mr. Bill Adsit
Director
BC Hydro

Mr. Len Boggio
Director
BC Hydro

Mr. Robert Gallagher
Director
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Ms. Debra Hanuse
Director
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Mr. James P. Hatton
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Ms. Valerie Lambert
Director
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Ms. Janine North
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Mr. John Nunn
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Mr. Chris Sanderson
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