

BC Hydro Integrated Resource Plan: Indigenous Nations Consultation

Southeast region

Virtual meeting – November 27, 2020

First Nation / Organization

Adams Lake Indian Band	Shackan Indian Band
BC First Nations Energy and Mining Council	Simpcw First Nation
Bonaparte Indian Band	Splatsin
Sekw'el'was (Cayoose Creek Indian Band)	St'at'imc Eco Resources
Coldwater	St'at'imc Government Services
High Bar First Nation	Takla Nation
Kanaka Bar	Tk'emlups te Secwepemc
Ktunaxa Nation Council	Tl'etinqox Government
N'Quatqua	Tsal'alh First Nation
Nooaitch Indian Band	Xa'xtsa - (Douglas First Nation)
Okanagan Indian Band	Xwisten (Bridge River Indian Band)

BC Hydro Representatives

Presenters	Bill Clendinning, Director, Energy Planning Basil Stumborg, Decision Analysis Expert
BC Hydro Indigenous Relations	Wayne Lam; Danielle Van Huizen; Ali Stockwell; Dina Matterson; Jessica Davies; Trina Johansen; Scott Humphreys; Robin Fowler
Notetakers	Lyndsey Stark; Arsia Assadipour

Independent Facilitator

Indigenuity Consulting Group	Cheryl Brooks
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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 blessing.

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 considered 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

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

- A participant was interested in details on BC Hydro's mandate to implement UNDRIP and felt the general statement presented in the introduction of the presentation wasn't specific to what the company was doing.
- A participant asked whether presenters had read UNDRIP and have received Indigenous cultural awareness training.

Consultation process

- A participant stated the previous IRP process was disappointing as feedback from Indigenous consultation wasn't incorporated. The previous feedback was focused on building socio-economic opportunities for Indigenous groups through Electricity Purchase Agreement (EPAs).
- A participant commented that it would be nice for BC Hydro to have a more interactive engagement process, programs like Mentimeter as an example. Also wondering if there's still opportunity to take BC Hydro's survey. (BC Hydro confirmed online survey and workbook will continue to be available for providing input to BC Hydro.)

Socio-economic opportunities

- A participant highlighted that it feels like some opportunities have already been written out of the IRP such as the Standing Offer Program.
- Some communities have run of river projects and will need to sell power in the future.
- A participant also took part in BC Utilities Commission's Indigenous Utilities Inquiry process and would like to see a process for Indigenous communities to provide services to their own reserves.
- BC Hydro's monopoly on lines should be removed to open up options for Nations to sell the power they produce. Indigenous Nations want to explore Indigenous utilities and the ability to sell to the communities of neighboring Nations and not just to BC Hydro.
- Training opportunities from BC Hydro doesn't create substantial benefits for the communities that house BC Hydro's infrastructure. We need to move on from benefits previously outlined in Impact Benefit Agreements to bigger topics like revenue sharing, joint decision making, consent and Indigenous ownership.
- More infrastructure will be built in the future by BC Hydro and Indigenous Nations want to participate as suppliers. Would like to see a plan to support Indigenous communities as suppliers. For example, a Nation wanted to install two poles to hook into BC Hydro's system and their partner's cost was less than half of the quote from BC Hydro, but they still had to pay

BC Hydro's rate. BC Hydro should be enabling communities especially when they have capacity to do this work.

- There is disparity between taxes or grants in lieu of taxes that BC Hydro makes to municipalities and payments BC Hydro makes to First Nations through the Community Development fund. First Nation sees many of the impacts from generation, transmission and distribution of the electricity in the territory, but not a fair share of benefits.

2. Planning objectives

- It was raised that supporting reconciliation with Indigenous peoples is not an option to consider for BC Hydro or the IRP as it's passed into law through UNDRIP legislation. Reconciliation should underpin all actions taken by BC Hydro. Reconciliation is not an option, but a requirement, like safety and reliability.
- It was stated that reconciliation is not separate from other objectives but closely linked with other objectives like economic development and limiting land and water impacts.
- Reconciliation needs to be explicit in the IRP instead of wrapped up in other priorities. The IRP process doesn't show reconciliation as a requirement or a priority and it should be for both Indigenous groups and the public.
- Reconciliation should not have been included in the consultation material as a priority to be ranked.
- BC Hydro should take a careful look at the results of public consultation process regarding how priorities are ranked. Given the economic impact of the pandemic, the public will likely choose economic recovery as a top priority but this is not explicitly linked to reconciliation.

Question from BC Hydro: Are we missing anything to consider in our planning context? (slide 11)

- Two participants mentioned they would like to see diversification of BC Hydro's grid considered in this plan, specially moving away from mega projects like Site C towards in-community generation. This would increase reliability with an example given of a motor vehicle accident causing long term power outages when communities are limited to relying on the BC Hydro grid. It makes sense to have another more localized option.
- There doesn't seem to be a lot of focus on supporting Indigenous communities' economies. Diversification rather than reliance on mega projects would allow for benefits to flow to Indigenous communities.

3. Demand and supply outlook and uncertainty

- Several comments referred to potential cancellation of the Site C project by government if it's found not to be feasible and too expensive to complete.
 - Several participants raised questions about Site C and wanted to know how the project is accounted for in the IRP and how the Demand and Supply outlook will change if the project is cancelled after the government review.
 - Participant asked for clarification around why Site C is considered a committed resource as outlined in the energy and capacity supply graphs when it is undergoing government review. (BC Hydro responded that the project is currently approved)
 - A participant would like to know what steps BC Hydro has taken to consider additional capacities to meet demands outlined in the orange portion of the graph, especially in

the event Site C is discontinued. There was a suggestion that smaller generation projects could help fill the gap from potential cancellation of Site C.

- Participant asked if BC Hydro considers changes in electricity consumption between residential, commercial and industrial sector and its effects on BC Hydro's forecasts (e.g., as a result of pandemic).
- Climate change and electrification should be more explicitly reflected and tied into future growth projections, such as considering topics like electric vehicles
- A participant commented that two options are being considered for transportation: one is electric vehicles and the other is blue gas (hydrogen). Alberta is talking about developing their hydrogen infrastructure and the participant would like to know if BC Hydro is looking at "blue gas" development in the Peace Region.
- A key concern about electric vehicles is charging time and infrastructure to support. BC Hydro should take into account infrastructure required to support electric vehicles.

4. *Future choices 2020 – 2030*

Electricity Purchase Agreements (EPAs)

- Indigenous EPAs should be considered on same level when it comes to updating BC Hydro's own infrastructure. If BC Hydro is looking for more capacity resources, then the participant wanted BC Hydro to look to do that through EPAs and EPA renewals.
- Indigenous groups should be consulted before cancellation of any existing EPAs in their territories.
- One Nation has owned a project since 2014 but doesn't have an EPA.
- In considering pricing for renewal of EPAs, BC Hydro may think the IPPs should've made enough money over 20 years, but Nations could be saying the same to BC Hydro about facilities in their territories and asking for a discount on rates paid for electricity to BC Hydro.
- Another participant commented that EPA renewal process should allow for existing IPPs to increase their capacity and sell more power at the time of renewal. This is similar to BC Hydro upgrading the capacity of their generation infrastructure when units reach end of life.

Electricity trading

- A participant wanted to know how Columbia River treaty fit into the IRP. BC Hydro committed to providing a response at a later date.
- Questions were raised around exporting power to the United States and how that's considered in this plan.
- Comments touched on how jurisdictions in the Pacific northwest are dismantling their dams which is helping to increase their fish populations and that might increase opportunities for export into the US.

BC Hydro small plants approaching end of life

- A participant wanted to know if there will be environmental assessments in end of life planning for small generation plants. BC Hydro committed to providing a response at a later date.
- Participant doesn't see a mention of putting in new lines in this plan and referenced a situation which included brown outs when a line was reaching end of life. (BC Hydro clarified that the IRP looks at the needs around the bulk inter-regional transmission system, including potential

upgrades to the transmission system to bring power from the interior to Lower Mainland, referenced later in the presentation.)

5. 2030 – 2040

Time varying rates

- Multiple participants requested confirmation that BC Hydro is considering time of day usage rates to allow customers to save money on their bills by changing appliance usage time (e.g., laundry) or changing work schedules. (BC Hydro confirmed voluntary time of use rates are options being considered).
- A participant suggested BC Hydro provide subsidies and support for large industries and employers to offer work from home options or other hours to reduce the 9 am – 5 pm capacity surge.
- Time varying rates might put a burden on consumers/ratepayers who don't have other options.
- A participant asked if BC Hydro has made public all the generation resource options that the IRP is considering. BC Hydro confirmed there is a link to the electricity supply options on the BC Hydro IRP [website](#).

Other rates

- A participant commented that Indigenous people living on reserves do not have access to farm rates. This is because reserves do not qualify for designation as Agricultural Land Reserve because it is federal land. Since being located on reserves wasn't a choice made by Indigenous groups, customers on reserves should have access to farm rates as well.

Customer generation and Net Metering Program

- One participant commented that it was great to see that customer generation is being considered as part of the IRP.
- Would like to know if there are incentives for customers to generate their own power and if the Net Metering Program is going to stick around for a while or evolve.
- There was an interest in BC Hydro buying power from small scale generation, like solar panels on a single house.

6. Region specific

- IRP should consider differences in how people use resources and electricity. For example, electricity use should be higher in South Interior where there is no access to natural gas. Fuel switching is not going to have as much potential in these communities.
- Would like to see revenues coming back to the Nation if BC Hydro generation plants in the Nation's territory are upgraded to produce more power.
- Would like to better understand why increasing the generation capacity of local BC Hydro generation plants is not being considered as part of the replacement of equipment at end of life (Bridge River system).
- Participant also recommended looking at increasing capacity of local IPPs as part of EPA renewal process.

Further BC Hydro Responses to some topics raised during the workshops

- **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 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 details on if we do environmental assessments for end of life small plant assets? For each of the small plants reaching end of life a project team is formed and those projects undertake an in-depth consideration of all options for addressing the end of life of the asset. During project planning the appropriate scope of environmental assessment is determined and undertaken in consultation with Indigenous Nations.
2. A participant asked how the Columbia River Treaty is considered in the IRP? The Treaty sets some operating parameters for our generation facilities in the Columbia and this is reflected in our IRP load resource balance. The IRP will not be exploring changes to the Treaty and any further consideration of how the Treaty can inform the IRP is unclear at this time. The Columbia River

Treaty is currently being renegotiated and further information on this can be found on the provincial government [website](#).

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
- BC Hydro 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
- 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?
 - Support of First Nations economic opportunities through IPPs and revenue sharing which supports rural and Indigenous economic growth and diversifies B.C.'s economy
 - yes, you haven't asked how to support the FN economy
 - Customer choice. Communities should be able to choose how they participate.
 - reliability criteria - only appears in the heading
 - Encouraging consumption reduction
 - Implementation of UNDRIP Act
 - Energy Purchase Agreements & SOP
 - Climate change adaptation and diversification of the grid
 - no
 - just a note this workshop is not considered consultation with [redacted] band . i am
 - Culture/ heritage conservation, infrastructure built to last so as to limit land and water impacts over the long term (sub category under reconciliation and land/water impacts)

2. What advice do you have for us as we use these objectives to compare options?
 - you need to know that BCH is upgrading existing facilities, and that is costly
Avoid viewing these as trade-off, some options will allow more progress than others.
 - lowering your rate for first nations communities since the resources BC Hydro uses come from our lands...mostly for free to bch
 - Put reconciliation as a requirement not an option to consider - to Meaghan's point
 - we shouldn't be expected to rate reconciliation, it is a given
 - Shared decision making and partnerships with Indigenous Nations
 - Reduce the focus on lowest costs options through BC Hydro and the BCUC. The resolution of Aboriginal title is normally not included in economic assessments.
 - What to do with end-of-life infrastructure
 - Find a balance between the options - all are important and there is a need to create social equity with whatever you do
 - Keep costs down
 - meeting with our chief and council at a scheduled meeting, i know it is a lot of work and a lot of people

3. Select the top 3 most important objectives to you

A. Keep costs down for customers	9/38 (24%)
B. Limit land and water impacts	19/38 (50%)
C. Reduce greenhouse gas emissions through clean electricity	11/38 (30%)
D. Support reconciliation with Indigenous people	20/38 (53%)
E. Support the growth of B.C.'s economy	2/38 (5%)