

BC Hydro Integrated Resource Plan: Indigenous Nations Consultation

North region

Virtual meeting - June 22, 2021

First Nation / Organization

Alison Thompson	Kitselas First Nation
	B.C. First Nations Energy and Mining
Andrew McLaren	Council
	Kispiox Watershed Gitxsan Chiefs
Bill Blackwater	
Catherine Piedt	Halfway River First Nation
Roslyn Notseta	Halfway River First Nation
David Benton	Gitgaat First Nation
Tania Solonas	McLeod Lake Indian Band
Roger Harris	Saulteau First Nations
	Gitanyow Economic Development
Mark Starlund	Corporation
Sandra Luke	Ktunaxa Nation Council
Sean Brennan	Haida Nation
Roger Sullivan	Tsetsaut / Skii km Lax Ha Nation
David Try	Kitselas First Nation
Rena Jack	Tsideldel First Nation
Delbert Good	Gitanyow Band
Darryl Ryan	Mid Skeena Watershed Gitxsan Chiefs
	B.C. First Nations Energy and Mining
Mark Blom	Council
Kirsten Chapman	Nadleh Whut'en First Nation

BC Hydro Representatives

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Presenters	Bill Clendinning, Director, Energy Planning
	Charlie Weiler, Indigenous Relations Senior Negotiator
BC Hydro Indigenous	Carolyn Stock, Pascale Mera, Ian Wong, Celine Lee, Alison
Relations	Hall, Nubia Budau (Integrated Planning)
Notetakers	Lyndsey Stark; Anne Pigott
Tech Support	Taruni Singh (IT)

Independent Facilitator

Cheryl Brooks	Indigenuity Consulting Group

Summary of presentations

Welcome and Introductory Remarks

The workshop began with Charlie Weiler acknowledging the traditional territory and holding a moment of silence for the 215 burial sites found at the former Kamloops residential school. All participants introduced themselves and Bill Blackwater offered a prayer and greetings.

After introductions and discussing virtual meeting tools and etiquette, Cheryl Brooks, the facilitator, explained the agenda:

- Overview and recap: Integrated Resource Plan
- What we heard during Phase One
- Discussion: Reviewing the Draft Plan do items align with your values and interests?
- Discussion: BC Hydro and UNDRIP- gathering your input
- Wrap up and next steps

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.

Due to the interest in the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) in the first round of consultation on the IRP, BC Hydro included an agenda item to seek input on BC Hydro's plan to implement UNDRIP. A summary of themes from the input received on this topic is captured at the end of this document after the section on the Integrated Resource Plan.

BC Hydro presentation on the Integrated Resource Plan (IRP)

Before presenting the draft IRP Bill Clendinning and Charlie Weiler addressed the following topics:

- What is an IRP
- Where we are in the schedule of developing the IRP
- A recap of some major themes from the input received from the first round of consultation
- How BC Hydro developed its draft IRP
- An overview of the concepts of energy and capacity

Bill Clendinning presented the IRP load resource balance showing when we expect to need future resources to meet demand and answered questions on this topic. Following that Bill presented the elements of the draft IRP. After each element of the plan was presented Bill paused and Cheryl facilitated discussion on that specific element. The elements of the draft IRP that were presented and discussed in the workshop are:

- Energy Conservation
- Voluntary Time of Use Rates
- Renewing expiring Electricity Purchase Agreements
- Transmission Upgrades
- Future Resources
- Small Plants
- Planning for the unexpected

The PowerPoint presentation from the workshop is attached to this summary.

Summary of Participant Input

The following is a summary of what BC Hydro heard from Indigenous Nation representatives during the workshop. The purpose of this summary is to capture themes from the feedback received from participants attending the workshop and help BC Hydro consider the alignment between the draft plan and Indigenous interests. Please let us know if you have further questions or information requests regarding the IRP or anything arising from this summary.

Overview and recap: Integrated Resource Plan

- A participant wanted to know if their feedback provided through the IRP consultation sessions will be considered in the final IRP.
- One participant made a general comment that they would like this conversation to take
 place with an ethics committee as they see many ethical questions that need to be
 answered on the topic of IRP and reconciliation. They voiced that there's currently not a
 good understanding of what reconciliation means to Indigenous people.

What we heard during Phase One

- A participant commented that phase one of IRP consultation was completed prior to provincial UNDRIP legislation. In light of this progress, they recommended updating references in the presentation deck and draft plan from "implementing UNDRIP" to "supporting the Declaration on the Rights of Indigenous Peoples Act (DRIPA)".
- Another participant made a recommendation to update wording in the list of planning objectives identified in phase one of consultation from "support the growth of BC Hydro's economy" to "include Indigenous people in the growth of B.C.'s economy".

Load Resource Balance

The load resource balance shows when BC Hydro expects to need more resources by comparing BC Hydro's forecast of future electricity demand against resources, we know we have in place to meet future demand. It also shows the range of uncertainty in BC Hydro's forecasts (i.e. future demand may be higher or lower than expected).

The following are some of the areas of inquiry during the discussion of the load forecast:

- Several participants inquired about the accuracy of the 2013 load forecast and how close it
 was to the actual load.
- A participant was interested in understanding how Site C impacted capacity in the load forecast graph.
- A participant was interested in how the load forecast graph is broken down by region, specifically the north.

- A participant wanted to understand how energy exports to the US is considered in the load forecast graph and if exports are considered through planning.
- A participant was interested in whether BC Hydro is sure the load forecast will continue to increase.
- A participant inquired why the chart appears to show the load forecast drop off in 2030 and
 if this meant existing infrastructure would be taken offline or less water would be available
 due to climate change.
- A comment was put forward about climate forecast models showing B.C. as warmer and dryer in the future followed by a question about if that had been considered in load forecast.

Reviewing the Draft Plan – BC Hydro asked: does this align with your values and interests? What other feedback do you have?

Energy conservation programs:

A participant was interested in the steps BC Hydro takes to conserve electricity lost during
the transmission and distribution of electricity on power lines. They asked if it would be
cheaper to capture lost energy than to build new infrastructure. High Voltage Direct Current
was suggested as an option to consider.

Voluntary rates and supporting programs:

- A participant noted that charging a premium for peak times via voluntary time varying rates
 may not be suitable in the north as opposed to someone who lives in more moderate
 climate in the south. They commented that this was discussed during phase one of
 consultation and they wanted to understand how this feedback has been incorporated into
 the draft plan.
- A participant commented that they wanted to see access to more equitable rate options
 across the province. They weren't sure if voluntary time varying rates model will address
 this. They noted that remote and northern areas see greater temperature extremes and
 may have less flexibility during off peak hours. The concern is that northern customers
 could be at a greater risk of higher rates than southern customers.
- A participant wanted to know if utility scale batteries are available now. Another participant
 was interested if they could be used at the individual residences to assist in time of day
 usage rates.

Renewing Electricity Purchase Agreements (EPAs)

 A participant was interested in comparing a scenario in which all 50 EPAs were renewed versus only investing in BC Hydro's existing infrastructure and which option would help bridge the demand gap in 2040. It was advised that BC Hydro would not fully choose one option or the other, but a combination of many factors would need to be considered. BC Hydro indicated that if all EPAs were renewed, we would still not address the gap by 2041.

- It was recommended that BC Hydro be transparent with Indigenous Nations as they need to understand what EPAs BC Hydro may consider and what the anticipated timelines are so they can make necessary plans and support their business development interests.
- A participant commented that the IRP is not incorporating enough lead time for future geothermal projects. Geothermal has a 3 to 10-year build period and they're concerned geothermal is not explicitly mentioned in the IRP, which spans 20 years. If it's not considered in the current IRP, geothermal will not be available to help meet the load forecast gap.

Transmission system upgrades

- A participant was interested in the plan for the transmission lines to move electricity to the northwest coast to support LNG development. They noted expanding the system between Prince George and Terrace had been discussed in phase one of the IRP.
- Another participant questioned why northern connector projects weren't included in this plan.

Future resources

• No comments were received during this part of the presentation, however there was related feedback during discussion on other aspects of the plan.

Small BC Hydro plants

- A participant expressed interest in whether the small plants can be expanded and if so by how much.
- A participant inquired whether it's possible to move any of the plants off the grid to serve local customers and avoid any overhead charges to make them more economically viable.

Planning for the unexpected

- A participant voiced that UNDRIP specifically addresses the right of Indigenous Nations to take part in the economy and they were concerned about the impacts of discontinuing the Standing Offer Program on economic opportunities. They further detailed that the north region was previously excluded from participating in the program due to regional pricing and they were concerned this will continue for any future opportunities. It was noted that there are challenges with planning when small producers are looking for price signaling from BC Hydro.
- A participant commented that they see the variables outlined as being bigger than the IRP itself. For example, if the carbon tax changes, the load forecast could change substantially and quickly as electrification takes place. They see a disconnect between the Provincial government's priorities and Crown Corporations' priorities.
- A participant commented that it's not clear how Independent Power Producers are more expensive than the construction of the Site C project.

- A participant commented that they had noticed renewable energy plans aren't part of the IRP contingency plans. The participant suggested that BC Hydro may need to put a call out for renewable energy projects in the future but that Indigenous communities need information earlier in order to prepare and this should be reflected in BC Hydro's contingency plans in order to provide opportunity rather than barriers for Indigenous communities through the IRP process.
- A participant responded to a comment from BC Hydro to identify unintentional bias which
 they saw as prioritizing rate payers over Indigenous interests when it comes to including
 geothermal projects in contingency plans. They noted other countries are shifting away
 from hydroelectricity to geothermal and it is in the best interest of BC Hydro's customers to
 explore geothermal.
- A participant commented that if renewable energy projects are not built into the contingency plans, Indigenous Nations won't be positioned to respond if there's a call for projects by BC Hydro in the future and demand will instead be met by government funded projects like Site C. It was suggested that economic opportunities for Indigenous Nations should be considered now.
- A participant inquired if the IRP is likely to change when the Province publishes its hydrogen strategy as it takes a lot of electricity to produce hydrogen power.

Follow up

A participant asked for resources on how to calculate the efficiency of electric heating options in comparison to generation types:

 $\underline{https://www.bchydro.com/powersmart/residential/building-and-renovating/considering-heat-pump-info-tips.html}\\$

For Canadian based information (more detailed):

https://www.nrcan.gc.ca/energy-efficiency/energy-star-canada/about/energy-star-announcements/publications/heating-and-cooling-heat-pump/6817

Participants also asked to review the 2013 IRP document:

https://www.bchydro.com/toolbar/about/planning-for-our-future/irp/current-plan/document-centre/reports/november-2013-irp.html

A participant asked for a link to the BCUC website as part of an inquiry regarding Indigenous participation. Participants were advised that they could register as an intervenor. Here is a link to the BCUC website:

https://www.bcuc.com/ApplicationView.aspx?ApplicationId=790

A participant asked if the Fort Nelson area is part of the Integrated Resources Plan (IRP) and was advised it has its own integrated planning process which is not currently taking place:

2013 IRP Appendix 2E: Fort Nelson Supply and Electrification of the Horn River Basin Resource

Plan Analysis Details

A participant is looking for information on supply options in the north to support new customer connections for 15 MW projects.

• The link to our Resource Options Update (draft summary) is here: https://www.bchydro.com/content/dam/BCHydro/customer-

- <u>portal/documents/corporate/regulatory-planning-documents/regulatory-matters/rou-draft-results-gen-supply-side-options-v01.pdf</u>
- This summary presents the range of expected unit costs for all supply resources currently under consideration for this IRP.
- In general, one can find information relevant to ~15 MW clean energy projects on slides 24-25 (distributed solar), and in parts of slides 40-44 where you can find information that relates broadly to run of river, biomass and geothermal resources, some of which are at a ~15 MW scale.
- A final summary will be included in the final IRP

Summary and Wrap-up

Charlie Weiler 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 July 31, 2021
- The final IRP will be filed with the BCUC by December 31, 2021
- A Consultation summary report will be sent to you and included in the filing with the BCUC

Additional input can be provided through the following means:

- Please take the survey: https://bchydro.civilspace.io/en/projects/clean-power-2040/engagements/irp-phase-2/sections/1
- Provide input by emailing CP2040.Indigenous@bchydro.com
- Call us at 1-877-461-0161 (extension 3) if you have any questions

Reconciliation and Implementing the United Nations Declaration of the Rights of Indigenous Peoples in BC Hydro's business

In the first round of consultation on the IRP there was a high level of interest in how BC Hydro will implement the United Nations Declaration on the Rights of Indigenous Peoples ("UNDRIP" or the "Declaration") in its business. As result the second round of regional workshops on the IRP also had an agenda item to seek Indigenous input into the development of an UNDRIP implementation plan for BC Hydro and it plans to implement UNDRIP into its business.

Participants in the IRP consultation sessions were asked for their input on five themes that BC Hydro believes relate to UNDRIP and BC Hydro's work. The five themes are:

- 1. Respectful Relations
- 2. Social and Cultural Well-Being
- 3. Decision-Making
- 4. Water, Lands, and Resources
- 5. Economic Relations

BC Hydro sought feedback on the following questions: Are these the right themes? Are we missing any? What are some ideas for advancing reconciliation in each area?

The Indigenous input at the regional workshops will help BC Hydro develop a plan to implement UNDRIP in its business.

BC Hydro's UNDRIP presentation is part of the PowerPoint presentation attached to this summary.

Participant input on UNDRIP and BC Hydro

A participant noted that BC Hydro had mentioned incorporating UNDRIP into the IRP early in the presentation and wanted further details on how this would be done.

It was also asked why BC Hydro doesn't have an UNDRIP implementation plan yet as DRIPA legislation was passed in 2019. The participant commented that BC Hydro should not be waiting for the Province to finalize their plan to move forward with developing its own implementation plan.

A comment was made about a participant seeing a disconnect between UNDRIP and the IRP as the technical nature of IRP conflicts with the intent of UNDRIP at times. An example was given that geothermal projects are a high priority for Indigenous Nations, important to reconciliation and will help meet demand on the southwest coast. Barriers encountered through the IRP process to pursue these projects will also impact the implementation of UNDRIP.

A participant commented that IRP isn't an appropriate place to discuss UNDRIP. They would like to see the Province and BC Hydro come forward with a comprehensive plan which Indigenous Nations can review to provide feedback.

Several participants voiced concerns about BC Hydro prioritizing rate payers and keeping costs low over Indigenous interests through the presentation. Comments were received that the process needs to be built around Indigenous Nations in order to meet UNDRIP's objectives and actions are needed as people are tired of consulting.

Several participants commented that Indigenous Nations should be considered as shareholders in BC Hydro and prioritized over rate payers. Comments were put forward that rate payers have benefitted from the extraction of resources from Indigenous lands and the communities need to be compensated. One participant commented that including Indigenous Nations as a shareholder is their definition of reconciliation.

Similarly, several participants recognized that there will be a cost to implementing UNDRIP.

A participant commented that broad education needs to be provided to rate payers to create understanding about how they've benefitted from the extraction of Indigenous resources so all rate payers can participate in reconciliation. Neglecting to create understanding could cause frustration with rate payers who may see Nations as receiving unwarranted compensation.

Another participant wanted to know BC Hydro's definition of reconciliation. They echoed that it is difficult to talk about UNDRIP at this table and this needs to be discussed more in depth at a larger table.

A participant recognized that meeting participants and BC Hydro are trying to do the right thing for shareholders and rate payers, and they have an interest in working more closely together throughout this consultation process to continue moving forward together.