

## TERMS OF REFERENCE CUSTOMER SERVICE, OPERATIONS & PLANNING COMMITTEE

### Strategic Context

The work of the Customer Service, Operations and Planning Committee (the “Committee”, or “Operations & Planning Committee”) is directly linked to BC Hydro’s company-wide goals. Specifically, to make it easy for customers to do business with BC Hydro, to explore the full potential of energy conservation, and to continuously improve the way the company plans and operates its business.

### Purpose

The purpose of the Committee is to assist the Board of Directors in providing strategic and policy level advice and direction to Management on matters that drive customer service, guide long term planning or support company-wide operations.

These include, but are not limited to, key operational activities, planning, asset health, capital planning, resource management, regulatory matters, energy conservation, technology, emergency management, safety and the environment.

With respect to asset health, the Committee will inquire into the processes in place to monitor and assess the condition of the Corporation’s major assets, the adequacy of resources in place to ensure the safe and reliable operation of the Corporation’s major assets in the context of acceptable risk parameters, and the Corporation’s asset management practices, ensuring that they remain effective and current in the context of industry practices and standards.

With respect to capital planning, the Committee will also monitor and oversee the capital planning process to ensure appropriate management of asset risk and allocation of resources, and review long-term capital plans, including underlying assumptions and methodologies, ensuring that they adequately reflect the risks and priorities associated with asset health.

### Composition

The Committee will be composed of not less than three Directors. Where practicable, the Chair of the Capital Projects Committee will serve on the Committee to facilitate the oversight of related but distinct mandates.

The Corporate Secretary will be secretary to the Committee.

### Duties and Responsibilities

In delivering on its purpose, the Committee will from time to time engage in the following activities or perform the following duties. The frequency of the Committee’s engagement with these activities and duties will be determined based on project timelines, government expectations, evolving circumstances and emerging issues. In some cases these are predetermined and specified in the Committee Timetable. Other functions related to the Committee’s purpose shall be performed as they are deemed necessary.

- a) Make recommendations to the Board with respect to the Corporation’s goals and targets on matters falling within its purpose;
- b) Provide advice and direction with respect to strategies, plans and objectives;

- c) Review initiatives and expenditures related to the Committee's mandate and provide the Board of Directors with a recommended course of action where applicable;
- d) Review and monitor programs and performance, as appropriate; and
- e) Ensure that principal risks associated with its mandate are appropriately identified and managed.

### Accountability

At every quarterly meeting of the Board, or more often if required, the Committee shall provide a report on its deliberations and recommendations since its last such report. Minutes of the Committee's meetings will also be made available to all Directors.

### Committee Timetable

		<b>Q1 (May)</b>	<b>Q2 (Aug)</b>	<b>Q3 (Nov)</b>	<b>Q4 (Feb)</b>
1	Service Plan Framework and Metrics			Review	
2	Annual Technology Plan		Review		
3	Annual Safety Plan				Review
4	10 Year Capital Plan			Review	
5	Capital Budgets			Review. <sup>1</sup>	Recommend (January)
6	Asset Condition Update (T&D and Generation)		Review (T&D)	Review (Gen)	
7	Regulatory and Business Planning Calendar				Review
8	DSM Plan			Review	
9	DSM Plan Performance (odd numbered fiscal years)			Review	
10	Risk Report	Review	Review	Review	Review
11	Committee Terms of Reference	Review			

<sup>1</sup> Final approval of Capital Budgets for inclusion in the Service Plan rests with the Board in January following Q3 review of the 10 Year Capital Plan.