

# BC Hydro Integrated Resource Plan: Indigenous Nations Consultation

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## North region

Virtual meeting – December 2, 2020

### First Nation / Organization

Kitselas First Nation / Kitselas Development Corporation	Tahltan Central Government
Skii Lax Ha nation	Gitga'at First Nation
NISGA' A VILLAGE OF GITWINKSIHLKW	Prophet River First Nation
Nisga'a Lisims Government	Saulteau First Nation
BC First Nations Energy and Mining Council	Lheidli T'enneh
Doig River First Nation	Ktunaxa
Soda Creek Indian Band	Tahltan Central Government (Tahltan Youth Council)
Gitanyow Band	Takla Nation
Wet'suwet'en	
Witset First Nation	
McLeod Lake Indian Band.	

### BC Hydro Representatives

Presenters	Bill Clendinning, Director, Energy Planning Basil Stumborg, Decision Analysis Expert
BC Hydro Indigenous Relations	Wayne Lam; Charlie Weiler; Danielle Van Huizen; Arsia Assadipour; Jocelyn Paul; Michelle Macdonald; Alicia Christie; Celine Lee; Carolyn Stock;
Notetakers	Lyndsey Stark; Frankie Vaide;

### Independent Facilitator

Cheryl Brooks	Indigenuity Consulting Group
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## Summary of presentations

### Welcome and Introductory Remarks

The workshop began with Cheryl Brooks acknowledging the traditional territory and welcoming everyone to the meeting.

All participants introduced themselves and one of the participants offered a prayer and greetings.

After introductions and discussing virtual meeting tools and etiquette, Cheryl explained the agenda as follows:

- Overview of Integrated Resource Plan
- Discussion of Planning objectives guiding the IRP – what’s important to you?
- Discussion: Applying those objectives to key planning topics

Cheryl also noted that BC Hydro will take notes and circulate a summary of the meeting in the next couple of weeks. Comments in the meeting summary won’t be attributed to individual participants

### What is an Integrated Resource Plan & consultation timeline

Bill Clendinning then introduced the long-term planning exercise:

- What is an integrated resource plan
- Importance of indigenous input to our long-term strategic plan
- Timeline of IRP development and consultation activities

### Planning objectives

Basil Stumborg discussed the planning objectives that BC Hydro is considering when making choices. Basil then invited the participants to provide input on the planning objectives. A poll was conducted to collect input from the audience on planning objectives. Poll questions and responses are outlined in **Appendix 1**.

### Integrated Resource Plan Choices

Bill then presented the 20-year outlook of electricity supply and demand in BC and discussed choices BC Hydro will have to make in light of the outlook. Participants were invited to provide input regarding First Nations values and interests regarding the choices and options presented.

During the first several years when we have sufficient supply of electricity to meet demand, choices presented were:

- Energy efficiency programs, voluntary time varying rates and voluntary demand response programs
- Expiring Electricity Purchase Agreements (EPA) and BC Hydro’s potential options
- BC Hydro’s small generation plants approaching end of life

Later in the planning horizon as gaps between supply and demand emerge, the following illustrative options were presented:

- Looking at ways that new technology, such as utility-scale batteries and pumped storage could help to store electricity for when customers need it.
- Upgrading our existing system, including expanding some of our larger facilities, like adding an additional generating unit at the Revelstoke Generating Station, and upgrading our power lines to help meet demand from customers.

Basil then discussed uncertainty and the various scenarios BC Hydro considers when evaluating the options presented above.

Bill concluded by discussing the regional demand supply outlook and the options that the IRP may consider in the region.

## Participant Input

The following is a summary of what BC Hydro heard from Nation representatives during the regional workshops. During the discussion BC Hydro representatives answered questions from participants. Further BC Hydro responses to some topics raised during workshops are set out in the next section).

### 1. Introduction

- A participant expressed their knowledge of BC Hydro's surplus of power through previous consultation and engagement with the British Columbia Utility Commission (BCUC) and the Ministry of Energy and Mines and they would like to hear how BC Hydro is planning to work with Nations on this topic through the IRP.
  - A speaker shared that each attendee faces their own unique challenges in their territories related to service, requirements for upgrades, etc. that they would like to discuss today.

Reconciliation and the United Nation Declaration on the Rights of Indigenous Peoples (UNDRIP)

- There was interest by a number of participants in how BC Hydro was incorporating UNDRIP into its business and the role that the IRP plays in this effort.
- There was a request to see the mandate letter from the Provincial government to BC Hydro directing BC Hydro to incorporate UNDRIP into its business as appropriate given BC Hydro's specific mandate and context. There were questions and discussions about BC Hydro's mandate and context and how this relates to BC Hydro's approach to incorporating UNDRIP into its business. A link to the mandate letter was shared with participants using the chat function during the virtual workshop and it was further requested that the letter be emailed to participants.
- A participant referenced Article 29 of UNDRIP which says "*shall establish and implement assistance programs for Indigenous peoples for such conservation and protection, without discrimination.*" and indicated that they understand this as BC Hydro should establish funding for a Nation. The participant indicated that their rights and title were not considered when infrastructure was built across their territory, consent wasn't provided, and culturally important sites were impacted. They explained UNDRIP outlines the right of First Nations to protect and conserve their territories which should be supported by funding from BC Hydro for the Nation to participate in future project consultation and review historical projects.

- A participant wanted to know how BC Hydro will pursue economic reconciliation as the participant is hearing Nations don't have opportunities to generate electricity.
- A participant commented that they hope the IRP will remain flexible since it covers a 20-year timeframe and political issues will undoubtedly change.

#### Consultation process

- A participant thanked BC Hydro for including Indigenous people in this early stage of the IRP compared to previous years where they were engaged later in the process.
- A participant acknowledged their appreciation for early engagement so we can work together to understand priorities and concerns. The environment and animals continue to be a top priority for the speaker. They asked all participants to listen and learn from each other throughout the discussion.
- A participant was interested in hearing back from the Ministry of Energy and Mines on the feedback they provided during the separate engagement process led by government during the recent government review of BC Hydro.

## 2. *Planning objectives*

#### Affordability

- A participant expressed concerns about high electricity costs in their community despite their reserve being located near two large dam facilities.

#### Limiting impacts to land and water

- A request was raised for BC Hydro to consider manual brushing and clearing for their vegetation management practices over pesticides and herbicides use. BC Hydro should recognize the Nation's laws and mandates as this practice has recently been adopted by the Nation
- BC Hydro should look for alternative power options to limit impacts on climate change, like solar wind and geothermal. Ice caps and permafrost are melting, and rivers also may be impacted one day which could impact future hydroelectric generation
- It was stated that we need to consider environmental impacts in our planning and this will also ensure can we continue generating in the future.

## 3. *Demand and supply outlook and uncertainty*

- There were inquiries about how the load forecast could be affected if Electricity Purchase Agreements (EPAs) are renewed or as a result of the implementation of the CleanBC objective of low-carbon electrification.
- A participant shared they have an electric vehicle that only accounts for 4% of their electricity bill and questions about why load growth will be affected as electric vehicles are widely adopted.
- A participant wanted to know if there are any planned upgrades to existing dams over the period of the IRP and noted that the Bennett Dam and powerhouse has been undergoing upgrades for 10 years.

#### 4. *Future choices 2020 – 2030*

##### Indigenous utilities

- It was noted that several First Nations are pursuing the idea of creating Indigenous utilities, transmission lines, microgrids and other projects. Participants emphasized these are excellent options for Indigenous economic development and reconciliation.
- There was an interest in understanding what is occurring in the rest of Canada and North America with Indigenous utilities and seeing an inventory of Indigenous owned utilities.
- It was asked if BC Hydro or the BC Utilities Commission have a mandate to alter the ban on utilities having retail access to customers using BC Hydro grid infrastructure. (see the section below with further BC Hydro's responses on the Government Review of BC Hydro and the BCUC Indigenous Utilities Inquiry).

##### Electricity trade

- A number of participants were interested in understanding more about energy trading and asked a number of questions, including whether BC Hydro purchases electricity from other jurisdictions, whether the export of electricity is profitable, if BC Hydro has ever been a net importer of electricity and whether energy trading is considered part of the IRP. There was considerable discussion about the role of energy trading in BC Hydro's business with BC Hydro responding to specific questions posed by the participants.

##### Alternative energy sources

- It was suggested that BC Hydro should look for opportunities for geothermal heating instead of baseboard heating, comparable to how the company supports heat pumps.

##### Time varying rates

- A participant expressed interest in a time varying rate to charge their electric vehicle.
- Another comment was that time varying rates might not be appropriate for northern communities as many drive long distances and may be restricted on when they can charge an electric vehicle.

##### Demand side management

- A participant wanted to know how successful BC Hydro's Demand Side Management program have been to date.

##### Electricity Purchase Agreements (EPAs)

- A participant would like to know how many EPA's are owned by Indigenous groups. BC Hydro was not sure of the exact number and will follow up to see what information is available. Later in the session a participant offered information on an upcoming study in this area: The Pembina and New Relationship Trust are working on a study on Indigenous involvement in clean energy. Early results are showing that 90% of projects with EPAs have some form of Indigenous participation. The study will break this down into: 100% Indigenous owned, equity participation, and revenue/royalty agreements. The participant indicated that the final results of the study are expected in early January.
- A participant commented that reconciliation will not be possible if viable projects' EPAs are not renewed.

- There was an interest in understanding the remaining life of hydro projects with Electricity Purchase Agreements and this being a consideration in determining whether to renew an EPA.
- When determining whether to renew an EPA and the cost associated with such a renewal a participant was interested in knowing how BC Hydro balances its mandate to implement UNDRIP and advance reconciliation with its responsibilities to the broader customer base to keep electricity rates affordable. One participant expressed an interest in whether EPAs with Indigenous Independent Power Producers (IPPs) could be given priority over non-Indigenous IPPs when determining whether to renew the EPA.
- A participant commented that the decision to renew an EPA should fall to the BCUC or government since decisions haven't been favourable to First Nations when they've been made by BC Hydro.
- A participant shared that renewing EPAs with Independent Power Producers (IPPs) is important. A participant said that Bill 17 sought to remove self-sufficiency from the Clean Energy Act and this would undercut First Nations that have developed clean power projects.
- A participant asked if it might be cost effective to renew all EPAs so we have plenty of power now to meet future demands and excess energy could be sold to USA markets.
- A participant noted that their Nation is interested in an EPA with BC Hydro and is frustrated it hasn't moved forward while LNG projects have been progressing. They stated BC Hydro's priority to generate clean electricity should include supporting Nations' abilities to generate electricity as well. This includes moving communities off diesel power. The participant commented that BC Hydro should have a fulsome discussion about how its approach to both integrated and non-integrated areas of the electricity grid can properly support reconciliation.

#### COVID-19

- A participant indicated that Indigenous Nations have a desire to be better informed about COVID-19 cases as their community members are at risk when workers visiting their territories become sick.

#### BC Hydro small plants approaching end of life

- A participant recommended the documentary "Dam Nation" for a look at points to consider around decommissioning facilities.

## 5. 2030 – 2040

#### Renewable energy

- A participant was interested if BC Hydro is looking at upgrading existing infrastructure or considering renewable energy projects for the northwest (BC Hydro indicated the IRP is looking at these choices). They shared that renewable projects might be cost efficient if they're funded by the private sector and were interested in understanding how costs are projected for these options. There was a further discussion of BC Hydro's Resource Options Database which contains high level information on the cost of different resources.
- A participant expressed that wind farms in the northeast are leaving the area because they can't sign EPAs with BC Hydro. They value wind energy due to high generation potential and low gigawatt hour cost and were interested if BC Hydro has considered the potential energy generation from these projects. This led to a further discussion of the Resource Options Database which includes wind resource in the northeast of the Province.

## Reliability

- A participant expressed concerns about reliability due to vegetation management in remote communities. This should be considered on the same level as exploring alternative energy sources like wind and solar.

## 6. *Planning uncertainty*

- A participant was interested in how early BC Hydro needs to start planning a project for it to come online in time to meet anticipated demand, in particular from potential LNG customers.
- A participant was concerned about events like the explosion of the Enbridge pipeline earlier this year and potential impacts on electricity supply.

## 7. *Region specific*

- A participant was interested in understanding whether BC Hydro has enough transmission capacity in the northwest to meet LNG production needs.
- A participant was interested in whether transmission limitations caused LNG Canada to choose natural gas generated electricity to power their operations.
- A participant was interested in whether BC Hydro plans to shorten interconnection studies. They referenced one at Site C that took four years to complete and asked if LNG companies will wait that long.
- It was asked if BC Hydro is planning to use of batteries at substations in the northeast to meet capacity demands, noting high LNG related activity in the area adds increased pressure to capacity needs.
- It was asked if the regional discussion covers the area north of Fort St. John, Site C and the Peace to Kelly Lake Capacitors project (BC Hydro confirmed that it is).
- One participant was interested in Alberta's efforts to shift away from coal and whether that was considered in the IRP.

## Further BC Hydro Responses to Topics Raised During the Workshop

- **UNDRIP and Reconciliation:** BC Hydro has a mandate to incorporate UNDRIP into its business within our specific mandate and context. Consultation on the IRP is consistent with UNDRIP. The IRP is the earliest opportunity for engagement with Nations on what work BC Hydro may consider in future to meet electricity demand. The IRP is the first step in continuous engagement on meeting future electricity demand. BC Hydro's hope is that engagement on the IRP will lay a positive foundation for future processes aimed at obtaining consent from Indigenous Nations for our work. Incorporating UNDRIP into BC Hydro's business involves more than the IRP. BC Hydro has relationships with many different Indigenous Nations across the Province and each relationship has its own history and context. Building relationships with Indigenous Nations, particularly those most impacted by our presence in their territory, will continue to be a focus of our work and will inform how we incorporate UNDRIP into our business.
- **Consultation on the IRP:** The IRP is the first step in ongoing consultation with Indigenous Nations. Specific projects are subject to their own separate consultation and approval process. At this stage

BC Hydro does not have a draft IRP and it is not clear whether any projects will be proposed in a specific Indigenous territory and whether these could affect Indigenous interests. Consultation on future BC Hydro projects will be supported by capacity funding as appropriate.

- **The Government Review of BC Hydro:** BC Hydro's consultation on its IRP is separate and distinct from the government's consultation with Indigenous Nations on its review of BC Hydro. BC Hydro's consultation on the IRP is seeking input on planning decisions which must be made within BC Hydro's current policy context. The IRP is informed by policy direction provided by government, including through the Phase 2 review when that occurs.
- **Indigenous Utilities:** BC Hydro recognizes there is growing interest in Indigenous utilities. At the direction of the Province the BC Utilities Commission recently held a public Inquiry on Indigenous utilities resulting in a report that was submitted to the Province by the Commission. We understand the Province will be responding to the report and initiating further dialogue with Nations in the coming months.

## Follow up

1. A participant asked for the number of BC Hydro Electricity Purchase Agreements with IPPs owned by Indigenous groups. BC Hydro does not know the total number of Independent Power Producers that are owned by Indigenous groups as these commercial arrangements are subject to confidentiality between the parties involved and are not generally shared with BC Hydro.
2. A participant asked for the current BC Hydro mandate letter. A link to BC Hydro's mandate was shared in the Webex chat and is provided again [here](#).

## Summary and Wrap-up

Cheryl Brooks thanked participants for attending the workshop and reminded audience of the next steps in the consultation process:

- BC Hydro will circulate meeting summary for your review and comment
- BC Hydro respectfully asks for your comments and input for this phase of consultation by Jan 31, 2021
- Your input will inform Draft Actions
- We will release the Consultation Summary Report in winter/spring 2021
- Consultation on Draft Actions will take place in spring/summer 2021

Additional input can be provided through the following means:

- Please take the survey: <https://bchydro.civilspace.io/en/projects/clean-power-2040/engagements/clean-power-2040-indigenous-input>
- Provide input by emailing [CP2040.Indigenous@bchydro.com](mailto:CP2040.Indigenous@bchydro.com)
- Call us at 1-877-461-0161 (extension 3) if you have any questions



## Appendix 1: Poll results – questions on objectives

A poll was conducted so participants could provide input. Verbatim comments are below. Answers have been minorly edited for spelling and clarity

1. Are we missing any objectives?

- UNDRIP implementation mandate needs to be clearer.
- None that I can think of
- Yes
- I can't think of any right now. I'll let you know if I come up with more.
- More opportunities for First Nations to develop generation and transmission projects to achieve reconciliation.
- Look at First Nations ownership or investment in the BC Hydro Program as part of ongoing discussions and good faith planning. Work with First Nations to assist in clearing old and uncollectable accounts. This is an issue with a number of homes and members.
- Assessment and efficiency of power in each region. We have significantly high bills and really need to review how we can decrease costs in our area. In addition, work with First Nation's in terms of how you can support us with projects that we have initiated. Surplus power isn't a viable answer in this regard.

2. What advice do you have for us as we use these objectives to compare options?

- Consider all energy options (geothermal, nuclear)
- Consider Non Integrated Areas issues as well
- As Elder Mary has pointed out, we need to look at saving the land now or we won't have the water to use in the future.
- Connect with leadership and management to see what works best for First Nations perspectives
- Engage with us directly. This is good, but as noted, we have specific issues in each of our areas.

3. Select the top 3 most important objectives to you

- |  |              |
|--|--------------|
| A. Keep costs down for customers                             | 9/26 ( 35%)  |
| B. Limit land and water impacts                              | 13/26 ( 50%) |
| C. Reduce greenhouse gas emissions through clean electricity | 8/26 ( 31%)  |
| D. Support reconciliation with Indigenous people             | 16/26 ( 62%) |
| E. Support the growth of B.C.'s economy                      | 5/26 ( 19%)  |