Chris Sandve
Chief Regulatory Officer
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May 30, 2025

Sara Hardgrave
Acting Commission Secretary and Manager
Regulatory Services
British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Sara Hardgrave:

RE: British Columbia Utilities Commission (BCUC or Commission)
British Columbia Hydro and Power Authority (BC Hydro)
Request to Amend Capital Projects Filing Guidelines
Annual Compliance Report No. 1

BC Hydro writes in compliance with Directive 2 of BCUC Order No. G-218-24 to provide its Annual Compliance Report No. 1.

For further information, please contact Joe Maloney at bchydroregulatorygroup@bchydro.com.

Yours sincerely,

Chris Sandve
Chief Regulatory Officer

bm/ma

Enclosure

BC Hydro Request to Amend Major Capital Projects Filing Guidelines

Annual Compliance Report No. 1

May 2025

Table of Contents

Appendices

1 Background

On August 15, 2024, the BCUC issued Decision and Order No. G-218-24 including the directive to file annual progress reports within 60 days of its fiscal year end, as follows:

- For the prior fiscal year:
  - A list of the CPCN applications submitted to the BCUC;
  - A list of the section 44.2 applications submitted to the BCUC; and
  - A table showing the non-exempt capital expenditures, exempt capital expenditures, total capital expenditures, capital expenditures in major project applications, and percentage of non-exempt capital expenditures filed in major project applications.
- For the upcoming fiscal year:
  - A list of the CPCN applications forecast to be submitted to the BCUC;
  - A list of the section 44.2 applications forecast to be submitted to the BCUC; and
  - A table showing the forecast non-exempt capital expenditures, exempt capital expenditures, total capital expenditures, capital expenditures in major project applications, and percentage of non-exempt capital expenditures filed in major project applications.
- A summary document outlining the most recent 10-year capital plan.

BC Hydro files Annual Compliance Report No. 1 (**Report**), which provides the requested information for the prior fiscal year (Fiscal 2025) and the upcoming fiscal year (Fiscal 2026).

In the original proceeding, BC Hydro forecast that it would submit 27 Major Project applications to the BCUC over the ten-year period between Fiscal 2025 and

Fiscal 2034. Based on current information, BC Hydro is now forecasting that it will submit approximately 30 Major Project applications over the same period.

2 Information for the Prior Fiscal Year (Fiscal 2025)

2.1 A list of the CPCN applications submitted to the BCUC

The following CPCN application was submitted to the BCUC in Fiscal 2025:

- 1L243 Transmission Load Increase (Highland Valley Copper) – submitted in May 2024

2.2 A list of the section 44.2 applications submitted to the BCUC

The following section 44.2 applications were submitted to the BCUC in Fiscal 2025:

- Mica Replace Units 1-4 Circuit Breakers & Isophase Bus – submitted in March 2024[1]
- SAP ERP Central Component Upgrade to S/4HANA – submitted in June 2024 in joint application with Stations SAP
- Stations SAP Project – submitted in June 2024 in joint application with SAP ERP Central Component Upgrade to S/4HANA

[1] Although filed at the end of Fiscal 2024, the entirety of the proceeding occurred in Fiscal 2025.

2.3 Summary Table

	F2025 Actuals
Non-Exempt Capital Expenditures ($ million)	2,615
Exempt Capital Expenditures ($ million)	1,384
Total Capital Expenditures ($ million)	3,999
Capital Expenditures in Major Project Applications ($ million)	388
Percentage of Non-Exempt Capital Expenditures filed in Major Project Applications (%)	15

3 Information for the Upcoming Fiscal Year (Fiscal 2026)

3.1 A list of the CPCN applications forecast to be submitted to the BCUC

The following CPCN application is forecast to be submitted to the BCUC in Fiscal 2026:

- Bridge River Transmission Project evidentiary update – forecast to be submitted in September 2025

3.2 A list of the section 44.2 applications forecast to be submitted to the BCUC

The following section 44.2 applications are forecast to be submitted to the BCUC in Fiscal 2026:

- Distribution Design Modernization – forecast to be submitted in June 2025
- Seton - Bypass Installation – forecast to be submitted in December 2025

3.3 Summary Table

	F2026 Forecast
Non-Exempt Capital Expenditures ($ million)	3,240
Exempt Capital Expenditures ($ million)	1,162
Total Capital Expenditures ($ million)	4,402
Capital Expenditures in Major Project Applications ($ million)	623
Percentage of Non-Exempt Capital Expenditures filed in Major Project Applications (%)	19

4 10-Year Capital Plan Summary Document

In response to recent economic and geopolitical uncertainty, BC Hydro has focused capital planning activities on capital expenditures in the near three years, fiscal 2026 to fiscal 2028. Our most recent approved 10-Year Capital Plan is our F25 - F34 Capital Plan, which has a currency date of April 2023. A summary of this plan, which was previously filed in our Request to Amend Major Capital Projects Filing Guidelines proceeding (Exhibit B-16), is included as Appendix A.

Since the time of our F25-F34 Capital Plan was approved, BC Hydro has updated our capital expenditure forecasts for the F26 - F28 period, as reflected in BC Hydro's F26 - F27 Revenue Requirements Application and our 2025/26 to 2027/28 Service Plan. BC Hydro's F26 - F28 capital expenditures continue to deliver on the strategic objectives outlined in the 10 – Year Capital Plan Summary. A summary of the capital expenditure forecasts for the fiscal 2026 to fiscal 2028 period is provided in Appendix B.

BC Hydro Request to Amend Major Capital Projects Filing Guidelines

Annual Compliance Report No. 1

Appendix A

10-Year Capital Plan Summary

Annual 10 Year Capital Plan Update

Executive Summary

The F2025-F2034 Capital Plan sees significant additional investment required to support the targets in the British Columbia's government's Clean BC Roadmap, BC Hydro's Five-Year Strategy, among other key strategic objectives. This plan will increase expenditures by $11.8 billion for:

- Investments of $7.8 billion for electrification and greenhouse gas reduction initiatives to support the Clean BC Roadmap (high-growth area investments and North Coast Transmission projects);
- Additional funding of $3.4 billion in the base capital plan to address the on-going impacts of inflation on planned and active projects and to address safety related programs with identified immediate investment requirements;
- Investments of $0.6 billion to address increased volumes in customer connection requests.

The $11.8 billion increase represents a 49% increase over the F2024-F2033 Capital Plan. This capital plan update addresses targeted, high priority items and does not represent a holistic, bottom-up planning process. Key exclusions include investments identified as near-term actions in BC Hydro's Integrated Resource Plan Signpost Update; additional transmission system reinforcement in the north coast area that are required once the North Coast lines are completed; expected investments to support findings or outcomes from safety reviews; and changes in asset management practices. Investments where safety has been identified as an immediate risk, have been funded.

The delivery of this Capital Plan will require us to think and do things differently than we have in the past. To be successful in increasing expenditures by 49% and meeting system needs will require changes to planning and delivery processes. Enabling strategies to support this Capital Plan are being assessed and implemented, including streamlined governance processes to accelerate project decisions and delivery; changes to procurement strategies to improve cycle-times; and increasing the number of projects that are outsourced.

The Fiscal 2025 to Fiscal 2034 Enterprise Capital Plan received endorsement by the Executive Team, and approval by President and Chief Executive Officer, Chris O'Riley, on October 17, 2023.

Annual 10 Year Capital Plan Update

Background and Context

The most recent Capital Plan covering the F2024 – F2033 period (Previous Plan), was presented to the Executive Team in September 2022. The Previous Plan focused on achieving the goals defined in BC Hydro's Five-Year Strategy and other key strategic objectives such as investing to address compliance, safety, and preserving the reliability of the Key[1] generating facilities and the bulk electric system. The Previous Plan also included a provision of $1.6 billion to address pressures created by higher levels of inflation.

BC Hydro has seen significant change in the macro-economic environment since the approval of the Previous Plan. The British Columbia government has set ambitious climate action policies and targets through the CleanBC Roadmap to 2030[2], to tackle the consequences of climate change and the transition to a net zero carbon future. BC Hydro is expected to play a pivotal role in supporting customers through the energy transitions to meet climate actions goals.

The F2025-F2034 Capital Plan takes a targeted, top-down approach to identify significant investments that represent the first step in supporting CleanBC initiatives and electrification more broadly. Specifically, the Power System and Supporting portfolio were asked to review their portfolios and bring forward new or revised investments related to:

- Initial investments required to support electrification or greenhouse gas initiatives; or to enable delivery of Power System investments for these objectives
- Increases in customer connection volumes
- The impacts of inflation and cost escalation on active and planned projects. BC Hydro continues to experience higher than historical levels of inflation resulting in higher costs to deliver investments.
- Targeted updates to support strategic objectives
- Targeted updates for investments in safety-driven programs and projects

BC Hydro expects to commence its next bottom-up capital planning cycle in December 2023. It is expected investments not captured and updated in the above categories will be reflected in the upcoming F2026-F2035 Capital Plan.

Key Risks, Exclusions and Uncertainties

There are risks, exclusions, and uncertainties that will need to be monitored for impacts on the Capital Plan, including, but not limited to:

- **CleanBC Roadmap investment requirements will continue:** The investments for the North Coast projects and the high-growth areas are the first step in what is expected to be a period of investment for BC Hydro. Further reinforcements to support electrification, system reinforcements in support of the upcoming Power Call, or additional investment in the North Coast areas are expected.
- **Customer demand is expected to continue to grow:** The volume and complexity of customer connection requests are difficult to predict, and future demand is forecast with an assumed level of uncertainty. Individual customer driven investments are included in the Capital Plan where there is a high level of confidence with customer requests proceeding. Provisions for uncertain customer connections are included in the Capital Plan based on a combination of analysis of historical spend and professional judgement and include expectations on customer contributions.
- **Inflation may prove more persistent than expected**: An incremental $2.8 billion has been added since the F2024-F2033 plan to address inflation. Should the inflation rate continue to increase, or continue in duration longer than expected, additional funding may be required. The current CPI forecast for BC from the Treasury Board proposes a return to a more normal rate of inflation in Fiscal 2025.

[1] Key generation facilities are all hydro-electric generating stations with an installed capacity greater than 200 MW.
[2] Cleanbc_roadmap_2030.pdf (gov.bc.ca) Released October 2021.

- **New system needs were identified mid-capital planning cycle:** With an April 2023 currency date and a light-touch approach taken on bottom-up planning, some new investments, which were identified after the currency date, are not included in this Capital Plan.
- **Asset Management practices review:** As corrective actions related to the February 2023 vault incident are underway, Asset Planning will be undertaking a review of the asset management practices. This review will incorporate findings from the vault review (Phase 1 and 2), and the independent third-party review that was recently directed by the British Columbia Utilities Commission. Any additional capital requirements identified through this review will be put forward for prioritization in the next Capital Plan.

These and other changing investment needs will be assessed in the next Capital Plan (F2026-F2035) which is scheduled to start in December 2023 and will be an input into BC Hydro's next Rate Application.

F2025-F2034 Capital Plan

BC Hydro's F2025-F2034 Enterprise Capital Plan proposes an increase of $11.8 billion, or approximately 49%, in capital expenditures over the Previous Plan, as seen in Table 1 below. The recommended increase includes investments for increases in capacity in high-growth areas and the North Coast Transmission projects; $3.1 billion for cost escalation for active and planned projects in the Base Capital Plan; $0.3 billion for safety-related projects and programs; and $0.6 billion for increases in customer connection volumes.

Capital additions, shown in Table 2, are correspondingly expected to increase by $11.9 billion or approximately 49% over the Previous Plan.

The following sections will speak to the changes to the portfolios in detail.

Table 1: Capital Plan Summary Net Capital Expenditures ($B)

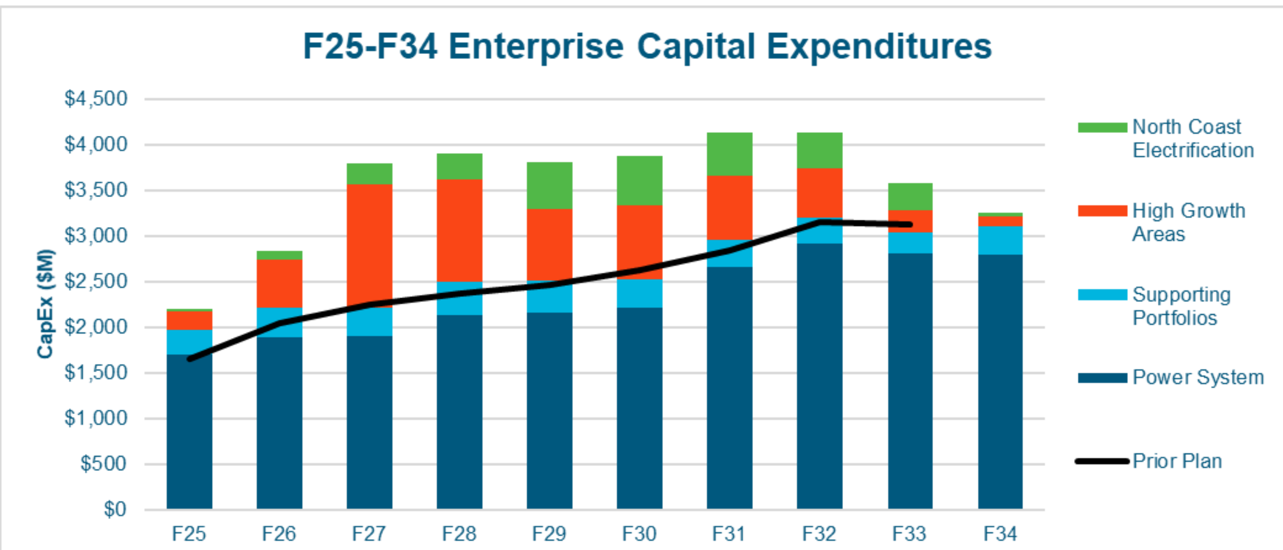
		Increase (+) / Decrease (-)			
Net Capital Expenditures	**Previous Plan**	**Base Capital Plan**	**Electrification & Greenhouse Gas Reduction**	**Customer Driven Investment**	**F25-F34 Capital Plan**
Power System	21.2	2.6	7.8	0.6	32.3
Technology	1.0	0.3	0.0	-	1.4
Properties	0.8	0.2	-	-	1.1
Fleet	0.5	0.1	0.0	-	0.6
Tools / Other	0.6	0.1	0.0	-	0.6
10-Year Total ($B)	**24.1**	**3.4**	**7.9**	**0.6**	**35.9**

Annual 10 Year Capital Plan Update

Table 2: Capital Plan Summary Net Capital Additions ($B)

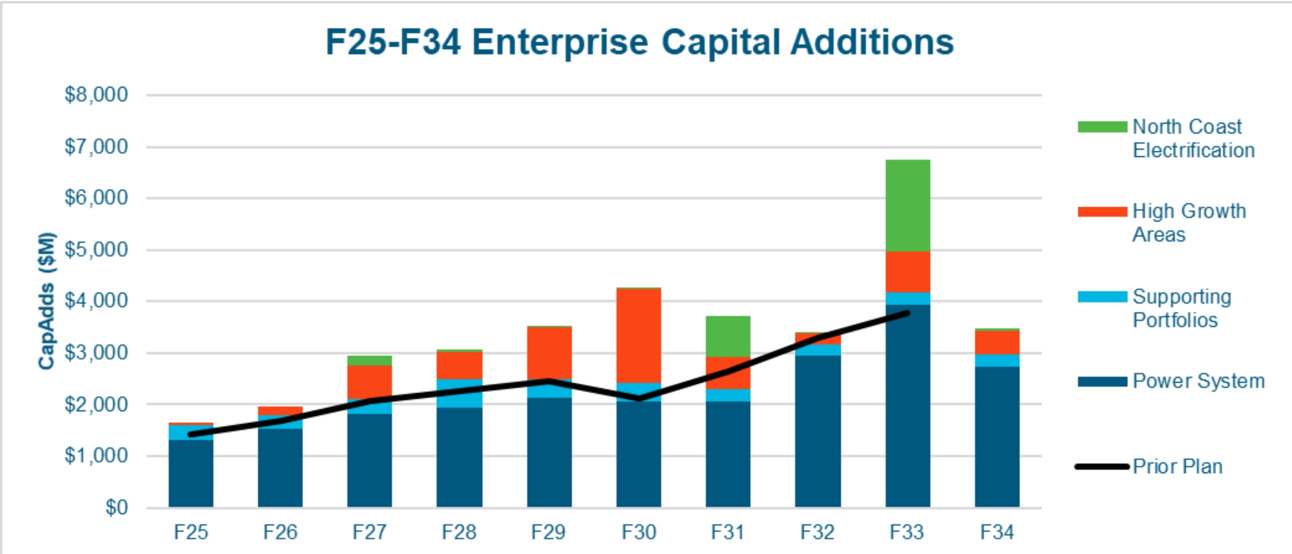
Net Capital Additions	Previous Plan	Increase (+) / Decrease(-)			F25-F34 Capital Plan
		Base Capital Plan	Electrification & Greenhouse Gas Reduction	Customer Driven Investment	
Power System	20.5	2.6	8.0	0.4	31.5
Technology	1.1	0.3	0.0	-	1.4
Properties	0.8	0.1	-	-	1.0
Fleet	0.5	0.1	0.0	-	0.6
Tools / Other	0.5	0.2	0.0	-	0.7
10-Year Total ($B)	**23.3**	**3.3**	**8.1**	**0.4**	**35.2**

Figure 1: F2025 - F2034 Capital Expenditures



Annual 10 Year Capital Plan Update

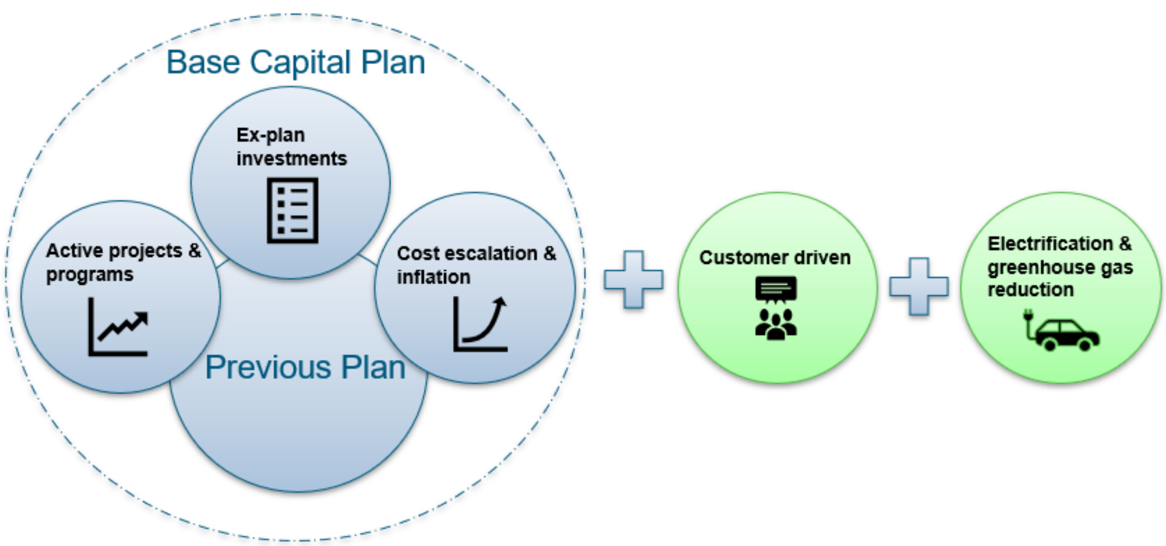
Figure 2: F2025 - F2034 Capital Additions



Power System Capital Plan

The Power System Capital Plan has been experiencing pressures that align with five main drivers, as shown in ***Figure 3*** below. When referring to the **"Base Capital Plan",** it includes the Previous Plan plus forecast updates for active projects and programs, approved ex-plan projects, and inflation related increases beyond the provision included in the Previous Plan.

Figure 3 – Power System – Largest Capital Pressure Points



Annual 10 Year Capital Plan Update

Base Capital Plan

This Power System Capital Plan, prior to the addition of incremental capital to address electrification and customer driven needs, continues to achieve key strategic objectives. This includes investing to address compliance, safety and preserving the reliability of the key generating facilities and the bulk electric system. The base Capital Plan strives to balance affordability objectives with management of risks on the system.

Cost Escalation

As noted, BC Hydro continues to experience persistent inflation for the cost of labour, cost of services and cost of materials. Treasury Board forecasts for Consumer Price Indices (CPI) indicate inflation is expected to persist in the medium term (the next two years) and as such we have added $2.3 billion for inflation allowance for active and planned projects. This brings the total inflation allowance over the last two plans to approximately $3.9 billion. It is unclear at this time whether inflation is transitory and expected to return to more normal levels, or if BC Hydro may continue to experience on-going inflation. Structural changes in the supply chain, labour inflation driven by changes in Canada's population demographics and increased competition for materials and services as utilities across the world reinforce their systems in preparation for electrification are all contributing to the uncertainty.

Safety-driven programs requiring funding

Through the initial stages of the Asset Management practices review and safety vault investigations, we have identified several programs requiring funding of $0.3 billion to address safety risks across the Transmission and Distribution system. It is expected that further reviews will identify additional program requirements or adjustments which will be addressed in the next capital planning cycle.

Electrification & Greenhouse Gas Reduction - High Growth Areas

An initial assessment of BC Hydro's service area was conducted to identify areas that require reinforcement to support the electrification objectives of the CleanBC Roadmap. This assessment used loads identified in the 2022 Distribution Substation Load Forecast, considered customer interconnection requests (beyond committed loads) to identify incremental system requirements. This assessment identified 12 areas in the Lower Mainland and on Vancouver Island, with a need of $4.8 billion of incremental capital investment over the Previous Plan. These investments were presented to the executives in July and included investments in transmission system upgrades, greenfield substations, substation expansions or re-developments, and investments in distribution infrastructure.

Electrification & Greenhouse Gas Reduction - North Coast Transmission Projects

The North Coast of B.C. is experiencing growth from sectors such as ports, mining and liquified natural gas (LNG). In addition to the existing ~400 MW base load in the North Coast, projects totaling ~2,200 MW of potential new load are currently in BC Hydro's interconnection queue or expected to enter the queue shortly.

The interest in connecting to the BC Hydro grid in the North Coast is driven by B.C.'s CleanBC Roadmap and the demand may far exceed the ~800 MW capacity of the existing 450 km, 500kV radial line from Williston substation in Prince George to the Skeena substation in Terrace as early as 2028.

There are three transmission upgrade projects currently under development which were not included in the Previous Plan requiring an incremental $3.0 billion of investment; Prince George to Terrace Capacitors, Prince George to Glenannan Transmission, and Glenannan to Terrace Transmission. As only some of the customers in the queue have made a Final Investment Decision to proceed, and the exact location of additional North Coast loads is not yet known, there remains uncertainty on the full scope of work required to support growth in the North Coast, including any upgrades required beyond Terrace. Any additional investments will be included in future capital plans.

Annual 10 Year Capital Plan Update

Customer Driven

In the Previous Plan, a higher volume of early customer connection requests was observed but a strategic decision was made to preserve the forecast for customer driven work at the same level included in the F2022 – F2031 Capital Plan. The volume of customer interconnection requests continues to increase and trigger investment both for direct customer connections and system reinforcement where there are transmission and distribution system constraints. Incremental funding of $0.6 billion, net of customer contributions, has been added to the F2025-F2034 plan to address this pressure.

Supporting Portfolios

Technology:

The Technology Capital Plan is an update to the Previous Plan, with cost changes for in-plan projects and programs, additional costs for approved ex-plan projects and incremental funding needs in support of electrification and growth. The plan also considers incremental power system requirements with Information Technology and Operations Technology projects and programs to help meet expanded information management, cybersecurity, and compliance needs, including an increase in smart devices. The total incremental capital expenditure funding is $0.3 billion over 10 years, a 32% increase due to project cost escalation from increased solution complexity, removing dependency on legacy solutions, adoption of modern architecture as foundation, market conditions and transition to subscription model.

Changes in active project forecasts require total incremental funding of $190 million, for Information Technology infrastructure, Enterprise Resource Planning Program, grid modernization, cybersecurity and compliance. Changes in planned project forecasts require total incremental funding of $35 million, primarily for cybersecurity and compliance, and Information Technology infrastructure. Ex-plan projects require total incremental funding of $27 million, including $10 million for a Microsoft license agreement extension with access to advanced cybersecurity capabilities.

Cost updates also include incremental funding of $40 million in support of electrification, such as improved capability for customer information management, rate options and data analytics. Also included is incremental funding of $35 million for growth related projects, including advanced Microsoft, Service Desk and Human Resources Information Technology solutions for a modern workforce.

Table 3: Technology Capital Plan Summary Net Capital Expenditures ($B)

		Increase (+) / Decrease (-)			
Net Capital Expenditures	**Previous Plan**	**Base Capital Plan**	**Electrification & Greenhouse Gas Reduction**	**Customer Driven Investment**	**F25-F34 Capital Plan**
Technology	1.0	0.3	0.0	-	1.4

Properties:

The Properties Capital Plan is an update to the Previous Plan. The plan is requesting increases of $210 million, or 25% over the previously approved plan, predominantly due to inflation and cost escalations for in-plan projects from the Base Capital Plan. Properties' electrification and greenhouse gas reduction projects (such as Fleet and Employee Electric Vehicle charger implementation, energy system/performance upgrades) have already been considered. The impact of customer driven projects from the Power System is typically low to the Properties supporting portfolio and have not been considered in this update.

Recent cost escalations in Properties capital projects are not anticipated to reverse. Properties project delivery partners, who deliver projects across Canada, have indicated that cost pressures will continue to persist, for at least the next two to three years. Specific reasons include:

- Labour costs continue to experience increases
- Supply chain issues will remain for the foreseeable future

- Commodities markets are not signaling any significant decreases

Table 4: Properties Capital Plan Summary Net Capital Expenditures ($B)

Net Capital Expenditures	Previous Plan	Increase (+) / Decrease (-)			F25-F34 Capital Plan
		Base Capital Plan	Electrification & Greenhouse Gas Reduction	Customer Driven Investment	
Properties[3]	0.8	0.2	-	-	1.1

Fleet:

Fleet's Capital Plan requires incremental funding over the previous plan (Base Capital Plan) of $93 million to accommodate:

- Unanticipated cost escalations and inflation: The replacement costs for vehicles reaching end-of-life have increased by $72 million F2025 to F2033. Fleet requires incremental funding to accommodate costs to purchase vehicle chassis, vehicle upfitting customizations, equipment (such as forklifts), and other assets.
- Greenhouse Gas Reduction: The purchase of greenhouse gas avoiding technologies will require approximately $5 million more capital than previously anticipated (due to increased planned purchases, cost escalations and inflation) to help Fleet progress towards achieving Fleet's emissions reduction goals. This amount is an estimate and is included within the "Unanticipated cost escalations and inflation" as greenhouse gas reducing technologies can be embedded within conventional technologies, for example, the purchase of hybrid electric vehicles.
- Support of Growth: Unanticipated increased work and changing roles within the BC Hydro require additional assets F2027 to F2033 of $21 million. Fleet requires additional incremental capital to support this growth; occurring within existing operations as well as within new and expanded programs/projects related to the buildout of power system infrastructure, including Electrification.

Table 5: Fleet Capital Plan Summary Net Capital Expenditures ($B)

Net Capital Expenditures	Previous Plan	Increase (+) / Decrease (-)			F25-F34 Capital Plan
		Base Capital Plan	Electrification & Greenhouse Gas Reduction	Customer Driven Investment	
Fleet	0.5	0.1	0.0	-	0.6

Delivery Strategies for Execution of the Plan

To enable successful delivery of increased plan volumes and the speed of project delivery (particularly on electrification and greenhouse gas reduction investments), Project Delivery and Asset Planning, together with relevant business groups including but not limited to Engineering, Environment, Customer Engagement have identified the following delivery strategies (most of which are being developed or executed):

- Develop and implement fit-for-purpose governance and delivery models to further expedite decision-making and delivery timelines. These models include a dedicated steering committee for schedule-priority projects, expanding applications of

[3] Property purchases related to new substation sites are included in the Power System.

Annual 10 Year Capital Plan Update

delivery scaling models, continuous prioritization of active projects, and early involvement of delivery groups in projects planning.

- Explore and execute engineering design strategies, e.g., default to industry and equipment manufacturer standards and avoid unnecessary customization, to drive shorter design and procurement timelines and reduce related effort.
- Proactively manage and prepare for regulatory, permitting and property including rights-of-way (ROW) requirements to accelerate delivery timelines and reduce cost.
- Balance the need for increased internal resources by strategically leveraging existing and new agreements to augment our staff with contractors where appropriate, significantly expanding the volume of project work assigned to external partners. Leverage Site C resources as they become available.
- Accelerate procurement via bulk and/or early equipment acquisitions to build up inventories of long lead-time items, enabled by further simplified RFX (request for proposal, quotation or information) processes and requirements. Explore optimal procurement models for current market conditions.

Appendix A: Projects>$50M – F2025-F2034

Table 9 : Projects >$50m – F2025-F2034

Asset Owner	Project	Type	Phase	Forecasted ISD	Total Forecast Cost ($M)[4]
Dam Safety	John Hart Dam Seismic Upgrade	Sustaining	Implementation	F2030	913
Dam Safety	Ladore Spillway Seismic Upgrade	Sustaining	Definition	F2029	269 - 155
Dam Safety	Bridge River 1 - Recoat Penstocks 1-4	Sustaining	Definition	F2034	281 - 163
Dam Safety	Strathcona Upgrade Discharge	Sustaining	Definition	F2029	337 - 194
Dam Safety	Alouette Improve Headworks & Surge Tower Seismic Stability	Sustaining	Definition	F2028	90 - 55
Dam Safety	La Joie - Dam Improvements	Sustaining	Identification	TBD	TBD
Dam Safety	Terzaghi - Low Level Discharge Reliability Improvement	Sustaining	Identification	TBD	TBD
Dam Safety	G.M. Shrum - Intake Operating Gate Hydraulic Upgrade	Sustaining	Identification	TBD	TBD
Dam Safety	Mica - Discharge Facilities Seismic and Reliability Upgrades	Sustaining	Identification	TBD	TBD
Dam Safety	Cheakamus - Dam Improvements	Sustaining	Future	TBD	TBD
Dam Safety	Bennett Dam - Embankment Seismic Upgrade	Sustaining	Future	TBD	TBD
Dam Safety	Peace Canyon - Dam Seismic Upgrade	Sustaining	Future	TBD	TBD
Dam Safety	Revelstoke - Discharge Gate Systems Reliability Improvements	Sustaining	Future	TBD	TBD
Dam Safety	Bridge River - Intake Seismic Withstand Improvement	Sustaining	Future	TBD	TBD
Dam Safety	Duncan Dam - Embankment Dam Improvement	Sustaining	Future	TBD	TBD
Dam Safety	Hugh Keenleyside - Concrete Dam Seismic Stability Upgrade	Sustaining	Future	TBD	TBD
Dam Safety	Peace Canyon - Spillway Gates Reliability Improvements, Phase 1	Sustaining	Future	TBD	TBD
Dam Safety	Kootenay Canal - U1 - U2 Penstocks Interior and Scroll Cases Recoat	Sustaining	Future	TBD	TBD
Distribution	Various Sites - Smart Metering and Infrastructure Asset Refresh	Sustaining	Future	TBD	TBD
Generation	Mica Replace Units 1 to 4 Generator Transformers	Sustaining	In-Service	F2023	89
Generation	Kootenay Canal Modernize Controls	Sustaining	Implementation	F2028	61
Generation	Mica - U1 - U4 Circuit Breaker and Iso-phase Bus Replacement	Sustaining	Definition	F2029	115 - 65
Generation	Bridge River 1 - Replace Units 1-4 Generators - Governors	Sustaining	Definition	F2031	326 - 257
Generation	Mica - U1 - U2 Turbine Overhaul	Sustaining	Identification	TBD	TBD
Generation	Revelstoke - U1 - U4 Stator Replacement	Sustaining	Identification	TBD	TBD
Generation	Seton - Bypass Installation	Sustaining	Identification	TBD	TBD

[4] For projects included in Appendix A, the Total Forecast Cost ($ million) shown is:

1. Only reflective of the Capital Expenditure portion of the project costs;
2. The Authorized Amount for projects in the Implementation phase and actual costs for projects that are In Service;
3. The Pre-Implementation Cost Estimate Range for projects in the Definition phase where an engineering estimate is available; and
4. For projects in Future or Identification phase, "TBD" is provided where a problem or opportunity has been identified, but the required response has not yet been determined. In Identification phase, a number of identified alternative responses are being investigated, and each alternative can result in very different project scope, schedule and cost.

Annual 10 Year Capital Plan Update

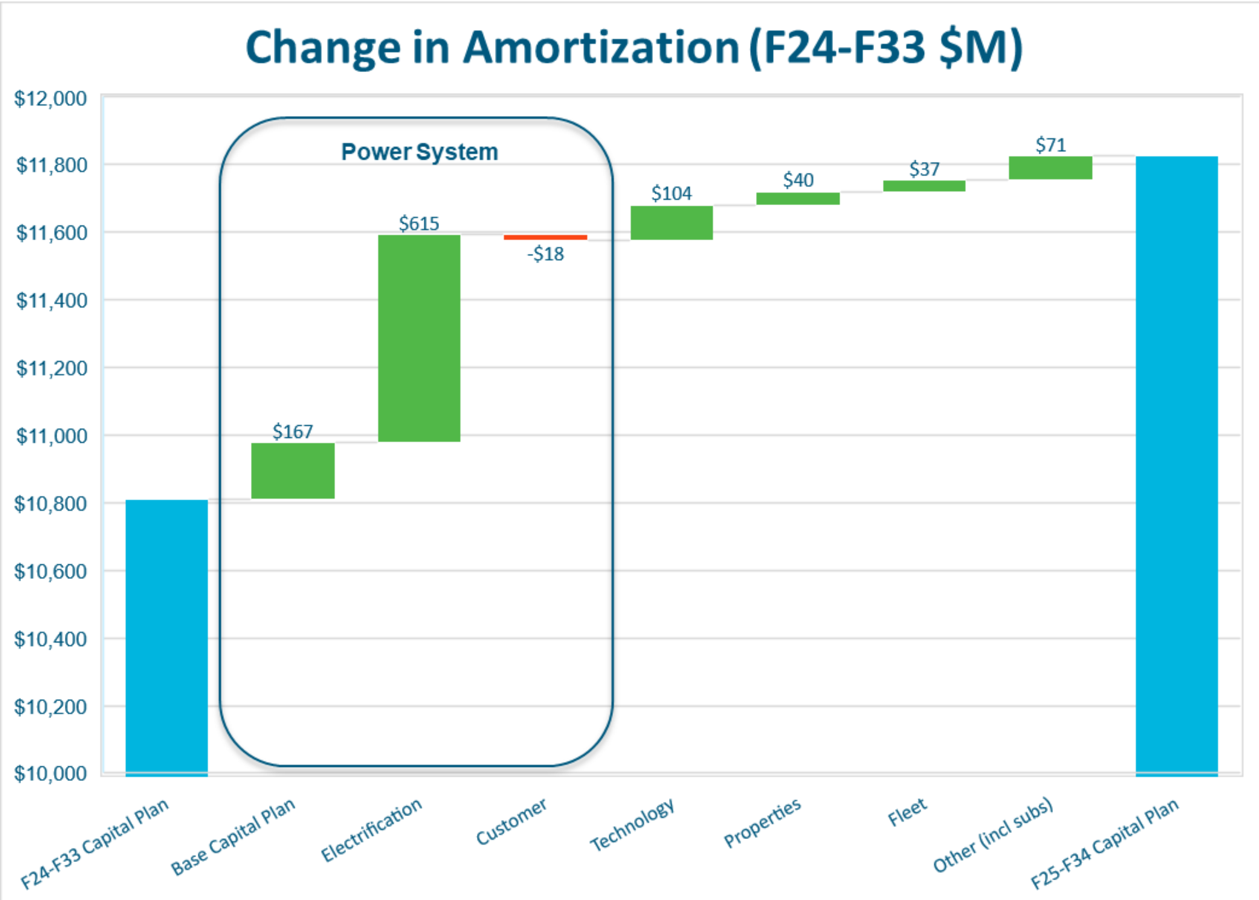
Asset Owner	Project	Type	Phase	Forecasted ISD	Total Forecast Cost ($M)[4]
Generation	Kootenay Canal - U1 - U4 Generators Refurbishment	Sustaining	Identification	TBD	TBD
Generation	Seven Mile - U1 - U3 Turbine Upgrade	Sustaining	Identification	TBD	TBD
Generation	G.M. Shrum - U1 - U5 Circuit Breaker Replacement and Capacity Increase	Sustaining	Future	TBD	TBD
Generation	G.M. Shrum - U9 - U10 Turbine Overhaul	Sustaining	Future	TBD	TBD
Generation	Revelstoke - U1 - U4 Transformer Replacement	Sustaining	Future	TBD	TBD
Generation	La Joie - Unit Upgrade	Sustaining	Future	TBD	TBD
Generation	Alouette - Powerhouse Redevelopment	Sustaining	Future	TBD	TBD
Generation	Revelstoke - U1 - U4 Turbine Overhaul	Sustaining	Future	TBD	TBD
Generation	Revelstoke - 3rd GIS Bus Addition	Growth	Future	TBD	TBD
Generation	Mica - U1 - U4 Fire Water Piping Replacement	Sustaining	Future	TBD	TBD
Generation	Mica - U3 - U4 Turbine Overhaul	Sustaining	Future	TBD	TBD
Generation	Clowhom - Unit Upgrade	Sustaining	Future	TBD	TBD
Properties	Kamloops Field Facility	Sustaining	Definition	F2027	67
Properties	Mica Townsite Apartments	Sustaining	Identification	TBD	TBD
Substations	Sperling - Metalclad Switchgear Replacement	Sustaining	Implementation	F2027	76
Substations	Natal - 60-138 kV Switchyard Upgrade	Sustaining	Implementation	F2026	101
Substations	Mainwaring Station Upgrade	Sustaining	Implementation	F2027	154
Substations	Peace to Kelly Lake - Stations Sustainment	Sustaining	Implementation	F2029	344
Substations	West End - Substation Construction and System Reinforcement	Growth	Identification	TBD	TBD
Substations	Mount Pleasant Substation - Transformer and Feeder Sections Addition	Growth	Identification	TBD	TBD
Substations	Newell Substation Upgrade	Sustaining	Identification	TBD	TBD
Substations	Maple Ridge - Feeder Section 60 Series Refurbishment	Sustaining	Identification	TBD	TBD
Substations	Glenmore - Substation Upgrade	Growth	Future	TBD	TBD
Substations	Steveston Substation Upgrade	Growth	Future	TBD	TBD
Substations	East Vancouver - Substation Construction	Growth	Future	TBD	TBD
Substations	Metrotown - Property Purchase	Growth	Future	TBD	TBD
Substations	Maple Ridge and Haney - Area Reinforcement	Growth	Future	TBD	TBD
Substations	Lougheed - Substation Rebuild	Growth	Future	TBD	TBD
Substations	Barnard - Substation Upgrade	Growth	Future	TBD	TBD
Substations	Colwood - Substation Construction	Growth	Future	TBD	TBD
Substations	Campbell Heights - Substation Construction	Growth	Future	TBD	TBD
Substations	Willoughby - Substation Construction	Growth	Future	TBD	TBD
Substations	Metrotown - 25kV Substation Construction	Growth	Future	TBD	TBD
Substations	Surrey City Centre - Substation Construction	Growth	Future	TBD	TBD
Substations	McLellan - 500/230kV Section Construction	Growth	Future	TBD	TBD
Substations	Patricia - Substation Upgrade	Sustaining	Future	TBD	TBD
Technology	Stations Asset and Work Management	Sustaining	Definition	F2026	67-38
Technology	Distribution Design Modernization	Sustaining	Definition	F2026	105-59
Technology	SAP ECC Upgrade to S/4HANA	Sustaining	Future	TBD	TBD
Technology	Advanced Distribution Management System	Sustaining	Future	TBD	TBD
Telecom	System Wide – Bulk Electric System Telecom Equipment Replacement	Sustaining	Identification	TBD	TBD

Annual 10 Year Capital Plan Update

Asset Owner	Project	Type	Phase	Forecasted ISD	Total Forecast Cost ($M)[4]
Telecom	Various Sites – Telecom Transport Network Resiliency Enhancement	Sustaining	Identification	TBD	TBD
Transmission	Treaty Creek Terminal - Transmission Load Interconnection (KSM)	Growth	Implementation	F2027	109
Transmission	Bridge River Transmission Project	Growth	Definition	F2027	112 - 67
Transmission	Lower Mainland - Capacitive and Reactive Power Reinforcement	Growth	Definition	F2027	166 - 95
Transmission	Customer IPID - 901943	Growth	Definition	F2027	178 - 58
Transmission	Prince George to Terrace Capacitors Project	Growth	Definition	F2029	583 - 331
Transmission	Customer IPID - 901581	Growth	Definition	F2028	61 - 47
Transmission	Gulf Islands - Transmission Reinforcement	Sustaining	Identification	TBD	TBD
Transmission	2L146 - Cable Replacement	Sustaining	Identification	TBD	TBD
Transmission	2L143 - Cable Replacement	Sustaining	Identification	TBD	TBD
Transmission	George Massey Tunnel - Transmission Relocation	Sustaining	Identification	TBD	TBD
Transmission	West Kelowna Transmission and Westbank Upgrade Projects	Growth	Identification	TBD	TBD
Transmission	Prince George to Glenannan Transmission.	Growth	Identification	TBD	TBD
Transmission	Glenannan to Terrace Transmission	Growth	Identification	TBD	TBD
Transmission	Various Sites - Transmission Copper Conductor Replacement (Dewdney Trunk)	Sustaining	Future	TBD	TBD
Transmission	2L32 Cable Replacement	Sustaining	Future	TBD	TBD
Transmission	Customer IPID - TX902717	Growth	Future	TBD	TBD
Transmission	Vancouver Island - Transmission Reinforcement Completion	Growth	Future	TBD	TBD
Transmission	South Coast Transmission Reinforcement	Growth	Future	TBD	TBD
Transmission	Metro South - Transmission Reinforcement	Growth	Future	TBD	TBD
Transmission	2L010 and 2L057 – Ingledow to Arnott Transmission Reconductoring	Growth	Future	TBD	TBD

Appendix B: Amortization

Figure 5 – Change in Amortization by Portfolio



Annual 10 Year Capital Plan Update

Appendix C: Capital Expenditures and Additions F2025-F2034

Current 10 Year Capital Expenditure Forecast

ESTIMATED CAPITAL EXPENDITURES *	Forecast F24	Plan F25	F26	F27	F28	F29	F30	F31	F32	F33	F34	F25-F34 10 Yr Total	F25-F34 10 Yr Avg.
Sustaining													
Generation	461.1	548.6	593.4	662.5	743.3	799.4	940.9	999.1	996.2	1,026.5	1,053.2	8,363.2	836.3
Transmission	454.3	483.5	568.2	626.7	632.9	558.7	564.7	556.5	607.8	491.9	420.0	5,510.8	551.1
Distribution	265.9	267.3	269.8	287.4	295.5	337.3	346.9	440.3	654.7	666.0	681.5	4,246.7	424.7
Support Services - Technology**	119.2	136.5	160.2	129.5	157.1	145.4	128.0	127.8	126.3	116.8	142.3	1,370.0	137.0
Support Services - Properties	79.4	96.4	102.5	114.5	138.9	131.5	113.9	102.1	96.6	56.1	99.5	1,052.1	105.2
Support Services - Other & Subsidiaries	125.5	120.6	119.9	127.5	130.5	126.6	130.2	125.4	128.6	126.2	125.7	1,261.3	126.1
Subtotal - Sustaining	1,505.3	1,653.0	1,814.0	1,948.1	2,098.2	2,098.9	2,224.6	2,351.2	2,610.3	2,483.5	2,522.2	21,804.0	2,180.4
Growth													
Generation	3.6	9.3	22.1	0.9	-	-	-	-	-	3.6	5.5	41.5	4.1
Generation - Site C Project	2,338.2	1,838.1	432.6	197.3	-	-	-	-	-	-	-	2,468.1	246.8
Transmission	99.3	281.4	590.4	1,246.0	1,363.4	1,307.7	1,566.3	1,542.0	1,264.4	848.3	493.8	10,503.7	1,050.4
Distribution	535.8	650.0	672.4	907.7	788.7	743.7	693.8	646.0	643.3	636.4	658.1	7,040.2	704.0
Support Services - Other & Subsidiaries	0.5	17.0	63.4	98.6	0.8	-	-	-	-	-	-	179.8	18.0
Subtotal - Growth	2,977.4	2,795.8	1,781.0	2,450.5	2,152.9	2,051.5	2,260.1	2,188.0	1,907.6	1,488.4	1,157.4	20,233.2	2,023.3
Total before Contribution In Aid (CIA)	4,482.7	4,448.8	3,595.0	4,398.6	4,251.1	4,150.4	4,484.7	4,539.2	4,518.0	3,971.9	3,679.5	42,037.2	4,203.7
Generation - Sustaining	-	-	-	-	-	-	-	-	-	-	-	-	
Generation - Growth	-	-	-	-	-	-	-	-	-	-	-	-	
Transmission - Sustaining	(12.7)	(21.9)	(21.9)	(8.8)	(10.0)	(8.3)	(8.5)	(37.8)	(8.8)	(9.0)	(9.3)	(144.2)	(14.4)
Transmission - Growth	(81.1)	(5.6)	(24.4)	(106.5)	(25.9)	(26.8)	(277.0)	(28.6)	(29.5)	(30.1)	(30.7)	(585.2)	(58.5)
Distribution - Sustaining	(2.0)	(19.3)	-	-	-	-	-	-	-	-	-	(19.3)	(1.9)
Distribution - Growth	(197.4)	(296.4)	(239.0)	(254.4)	(270.3)	(276.7)	(283.6)	(296.2)	(309.3)	(314.4)	(329.7)	(2,870.0)	(287.0)
CIA Total	(293.3)	(343.3)	(285.3)	(369.7)	(306.2)	(311.8)	(569.1)	(362.5)	(347.7)	(353.5)	(369.7)	(3,618.7)	(361.9)
Total ($M)	**4,189.4**	**4,105.5**	**3,309.8**	**4,028.9**	**3,945.0**	**3,838.6**	**3,915.6**	**4,176.6**	**4,170.3**	**3,618.3**	**3,309.8**	**38,418.5**	**3,841.8**
less Site C	1,851.2	2,267.4	2,877.1	3,831.7	3,945.0	3,838.6	3,915.6	4,176.6	4,170.3	3,618.3	3,309.8	35,950.4	

ESTIMATED CAPITAL ADDITIONS *	Forecast F24	Plan F25	F26	F27	F28	F29	F30	F31	F32	F33	F34	F25-F34 10 Yr Total	F25-F34 10 Yr Avg.
Generation	375.3	310.2	578.9	500.3	487.2	805.9	835.7	770.4	1,035.1	1,096.5	1,052.0	7,472.2	747.2
Generation - Site C Clean Energy	-	13,954.1	869.7	197.3	-	-	-	-	-	-	-	15,021.0	1,502.1
Transmission	410.8	410.9	516.3	1,068.1	1,123.2	1,610.6	2,472.2	1,943.6	1,170.3	4,724.2	1,219.6	16,258.9	1,625.9
Distribution	732.8	871.5	907.6	1,310.5	1,143.0	1,040.6	1,006.4	1,087.3	1,295.6	1,296.5	1,324.5	11,283.4	1,128.3
Support Services - Technology**	131.7	168.1	110.4	150.6	171.9	108.7	151.2	133.2	109.9	140.5	132.9	1,377.4	137.7
Support Services - Properties	38.6	61.2	51.8	103.2	316.3	185.0	124.8	30.9	42.9	31.0	31.0	978.1	97.8
Support Services - Other & Subsidiaries	109.4	111.4	163.4	207.4	226.0	118.9	126.1	148.1	128.2	126.0	125.6	1,481.1	148.1
Total before CIA	1,798.6	15,887.5	3,198.1	3,537.3	3,467.5	3,869.7	4,716.4	4,113.5	3,782.0	7,414.7	3,885.6	53,872.1	5,387.2
CIA	(207.4)	(256.6)	(330.1)	(319.6)	(372.5)	(302.3)	(429.5)	(348.3)	(335.6)	(620.5)	(359.2)	(3,674.2)	(379.7)
Total ($M)	**1,591.1**	**15,630.9**	**2,868.0**	**3,217.7**	**3,095.0**	**3,567.4**	**4,286.9**	**3,765.2**	**3,446.3**	**6,794.1**	**3,526.4**	**50,197.9**	**5,019.8**
less Site C	1,591.1	1,676.8	1,998.3	3,020.4	3,095.0	3,567.4	4,286.9	3,765.2	3,446.3	6,794.1	3,526.4	35,176.9	

* Capital Expenditures' are recorded when the costs are incurred. 'Capital Additions' refer to when the related asset is placed into service. Certain costs impacting BC Hydro's revenue requirements, such as amortization, return-on-equity, and finance charges, are not recorded until the related asset is placed into service.
** Includes deferrable Cloud Technology spending.

BC Hydro Request to Amend Major Capital Projects Filing Guidelines

Annual Compliance Report No. 1

Appendix B

Summary of the Capital Expenditure Forecasts for Fiscal 2026 to Fiscal 2028

F26 – F28 Planned Capital Expenditure Summary

Executive Summary

BC Hydro's Enterprise Capital Planning process applies a common approach to planning, prioritizing, and governing capital investments across BC Hydro. The process balances affordability for our customers with an appropriate level of retained risk and system performance. BC Hydro's typical capital planning process occurs annually and takes 12 months to complete. The outcome of this annual process is generally an updated 10-year capital plan, however, given recent economic and geopolitical uncertainty, BC Hydro has focused its capital planning activities on the short-term, updating our planned capital expenditures for the Fiscal 2026 to Fiscal 2028 period.

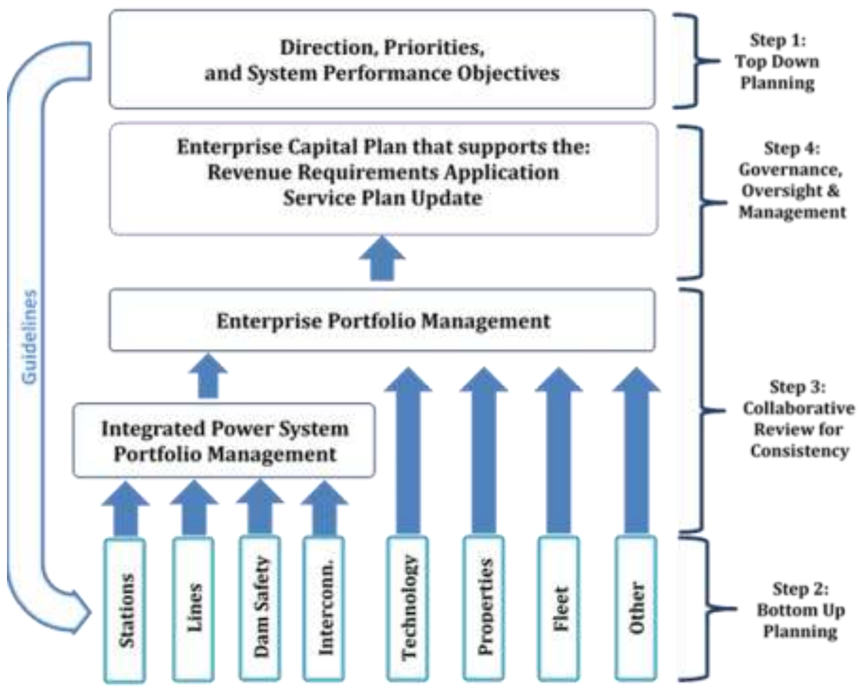
BC Hydro plans to invest $12.2 billion in capital expenditures over the Fiscal 2026 to Fiscal 2028 period. Over these three years, 43% of BC Hydro's capital expenditures will support growth investments, a proportion that has been increasing most notably over the last two capital planning cycles and which includes $1.1 billion for the completion of Site C. The remaining capital expenditures will support sustainment investments. While the proportion of sustainment investments has decreased over recent years, the overall dollar amount continues to increase year over year.

F26 – F28 Planned Capital Expenditure Summary

Background and Context

BC Hydro has an enterprise-wide capital planning process which applies a common approach to planning, prioritizing, and governing capital investments across the entire company. The process is facilitated by a working group with representation from Asset Planning[1], Technology, Properties, Fleet and Finance. The enterprise capital planning process is completed annually, which allows the asset portfolios to update the capital plan to reflect the latest information on system risks and needs, while also providing an opportunity to incorporate the latest information available for project and program costs. The process is complex and requires a high degree of collaboration, taking 12 months to complete. A typical planning cycle starts with a kick-off with the planning portfolios in January working towards Board of Directors approval in December. The outcome is typically an updated 10-year capital plan used to support BC Hydro's Revenue Requirements Applications, Service Plan Updates, and many other organizational priorities. Figure 1 below provides a simplified view of the capital planning process. Step One allows for strategic direction from the Executive Team and Board of Directors to be incorporated into the bottom-up planning activities that are completed under Step Two. Step Three includes peer reviews and validation of alignment with BC Hydro's strategic direction and priorities. Executive Team endorsement and Board of Directors approval takes place in Step Four.

Figure 1: Annual Enterprise Capital Planning Process



Recent economic and geopolitical uncertainty has made it challenging to develop stable long term investment plans compared to previous years. In response, BC Hydro has focused its capital planning activities on the near-term, with plans to return to a 10-year capital plan in the next capital planning cycle.

BC Hydro has focused its capital planning activities on updating our planned capital expenditures for the Fiscal 2026 to Fiscal 2028 period. These planned expenditures were used to support the development of BC Hydro's 2025/26 – 2027/28 Service Plan, and F2026 – F2027 Revenue Requirements Application (RRA). BC Hydro's planned capital expenditures balance the need to invest in our system

[1] Representing the Power System, including Dam Safety and Interconnections

and support customer growth with keeping customer rates affordable while maintaining BC Hydro's financial health (including consideration of our debt to equity ratio[2]).

Key Risks and Uncertainties

Market cost escalation and US – Canada tariffs are being monitored for their potential impacts on BC Hydro's capital expenditures. In addition to the inflation and market escalation impacts BC Hydro has been experiencing since the COVID-19 pandemic, recent US – Canada tariffs are anticipated to have an impact on the cost of our capital investments. While it is hard to estimate the full impact of cost increases, supply chain disruptions, schedule delays, and restrictions on purchases from US suppliers are risks to the delivery of BC Hydro's capital investments. We will be monitoring project forecasts for cost escalation and will adjust our expenditures if necessary.

Fiscal 2026 to Fiscal 2028 Planned Capital Expenditures

Planned capital expenditures total $12.2 billion over the F2026 to F2028 period. Table 1 below provides a breakdown of capital expenditures and capital additions by initiating portfolio.

Table 1: F26-F28 Capital Summary ($B) – Net of CIA[3]

Portfolio	F2026 – F2028 Capital Expenditures	F2026 – F2028 Capital Additions
Power System	9.8	7.1
Site C	1.1	1.7
Technology	0.6	0.4
Properties	0.4	0.4
Fleet	0.2	0.2
Tools / Other	0.1	0.2
3-Year Total ($B)	**$12.2**	**$10.2**

[2] Debt-to-equity ratio is a key measure used by rating agencies to determine whether an organization's debt is self-supporting and is heavily influenced by capital expenditures.

[3] Capital expenditures and additions are net of customer contribution-in-aid. Technology capital expenditures include cloud-deferred estimates. Cloud-deferred items are charged to the deferral account when they meet the eligibility criteria.

F26 – F28 Planned Capital Expenditure Summary

Capital Expenditure Composition

As shown in Figure 2 below, 43% of BC Hydro's capital expenditures over the next three fiscal years are categorized as growth investments, which will expand BC Hydro's existing power system. As a new facility, Site C is considered a growth investment. The remaining 57% of planned capital expenditures are categorized as sustain investments, which ensure the safe, reliable, and resilient operation of BC Hydro's existing power system, including our technology, properties and fleet assets.

Figure 2: Enterprise Capital Expenditures – Growth vs Sustaining

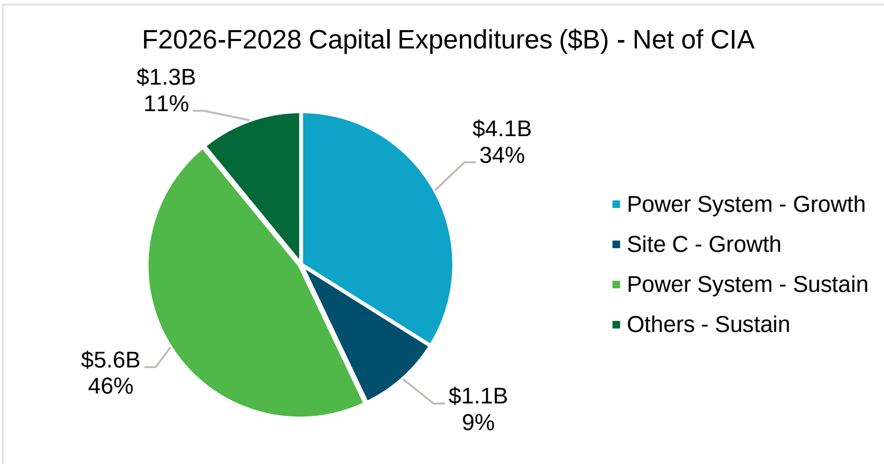
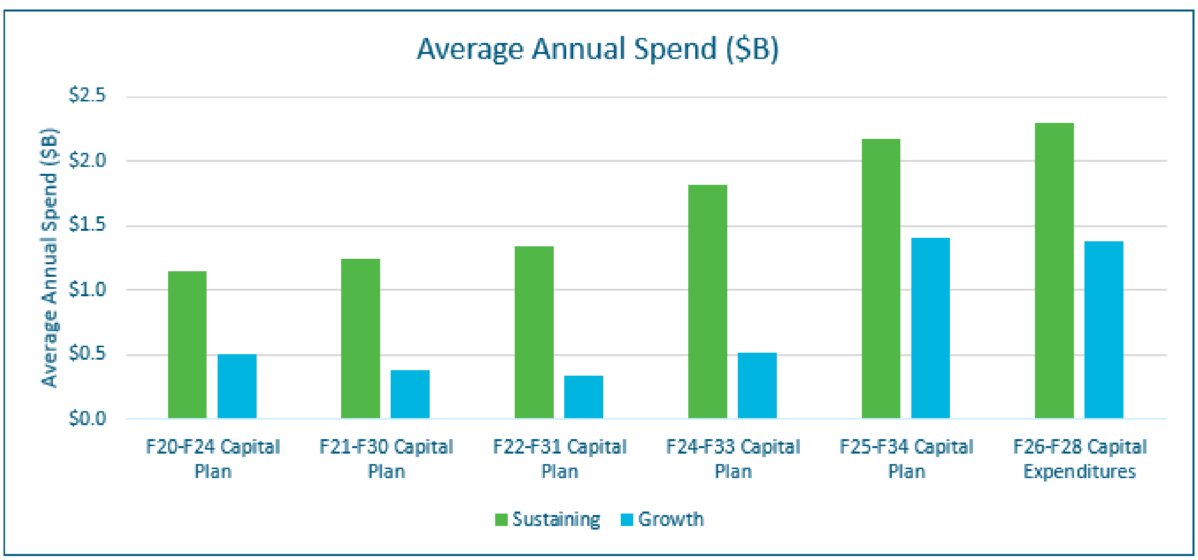


Figure 3 below shows the proportion of growth and sustain investments in previous capital plans, starting in Fiscal 2020. Over time, the proportion of capital investments supporting the growth of the power system has increased, with a more pronounced change occurring in the last two capital planning cycles.

Figure 3: Enterprise Average Annual Spend –Comparison



F26 – F28 Planned Capital Expenditure Summary

Sustaining Investments (~$6.9 B)

For the Power System, sustaining investments address reliability, asset condition, regulatory, safety, security and environmental risks associated with existing assets. Examples of sustaining investments include end of life asset replacement programs, such as wood pole replacements and investments in the Dam Safety portfolio. All Technology, Properties, Fleet and Tools/Other capital investments are also classified as sustaining investments.

The planned Fiscal 2026 to Fiscal 2028 capital expenditures include $6.9 billion of sustaining investments, of which $1.3 billion is for the supporting portfolios and $5.6 billion is power system investments. Examples of sustainment funding include:

- **Technology:** $0.6 billion in Technology investments, which includes projects for the implementation and upgrade of platforms and applications related to Enterprise Resource Planning (ERP) distribution design, distribution network management, customer rates and services, cybersecurity and compliance. Other areas of investment include business solutions, data analytics, enterprise content management and collaboration, infrastructure and telecommunications.
- **Properties:** $0.4 billion in Properties investments, which includes Building Development projects to refurbish or rebuild field buildings such as the Materials Classification Facility, North Vancouver Field Facility, Campbell River II Field Facility, Chilliwack Field Facility, Kamloops Field Facility, and employee accommodations at the Mica Townsite. Critical Building Improvement projects are also included in the investments to address safety and operational deficiencies and the replacement of end-of-life building components.
- **Fleet:** $0.2 billion in Fleet investments, which includes asset renewals, investments in new technologies for Greenhouse Gas avoidance, and asset additions to support enterprise workforce growth.
- **Power System:** approximately $5.6 billion in Power System investments which includes:
  - **Dam Safety** investments to maintain risk reduction targets to a level that aligns with the approach that was approved by the BC Hydro Board of Directors in 2014; to “manage the whole fleet of dams so that there is no significant deterioration in the risk position and that the overall level of risk is kept well within the limits considered to be tolerable.”
  - **Generation** investments to preserve a high level of reliability at our seven Key[4] Facilities which provide 90% of the average annual electricity generated by BC Hydro. Additional sustaining investments are directed at the remaining facilities to manage risk on a priority basis. Planned critical asset investments to improve overall asset health include Generators at three Key Facilities (G.M. Shrum, Kootenay Canal and Bridge River) and two Strategic Facilities (Ash River and Wahleach), Exciters at one Key Facility (Peace Canyon) and Governors at one Key Facility (Bridge River), two Strategic Facilities (Jordon River, and La Joie,) and one Available Facility (Whatshan).
  - **Transmission** investments to preserve the asset health and reliability of the bulk electric system, meeting regulatory compliance requirements, and mitigating the highest asset risks. Examples include seismic upgrade of the Second Narrows 230 kV crossing of Burrard Inlet, 2L143 and 2L146 Cable Replacements, and program funding such as wood pole replacements and structure corrosion protection.
  - **Substation** investments which are focused on the replacement of higher priority asset classes such as transformers, circuit breakers, and feeder section retrofits. A number of existing substation upgrades are also planned that will facilitate the removal of end-of-life equipment and improve the safety of the facility, such as the Mainwaring Station Upgrade, Newell Substation Upgrade, and the Peace to Kelly Lake Stations Sustainment project.
  - **Distribution** investments to maintain system safety and reliability, and grid modernization, which also supports system safety and reliability. BC Hydro’s sustaining investment strategy for distribution focuses on the end-of-life replacement of assets such as wood poles, feeder cables, and underground transformers. The portfolio also includes

[4] Key Facilities: Bridge River, G.M. Shrum, Kootenay Canal, Mica, Peace Canyon, Revelstoke, and Seven Mile.

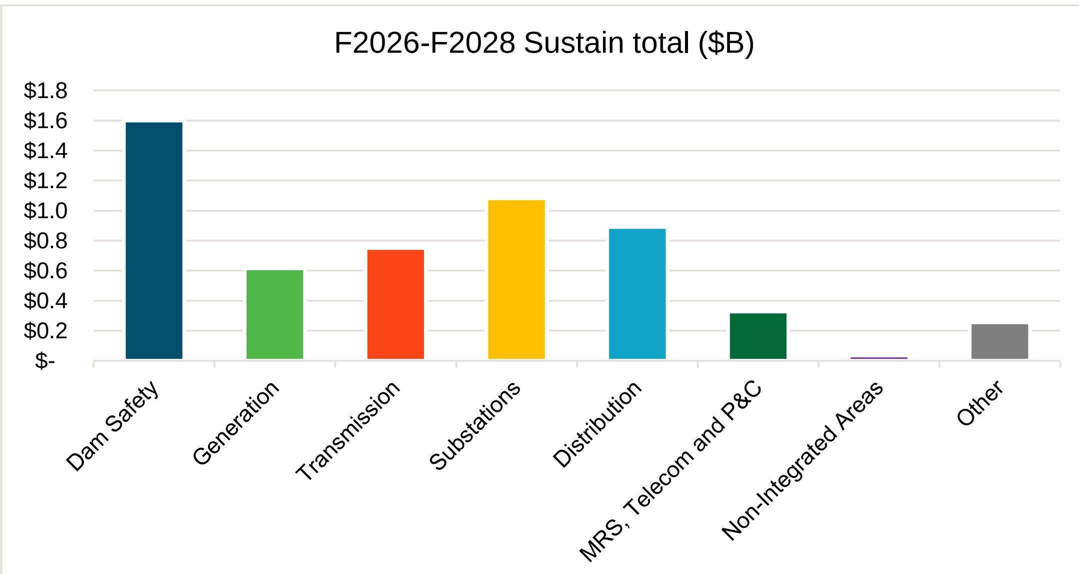
investments related to mitigative actions on underground street vaults, including submersible transformer replacements and other underground distribution system improvements.

- **MRS, Telecom and P&C** investments to preserve the reliability of the telecom network and protection and control systems on the bulk electric system, including the replacement of end-of-life telecom electronics across the province in the Bulk Electric System Telecom Equipment Replacement (BESTER) project, the implementation of a fiber optic network in parallel with the microwave system in the Single Point of Telecom Failure Elimination and Reduction projects (SPOTFER), and the implementation of a modern, centralized protection and control system at 10 small to medium sized distribution stations.

- **Non-Integrated Areas** investments which are focused on generator replacements and/or overhauls, and reliability improvements. These sustaining investments include replacement of end-of-life equipment and making targeted investments on the distribution system, prioritizing feeders with the worst historical performance.

A breakdown of the Power System sustaining investments by asset portfolio is shown in Figure 4 below.

Figure 4: F2026-F2028 Power System Sustaining Investment by Portfolio ($B)



Growth Investments (~$5.2 B)

Growth capital investments are focused on expanding the power system, and can be sub-divided into three categories:

1. **Load Forecast & Customer/Municipality:** expansion and reinforcement of the transmission and distribution system in areas experiencing load growth.

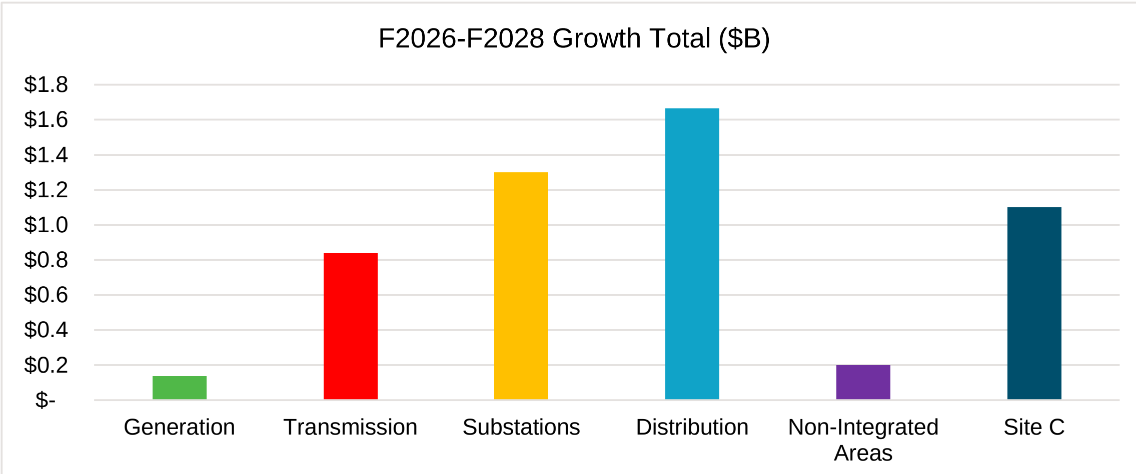
2. **Customer Connections:** transmission and distribution infrastructure changes/additions to facilitate new customer connections.

3. **Other System Risk Mitigation:** expansion of the transmission and distribution system to improve system reliability, or expansion of the transmission and distribution system to allow for the retirement of assets that are at or approaching end of life. Examples include the construction of a new line to West Kelowna and a new substation in the West End of Vancouver to allow for the offloading of Dal Grauer substation.

F26 – F28 Planned Capital Expenditure Summary

The planned Fiscal 2026 to Fiscal 2028 capital expenditures include $5.2 billion of growth investments for the power system, including Site C, as shown in Figure 5 below.

Figure 5: F2026-F2028 Power System Growth Investment by Portfolio ($B)



Examples of growth investments with capital expenditures in the F2026 to F2028 period include:

- **Site C:** $1.1 billion to complete the Site C project.
- **Generation:** Revelstoke Unit 6 Installation project and the Fort Nelson – Regional Reliability Improvement project.
- **Transmission:** Bridge River Transmission project, West Kelowna Transmission project, Lower Mainland Reactive Power Reinforcement, Vancouver Island - Grid Scale Battery Energy Storage Installation, North Coast - Prince George to Glenannan Transmission and Glenannan to Terrace Transmission projects, project to upgrade the rating of three 500kV transmission lines (5L061, 5L062, and 5L063), three transmission projects to interconnect 2024 Call for Power proponents, and reinforcements for other transmission load interconnection projects.
- **Substations:** Seven new substations (Boundary Road, Campbell Heights, East Vancouver, Goldstream, Surrey City Centre, West End, and Willoughby), four substation upgrades (Barnard, Clayburn, McLellan, and Westbank), two substation rebuilds (Lougheed and Scott Road), 14 projects to add feeder positions and/or feeder sections to existing substations to address short to mid-term distribution capacity needs, seven stations projects to interconnect 2024 Call for Power proponents, and reinforcements for other load interconnection projects.
- **Distribution:** 44 investments to support voltage conversions, 22 investments to construct new feeders or new feeder positions and various distribution customer interconnections.
- **Non - Integrated Areas:** Seven Stations Upgrades for Renewable Energy Integration projects (Anahim Lake, Bella Coola, Ehthlateese, Kwadacha, Masset, Sandspit, Tsay Keh Dene), and three diesel station capacity increases (Kwadacha, Takla, Tsay Keh Dene).