

BC Hydro and Power Authority

2023/24 – 2025/26 Service Plan

February 2023



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Board Chair's Accountability Statement



The 2023/24 – 2025/26 BC Hydro Service Plan was prepared under the Board's direction in accordance with the *Budget Transparency and Accountability Act*. The plan is consistent with government's strategic priorities and fiscal plan. The Board is accountable for the contents of the plan, including what has been included in the plan and how it has been reported. The Board is responsible for the validity and reliability of the information included in the plan.

All significant assumptions, policy decisions, events and identified risks, as of December 31, 2022 have been considered in preparing the plan. The performance measures presented are consistent with the *Budget Transparency and Accountability Act*, BC Hydro's mandate and goals, and focus on aspects critical to the organization's performance. The targets in this plan have been determined based on an assessment of BC Hydro's operating environment, forecast conditions, risk assessment and past performance.

Signed on behalf of the Board by:

A handwritten signature in black ink that reads "Doug Allen". The signature is written in a cursive, flowing style.

Doug Allen
Board Chair, BC Hydro
January 18, 2023

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Strategic Direction

In 2023/24, public sector organizations will continue working to make life better for people in B.C., improve the services we all rely on, and ensure a sustainable province for future generations. Government will focus on building a secure, clean, and fair economy, and a province where everyone can find a good home – whether in a rural area, in a city, or in an Indigenous community. B.C. will continue working toward true and meaningful reconciliation by supporting opportunities for Indigenous Peoples to be full partners in an inclusive and sustainable province. The policies, programs and projects developed over the course of this service plan period will focus on results that people can see and feel in four key areas: attainable and affordable housing, strengthened health care, safer communities, and a secure, clean and fair economy that can withstand global economic headwinds.

This 2023/24 service plan outlines how BC Hydro will support the government's priorities and selected action items identified in the most recent [BC Hydro Mandate Letter](#).

Purpose of the Organization and Alignment with Government Priorities

BC Hydro is one of the largest electric utilities in Canada and is publicly owned by the people of British Columbia. We generate and provide electricity to 95 per cent of B.C.'s population and serve approximately five million people. The electricity we generate and deliver to customers throughout the province powers our economy and quality of life.

As a provincial Crown Corporation, BC Hydro reports to the Provincial Government through the Minister of Energy, Mines and Low Carbon Innovation. Government's expectations are expressed through the following legislation and policy:

- [The Hydro and Power Authority Act](#)
- [The Utilities Commission Act](#)
- [The BC Hydro Public Power Legacy and Heritage Contract Act](#)
- [The Clean Energy Act](#)
- [CleanBC](#) and the [CleanBC Roadmap to 2030](#)

Our mission is: we are here to safely provide our customers with reliable, affordable, clean electricity. Our Service Plan sets out a three-year plan with strategies, performance measures and targets, aligned with the priorities in the [B.C. Government's Mandate Letter from the Minister Responsible to BC Hydro](#) and the [Minister of Energy, Mines and Low Carbon Innovation's Ministerial Mandate Letter](#), to fulfill our mission on behalf of our customers and the Province.

Our Service Plan aligns with our Five-Year Strategy to guide our work towards our vision: a cleaner, more sustainable future for all British Columbians. We have identified five goals for the Service Plan that reflect successfully delivering on our mission: we will safely continue to deliver reliable, affordable and clean power; we will energize our province with clean electricity to support achieving British Columbia's climate action targets; we will control our costs; we will strengthen our resilience and agility; and we will advance meaningful reconciliation with Indigenous Peoples.

Operating Environment

As a utility that operates in a high hazard industry, we keep safety at the centre of everything we do. Our job is to safely keep the lights on for the people of B.C., and that means that every person working for BC Hydro and interacting with our system goes home safely each day. We are continuously working to improve our performance by sustaining and strengthening our Safety and Compliance Framework.

Climate change is impacting the frequency and extremes of weather, precipitation and temperature events, reservoir inflow predictability and patterns in electricity demand and supply. These impacts require us to increase the resilience of our infrastructure, adapting how we plan and operate the system and being prepared to respond to severe weather events. BC Hydro will continue to provide reliable service and respond quickly and safely to customer outages. We will also continue to implement improvements on how we communicate outage information, as timely and accurate information is important to our customers and the communities we support.

BC Hydro is regulated by the British Columbia Utilities Commission (BCUC). As the independent regulator of BC Hydro, the BCUC reviews BC Hydro's costs, proposed rate increases, resource planning and almost all regulatory accounts, programs and capital projects. On August 31, 2021, BC Hydro filed the [Fiscal 2023 to Fiscal 2025 Revenue Requirements Application](#) with the BCUC and continues to actively participate in the public regulatory review process. This application reflects our efforts to continue to deliver safe and reliable power, while keeping electricity affordable for our customers.

[BC Hydro's Integrated Resource Plan](#) was submitted to the BCUC in December 2021 and is also currently undergoing regulatory review. The Integrated Resource Plan includes the long-term plan and the near-term actions that BC Hydro intends to carry out to ensure that we can meet the future electricity needs of our customers over a 20-year planning horizon. The plan is flexible and includes electrification scenarios to show how BC Hydro will take advantage of our clean electricity to support [CleanBC](#) and the Province's economic growth objectives.

We know we can make a significant positive impact on climate change and the environment by supporting the reduction of greenhouse gas (GHG) emissions. BC Hydro will support the Province's [CleanBC Roadmap to 2030](#), which commits to reduce climate pollution and build a cleaner, stronger economy for people throughout B.C. The CleanBC Roadmap to 2030 focuses on energy efficiency and draws on B.C.'s abundant supply of clean and affordable hydroelectric power as an alternative to fossil fuels to reduce GHG emissions.

To make it easier and affordable for people to efficiently use more of B.C.'s clean electricity to power their homes, businesses and vehicles and meet the Province's climate goals, BC Hydro will work with the Province to implement our [Electrification Plan – A clean future powered by water](#). The plan proposes programs and incentives to advance the switch from fossil fuels to clean electricity in homes and buildings, vehicles and fleets, businesses and industry, and attract new innovative industries to B.C.

We are advancing affordability initiatives and supporting conservation efforts to help our customers save money on their electricity bills. We are continuing to focus on making it easier for our customers to do business with us, including strengthening our connections capabilities to support housing development, clean economic growth and electrification throughout the province. We will also work to

attract innovative new industries to British Columbia and promote B.C.'s clean energy advantage, including reducing the time and cost for new customers to connect to our grid.

BC Hydro will continue to advance our Environmental, Social and Governance (ESG) framework to meet our stakeholders' growing demand for transparency and the desire to evaluate our impact on the world. ESG analysis and reporting will provide us with valuable insights, help create long-term value for stakeholders and better inform our investments.

We continue to make significant strategic investments to expand the system and maintain aging infrastructure, while prudently managing all costs to help keep electricity affordable for our customers. We work across teams, suppliers and experts to ensure thoughtful assessment of how to successfully deliver these projects on time and on budget while respecting the unique community, environmental and Indigenous interests associated with each project.

Operating, maintaining and expanding BC Hydro's extensive electricity system impacts a significant number of Indigenous communities across the province. We are working with Indigenous Nations to advance reconciliation and we continue to pursue meaningful, long-term relationships that better reflect Indigenous interests. Pursuant to the historic passing of the *Declaration on the Rights of Indigenous Peoples Act* in November 2019, BC Hydro is working to implement the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and has drafted an UNDRIP Implementation Plan, in consultation with First Nations. The plan outlines the actions BC Hydro is taking or will take to incorporate the principles of UNDRIP into our business for the benefit of First Nations and Indigenous Peoples, expanding on the significant relationship building that has taken place. BC Hydro will engage with First Nations on the draft UNDRIP Implementation Plan. We will also continue to work to implement the Calls to Action of the Truth and Reconciliation Commission and the Draft Principles that Guide the Province of B.C.'s Relationship with Indigenous Peoples into our business.

With thoughtful planning and prudent decision-making, BC Hydro is well positioned to safely provide reliable, affordable, clean electricity throughout B.C., today and into the future.

Performance Planning

Goal 1: Deliver reliable power safely

This goal reinforces our commitment to safely provide reliable, affordable and clean power to our customers.

Objective 1.1: BC Hydro will safely and reliably meet the electricity requirements of our customers by prudently planning and investing in the system.

As a utility that operates in a high hazard industry, our goal continues to be that everyone goes home safely, every day. By continuing to make strategic investments to expand our system and maintain aging infrastructure, we will ensure we can continue to safely provide our customers with reliable and clean electricity.

Key Strategies

- Continue to develop, implement, sustain and improve safety processes and programs, in alignment with our Safety Framework.
- Improve how we learn from our performance and focus on preventing fatalities and serious disabling injuries.
- Protect the public from hazards around our reservoirs and dams through adherence to the Canadian Dam Association Public Safety Around Dams guidelines.
- Ensure the reliability and resilience of the generation, transmission and distribution system by effectively implementing capital, maintenance and vegetation programs to manage the overall condition of the power system and ensure supply to meet customer demand.
- Implement our 10 Year Capital Plan so that our customers can continue to receive clean, reliable and affordable electricity.

Discussion

This objective has been restated to emphasize our focus on keeping the lights on for our customers and our safety performance.

We will continue to adapt how we plan and manage the electricity system as climate change impacts the frequency and extremes of weather events to provide reliable service to our customers. Safety is always top of mind and BC Hydro is continually monitoring our progress to improve the safety of our employees, contractors and members of the public.

Objective 1.2: BC Hydro will meet the evolving expectations of our customers by improving our service.

This new objective emphasizes our continued commitment to meet the rising expectations of our customers.

Key Strategies

- Engage customers in our rate design and project planning processes.
- Increase use of technology and data to understand customer expectations and offer products and services that meet their needs.
- Continue to make it easier for customers to do business by incorporating the Gender Based Analysis Plus, an analytical process that provides a rigorous method for the assessment of systemic inequalities and an assessment of how diverse groups of people may experience policies, programs and initiatives, to broaden our understanding of how BC Hydro practices impact our customers.

Discussion

This new objective reflects our ongoing efforts in ensuring our customers receive reliable power, our continued commitment to customer services and improvements in customer communications.

Customers expect more information, input into decisions and involvement in managing their energy use and. BC Hydro will continue to make significant efforts to engage with different groups of customers and analyzing their electricity needs to help us develop additional programs and supports for our customers. We will monitor our progress through the Customer Satisfaction (CSAT) performance measure.

Performance Measures

Performance Measures ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[1a] Zero Fatality & Serious Disabling Injury ² [Loss of life or the injury has resulted in a permanent disability]	0	0	0	0
[1b] Lost Time Injury Frequency (LTIF) [Number of employee injury incidents resulting in lost time (beyond the day of injury) per 200,000 hours worked]	0.74	0.74	0.74	0.74

¹ Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>

² Zero Fatality and Serious Disabling Injury – BC Hydro's safety performance measures do not include contractor or public safety injuries or fatalities.

Discussion

The data source for all safety performance metrics are incidents reported through the Incident Management System. To ensure accuracy and reliability of the data, each incident is reviewed to ensure the correct injury category and seriousness has been assigned. BC Hydro's safety performance measures do not include contractor or public safety injuries or fatalities. We set our safety performance measure targets on the principles of being achievable, promoting worker participation and analysis of our performance.

Achieving our target of Zero Fatality and Serious Disabling Injury supports our focus on preventing fatalities and serious disabling injuries.

LTIF measures the frequency of full-time employees sustaining a time loss injury in a normal work year and is a comparable metric to other provincial organizations and Electricity Canada. An LTIF of one equates to a one per cent chance of a time loss injury for any given employee in a work year. In setting our LTIF 2023/24 – 2025/26 targets, we considered the improvement trends reflected in our five- and ten-year performance and a review of benchmark utilities.

Performance Measures ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[1c] SAIDI (System Average Interruption Duration Index) ² [Total outage duration (in hours) of sustained interruptions experienced by an average customer in a year (excluding major events)]	3.19	3.35	3.35	3.35
[1d] SAIFI (System Average Interruption Frequency Index) ² [Total number of sustained interruptions experienced by an average customer in a year (excluding major events)]	1.46	1.38	1.38	1.38

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>

²Reliability targets are based on specific values, however performance within 10 per cent is considered acceptable given the reliability projection modelling uncertainty, the wide range of variations in weather patterns and the uncontrollable elements that can significantly disrupt the electrical system. BC Hydro reviews performance during major events and takes the performance into consideration in reliability improvement initiatives.

Discussion

Customer reliability is measured using SAIDI and SAIFI. These performance measures, along with correlated cause analysis for customer outages, support targeted investment, planning and process improvements to meet our customers' needs for reliability.

SAIDI and SAIFI targets are based on several factors including long-term historic reliability trending, current year performance, previous years' investments and future years' investment plans, while also

accounting for annual variability due to weather. BC Hydro reports reliability under normal circumstances, because major events are not predictable and largely uncontrollable. The reliability measures are therefore based on data that excludes major events. The targets remain stable to align with expected benefits from planned capital investment and ongoing investment in vegetation management programs.

The data to measure our reliability performance measures is collected and validated in a process that starts with operational staff recording the start and end time of each power outage, as well as the cause. Based on the location of the outage, the number of customers impacted is calculated automatically. This information is collected in a centralized database that allows outage records to be reviewed by managers regularly to ensure accuracy. Outages that impact a significant number of customers or involve lengthy repair times require a formal outage report to be written by an engineer and approved by management.

Performance Measure¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[1e] Key Generating Facility Forced Outage Factor (%)	1.10	1.80	1.70	1.70

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>

Discussion

A forced outage occurs when a generating unit is unable to start generating or does not stay in service when needed. The Key Generating Facility Forced Outage Factor shows the trend of how the generation assets are performing and supports investment decisions to maintain asset reliability.

There are seven Key Generating Facilities, representing those plants with installed capacity greater than 200 megawatts (MW). Together, they provide over 90 percent of the average annual electricity generated by BC Hydro's facilities. Key Generating Facility Forced Outage Factor is reported as a 60-month rolling average and defined as the total forced outage time in a period relative to the total number of hours in the same period. Annually, the Forced Outage Factor can be relatively volatile, and applying the historical 60-month rolling average smooths the range to provide a more stable measure for which targets can be set. With recent stability in our Forced Outage Factor data, we are making incremental changes to our 2024/25- 2025/26 targets, while remaining aware of the challenges in predicting the timing of specific equipment forced outages and the volatility that random failures can have on our year-over-year data.

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[1f] CSAT Index ² [Customer Satisfaction Index: % of customers satisfied or very satisfied]	85.0	85.0	85.0	85.0

¹ Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>

² Customer Satisfaction Index (CSAT) is an index measuring customer satisfaction of BC Hydro's three main customer groups (residential, commercial and key accounts). The index is comprised of the five key drivers of satisfaction weighted equally across the three customer types.

Discussion

The Customer Satisfaction (CSAT) Index measures customer satisfaction with BC Hydro on five key drivers: value for money; commitment to customer service; providing reliable electricity; acting in the best interest of British Columbians; and efforts to communicate to customers and communities. This measure gauges the degree to which BC Hydro is meeting customers' electricity and service needs. The stable target for the CSAT index reflects that customers' service needs are being met; however, continued effort is necessary to address gaps in specific areas, as well to meet customer's changing expectations from their interactions with other organizations. In the near term, BC Hydro does not have any planned investments that would result in a sustained increased to the index.

Goal 2: Energize our province

This new goal is to focus on our work, outlined in the Electrification Plan, to promote and enable our customers to switch to BC Hydro's clean electricity and electrify British Columbia's growing economy to support the reduction of GHG emissions to meet the Province's climate targets.

Objective 2.1: BC Hydro will help electrify the province's economy and encourage our customers to use our clean electricity.

This objective focuses on our efforts in supporting our customers to switch to BC Hydro's clean electricity in support of our Electrification Plan to electrify British Columbia's growing economy.

Key Strategies

- Implement our Electrification Plan to displace the use of higher carbon energy sources and attract new industries to British Columbia.
- Support the growing clean transportation economy by promoting electric vehicle adoption and implementing measures that reduce customer connection costs, encouraging off-peak charging of electric vehicles and continuing to expand and improve charging infrastructure.
- Support customers with initiatives and rate structures that help them make smart energy choices through our energy management (e.g., energy efficiency and conservation programs) and low carbon electrification initiatives.
- Make it easier for residential, commercial and industrial customers to connect to our system and choose clean electricity through process improvements, increased staff resources and consistent and timely scheduling communications.
- Explore new rate proposals to meet our customers' needs, offer more choice, and encourage them to efficiently use more of B.C.'s clean electricity.

Discussion

The objective emphasizes the work we will undertake to electrify B.C.'s economy with our clean electricity by understanding and delivering on the needs of our existing and new customers.

We will monitor progress toward this objective with the Load Growth Supporting CleanBC, New Connected Commercial and Industrial Load, Customer Interconnection Studies Completed on Time, and Demand Side Management Capacity performance measures.

Objective 2.2: BC Hydro will support achieving British Columbia's climate action targets.

This new objective highlights the work BC Hydro will undertake to support the Province's [CleanBC Roadmap to 2030](#) and efforts to reduce GHG emissions.

Key Strategies

- Implement BC Hydro's GHG emissions management plan to reduce emissions from BC Hydro's operations.
- Implement a 100 per cent clean electricity standard, the percent of clean energy available to meet BC Hydro retail sales on the integrated grid, to make our electricity even cleaner, ensure continued market access and increase the value of our product.
- Advance the Integrated Resource Plan which is flexible and supports British Columbia's legislated GHG emissions reduction targets and electrification goals to help mitigate climate change.

Discussion

These strategies reflect the work BC Hydro will undertake to reduce GHG emissions to reduce climate pollution and mitigate climate change.

The GHG Emissions Reduction Electrification, GHG Emissions – BC Hydro Operations and Clean Electricity Standard performance measures will help us monitor our progress in supporting the Province's climate targets.

Performance Measures

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[2a] Load Growth Supporting CleanBC (Gigawatt hours per year (GWh/yr) ² [Cumulative gigawatt hours since 2020/21]	840	1,500	3,100	4,700

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

²The data sources for this measure vary depending on the sector as follows: transportation (ICBC and BC Hydro load forecast), residential and commercial buildings (CleanBC program tracking), upstream gas and gas pipelines (customers, BC Hydro meters and program tracking), other industry including mining, LNG and district energy (customers, BC Hydro meters and program tracking) and new clean industry (BC Hydro meters).

Discussion

The Load Growth Supporting CleanBC performance measure includes all new fuel switching and clean industry load beginning in 2020/21. Annual load growth in GWh/yr will be measured for transportation, residential and commercial buildings and industry, including new load on the CleanBC Industrial Electrification Rates. BC Hydro has set a target of 4,700 GWh/yr of cumulative load growth by the end of 2025/26 to achieve this goal.

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[2b] New Connected Commercial and Industrial Load (Megawatts (MW)) ² [Cumulative additional MW from new or expanded commercial and industrial load since 2020/21]	460	500	625	750

¹ Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

² The data sources for this metric are BC Hydro's Energy Analytics Solution, Customer Care System and Customer Service staff.

Discussion

The New Connected Commercial and Industrial Load performance measure reflects the cumulative customer demand impact of new loads on the BC Hydro system. Specifically, it captures additional megawatts from new or expanded commercial and industrial load, incremental load growth at existing sites requiring a service upgrade or a change to the Electricity Supply Agreement and new operations at brownfield sites. It is measured using contract demand for large industrial customers, peak annual kilowatts for metered light industrial and commercial customers and peak annual kilowatt-hour per hour will be used for non-metered light industrial and commercial customers.

BC Hydro set a target of 750 cumulative additional MW of new connected commercial and industrial load by the end of 2025/26 to achieve this goal. This target is based on anticipated volumes in the December 2020 Load Forecast and available data. Annual targets have been set to measure progress and may be subject to change pending the status of customers projects over the period.

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[2c] GHG Emissions Reduction Electrification (million tonnes CO2e/year) ² [Cumulative GHG emissions reductions from fuel switching and new clean industries since 2020/21]	0.56	1.00	1.90	2.50

¹ Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

² The data sources for this metric are BC Hydro program records and load increases.

Discussion

GHG Emissions Reduction Electrification tracks greenhouse gas emissions reductions from fuel switching and new clean industries, where the use of clean electricity displaces the use of more carbon intensive fuels. This metric reflects BC Hydro's contributions to meeting the Province's climate targets.

It uses the results from the Load Growth Supporting CleanBC performance measure to calculate an associated GHG benefit. The GHG emissions reduced or avoided through electrification are calculated using project-specific estimates from BC Hydro program records where available or by applying average emission reduction factors to the load increase.

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[2d] GHG Emissions Reduction – BC Hydro Operations (%) ² [Cumulative GHG reductions from BC Hydro operations since 2007]	42	43	44	45

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

²The data for this metric is collected by various BC Hydro groups as follows: Environment and Asset Planning (sulfur hexafluoride (SF₆)/CH₄); Supply Chain (paper use and air travel); Fleet Services (vehicle emissions); Properties (buildings); Asset Planning, Power Acquisitions and Treasury (Non-Integrated Areas and Independent Power Producers); and Operations (thermal).

Discussion

GHG Emissions Reduction – BC Hydro Operations measures BC Hydro’s progress in reducing GHG emissions related our own operations in areas such as: fleet; buildings; sulfur hexafluoride (SF₆) and carbon tetrafluoride (CF₄); non-integrated areas; thermal; air travel; paper and independent power producers to align and support the Province’s climate goals. Targets for this metric have been set to allow BC Hydro to exceed the 16 per cent provincial GHG emissions reduction target from 2007 levels by 2025.

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[2e] Clean Electricity Standard (%) ² [BC Hydro generated and acquired clean energy available to meet BC Hydro retail sales on the integrated grid over a fixed four-year period]	100	100	100	100

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

²The data sources are as follows: BC Hydro retail sales, metered output of BC Hydro owned generation and contracted resources and net clean deliveries associated with Powerex.

Discussion

The Clean Electricity Standard measures the amount of clean energy available to meet BC Hydro’s retail sales over the measured period. A fixed four-year period of January 1, 2021 to December 31, 2024 has been chosen to balance annual variations in load and hydrology and is similar to the renewable procurement requirements in other jurisdictions. This measure incorporates BC Hydro generated clean energy, procured clean energy and net energy deliveries to the integrated power system associated with Powerex. The annual result is capped at 100 per cent of BC Hydro’s retail sales, based on the cumulative results within the fixed four-year period.

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[2f] Customer Interconnection Studies Completed on Time (%) ² [Completion of interconnection studies to allow customers to connect to BC Hydro's system]	80	80	80	80

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

²All supporting information and timelines for this performance measure are tracked by BC Hydro's Interconnections group.

Discussion

Customer Interconnection Studies Completed on Time tracks BC Hydro's performance meeting the overall timeline for the completion of interconnection studies required for customers to be connected to our system. The target dates are compared to the actual completion dates to determine the percentage of customer interconnection studies completed on time. Achieving the timelines for completion of interconnection studies is dependent on both BC Hydro performance and the timely provision of inputs by the customer. Given the increased volume of customer interconnections requests, maintaining a target of 80 per cent will require additional effort and investment.

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[2g] Demand Side Management Capacity (MW) ² [Annual new incremental capacity (MW) savings from the energy conservation portfolio]	80	110	140	170

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

²Data sources for Demand Side Management targets are the Demand Side Management Plan. BC Hydro's Demand Side Management Plan is subject to BCUC review and approval.

Discussion

Demand Side Management Capacity reflects the annual new incremental savings from the energy conservation portfolio including programs, codes and standards, and conservation rates that measure BC Hydro's performance against annual energy targets. This measure also includes savings from capacity-focused initiatives such as programs and time-varying rates. The targets are derived from the Demand Side Management Plan and 2021 Integrated Resource Plan. The 2023/24 – 2024/25 targets have been adjusted upward from the 2022/23 – 2024/25 Service Plan to align with the 2022/23 forecast that BC Hydro will meet its Demand Side Management Capacity annual target.

Goal 3: Control our costs

This goal focuses on BC Hydro's efforts to control costs while continuing to make prudent investments to maintain and expand our electricity system to support our customers.

Objective 3.1: BC Hydro will manage costs to provide affordable and competitive rates.

This objective reinforces our efforts to maintain affordability while making strategic investments in our system.

Key Strategies

- Advance Revenue Requirements and Performance Based Rate Making Applications with the BCUC to achieve rate increases that are less than the projected provincial rate of inflation, on a cumulative basis, over the decade beginning in 2020/21.
- Working with the Province, continue delivering affordability measures, including demand-side management programs targeted to low-income households, to help our customers manage their electricity bills.
- Advance efficient and flexible rate design proposals with the BCUC to help keep customers' electricity bills affordable and offer more choice.
- Safely complete the Site C project within the approved budget by 2025.
- Continue to refine and enhance our systematic and disciplined project delivery methodology to ensure that our projects are put into service safely, on time, on budget and to a high standard of quality.
- Achieve benefits of improved procurement and supply chain management practices and tools by focussing on category strategies, contract and supplier management and supply chain related business process improvements.
- Achieve business process improvements that increase our efficiency and ability to meet growing expectations with existing resources.
- Achieve improvements in the customer connection process.

Discussion

We continue to make significant investments to expand the system, support the growing use of clean electricity and maintain aging infrastructure, while prudently managing all costs to help keep electricity affordable for our customers. We work across teams, suppliers and experts to ensure thoughtful assessment of how to successfully operate and deliver our projects on time and on budget. We will monitor our progress of managing costs to provide affordable and competitive rates through Goal 3's performance measures.

Performance Measures

Performance Measures ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[3a] Affordable Bills – Residential ²	1 st quartile	1 st quartile	1 st quartile	1 st quartile
[3b] Affordable Bills – Commercial ²	1 st quartile	1 st quartile	1 st quartile	1 st quartile
[3c] Affordable Bills – Industrial ³	1 st quartile	1 st quartile	1 st quartile	1 st quartile

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

²BC Hydro calculates the Affordable Bills performance measure for residential and commercial customers as the median consumption level for residential and commercial customer classes compared to the equivalent power consumption sub-category from Hydro Quebec's annual report on North American electricity rates. The rankings of the 22 participating utilities are then allocated into quartiles. The 1st quartile ranking represents the six utilities that have the lowest monthly electricity bills on April 1 of a given year.

³BC Hydro measures affordability within the industrial category based on the largest consumption level from Hydro Quebec's annual report on North American electricity rates.

Discussion

The Affordable Bills measures are based on BC Hydro's rankings in the residential, commercial, and transmission service rate categories in the annual Hydro Quebec report, [Comparison of Electricity Prices in Major North American Cities](#). The report is used as a benchmark to demonstrate that our bills are affordable compared to other major North American utilities.

In Hydro-Québec's [2022 Comparison of Electricity Prices in Major North American Cities report](#), monthly bills have been calculated based on rates in effect on April 1, 2022. In addition to Hydro-Québec, this comparative analysis of electricity prices across North America includes 22 utilities: 12 serving the principal cities in the nine other Canadian provinces, and 10 utilities in American states. The results are based, in part, on a survey to which 14 utilities (including BC Hydro) responded, and, in part, on estimates of bills calculated by Hydro-Québec. BC Hydro relies on the results as provided in the Hydro-Québec report to determine BC Hydro's rankings for the Affordable Bills performance measures. Further information about Hydro-Québec's report methodology can be found in Hydro-Québec's Comparison of Electricity Prices in Major North American Cities report.

The methodology for calculating Affordable Bills performance measures uses the median consumption level for the residential and commercial performance measures and the largest consumption level for the industrial performance measure. Median consumption level provides a better representation of the central tendency than average and the largest consumption level provides the best indication of BC Hydro's performance regarding rate competitiveness for large industrial customers.

Performance Measure¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[3d] Project Budget to Actual Cost: Cumulative Five Years ²	-2.08% on \$3.7 billion	Within+5% to-5% of budget excluding project reserve amounts	Within+5% to-5% of budget excluding project reserve amounts	Within+5% to-5% of budget excluding project reserve amounts

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

²This measure compares actual project costs at completion to the original approved expected cost budget for the project, not including project reserve amounts, for capital projects that were put into service during the five-year rolling period. Site C is not included in this measure and has its own specific cost and schedule performance measures.

Discussion

The Project Budget to Actual Cost measure includes Dam Safety, Generation, Transmission Line, Substation and large Distribution projects, managed by BC Hydro Capital Infrastructure Project Delivery and Properties for the last five years. BC Hydro reports the past five years' performance annually at the portfolio level in delivering capital projects.

Since 2015/16, BC Hydro has utilized the Project Budget to Actual Cost measure for the delivery of capital projects, with a target of actual project costs to be within +5 per cent to -5 per cent of the budget, excluding project reserves at the portfolio level. The +/- 5 per cent target is the same over the plan period, as it is the objective to have the entire project portfolio in service within this actual cost range. BC Hydro has consistently met this performance target, as we continue to prudently manage capital expenditures and keep rates affordable for our customers.

Performance Measures¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[3e] Site C – Cost ² [Total expected cost at or below approved budget]	\$16 billion	\$16 billion	\$16 billion	\$16 billion
[3f] Site C – Schedule ³ [Estimated Unit Power Date]	First Unit: December 2024	First Unit: December 2024	First Unit: December 2024	Last Unit: November 2025

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

²The output from the Cost Risk Analysis is identified and compared to the approved budget for the project of \$16 billion. Data sources include the following: quantitative information from the Project Risk Register; estimates developed by the project's Estimating, Scheduling and Cost team; input from risk owners and subject matter experts; and output from our risk software.

³The output from the Schedule Risk Analysis is identified and compared to the approved first unit power for the project of December 2024 and last unit power for the project of November 2025. Data sources include the following: quantitative information from the Project Risk Register; estimates developed by the project's Estimating, Scheduling and Cost team; input from risk owners and subject matter experts; and output from risk analysis software.

Discussion

The Site C Cost and Schedule metrics measure how we are progressing against our approved cost and schedule objectives for the Site C Project. Ensuring that the project is delivered on time and within budget will allow us to continue to provide affordable and competitive rates for our customers. The documented approaches to performing schedule risk and cost risk analyses for the project will be followed to determine yearly performance.

The Site C schedule metric has been updated to include estimated first and last unit dates to account for ongoing project construction progress and milestones. The approved last unit power for the project is targeted for November 2025.

Goal 4: Strengthen our resilience and agility

This goal underscores our efforts to strengthen our abilities to prevent disruptions to the essential service we provide our customers, manage through challenges and position our company to take advantage of opportunities when they arise.

Objective 4.1: BC Hydro will enhance resilience to threats like cybersecurity attacks, impacts of climate change, natural disasters and other challenging conditions.

As external factors increasingly add to the complexity of our work, this updated objective will ensure we are prepared to address challenges and continue to serve our customers.

Key Strategies

- Modernize our digital solutions to increase resiliency and agility and incorporate them into business process improvements, security and customer experience.
- Develop an enterprise compliance framework for statutory obligations across the organization.
- Continue to implement robust compliance programs and assurance systems to ensure compliance with [Mandatory Reliability Standards](#).
- Implement the Physical Security, Cybersecurity, and Mandatory Reliability Standards Roadmap to ensure continued compliance.
- Enhance our preparedness for severe events, including related to wildfires, extreme weather and water conditions by working collaboratively across BC Hydro and with external partners, including the Province, to address impacts and implement solutions.
- Develop and implement strategies to mitigate supply chain risks across key categories of materials and services.
- Strengthen our inclusivity by advancing our plan to build an inclusive, diverse, accessible and harassment-free workplace.
- Evolve our workforce strategy to focus on attracting and retaining the talent needed to deliver the essential service we provide customers.

Discussion

Robust compliance, enhanced preparedness and utilizing information technology to improve business processes all support resilience and ensure our people, assets and facilities are safe. Progress will be monitored through Goal 4's performance measures.

Performance Measures

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[4a] Employee Engagement Index (% index) ²	83 (Above industry benchmark)	At or above industry benchmark	At or above industry benchmark	At or above industry benchmark

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

²Results are from a confidential biennial survey, with survey items being ranked on a five-point scale.

Discussion

The Employee Engagement Index measures the extent to which employees are motivated to contribute to business success and are willing to apply discretionary effort to accomplish tasks important to the achievement of business goals. An engaged workforce can have a significant effect on financial and operational results. Businesses with highly engaged employees see higher customer satisfaction, have lower turnover rates and outperform businesses with lower levels of employee engagement.

All data is collected and generated from the confidential biennial employee engagement survey, administered by an external service provider. BC Hydro then compares our results to industry benchmarks, provided by our external service provider.

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[4b] Workforce Diversity ² (%)				
<ul style="list-style-type: none"> Women Visible Minority Indigenous People Persons with Disabilities 	<ul style="list-style-type: none"> 30 25 4.3 Progress towards 10 	<ul style="list-style-type: none"> 30 25 4.6 Progress towards 10 	<ul style="list-style-type: none"> 30 25 4.9 Progress towards 10 	<ul style="list-style-type: none"> 30 25 5.0 10

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

²Employees are asked to respond to an optional survey, administered and confidentially maintained by BC Stats on behalf of BC Hydro, requesting them to self-identify as a member of the designated groups when they join BC Hydro. BC Hydro measures the participation of the four designated groups by their representation as compared to the available workforce in B.C.

Discussion

Workforce Diversity is a measure of the diversity of BC Hydro's workforce in the representation of women, visible minorities, Indigenous people and persons with disabilities. This metric helps measure whether BC Hydro is representative of the customers and communities we serve, which enriches our strategy and operations by the inclusion of different perspectives and world views. This measure will

inform areas where we need to focus our recruitment and retention efforts to be representative. Diversity is important not only at the overall workforce level, but also as meaningful representation across various levels and groups. While not captured by this performance measure, meaningful representation is also monitored by BC Hydro.

The Workforce Diversity 2023/24 – 2025/26 performance measure's targets are based on the available B.C. workforce in the subset of the labour market in the occupations we hire, as derived from the 2016 census. The targets for women and visible minorities remain stable because we have already exceeded our representation of the available workforce for the jobs we hire for, for those designated groups. We will readjust our future targets based on the latest census information available.

The 2023/24 – 2024/25 targets for Indigenous employment have been set to achieve BC Hydro's goal of increasing Indigenous employment by 25 per cent from 2020/21 levels (from 4 per cent to 5 per cent), by 2025/26. This measure helps advance our Inclusion and Diversity strategy and supports the Truth and Reconciliation Commission's Calls to Action and our Statement of Indigenous Principles, recognizing that we have a role to play in supporting reconciliation by addressing barriers to employment for Indigenous Peoples through capacity development.

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[4c] Inclusion and Diversity Leadership Training (% complete) ²	75	100	100	100

¹ Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

² Results are determined by tracking participation of BC Hydro people leaders in the LEAD-133VT – Inclusive Leadership course at BC Hydro.

Discussion

Inclusion and Diversity Leadership Training is a measure that assesses progress of people leaders completing Bias and Diversity, Safety and Inclusion and Supporting Mental Health leadership training modules. The targets have been set to achieve 100 per cent of BC Hydro's leaders completing the recommended training by 2023/24.

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[4d] Operations Training Hours Average hours per Operations technical employee incremental to safety training ²	35	30	30	30

¹ Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

² Results are measured by tracking employee time using two different object work types – one for tracking safety training and one for tracking other training.

Discussion

Operations Training Hours is a measure of the hours of annual training completed by Operations technical employees, incremental to safety and regulatory training, and represents an investment in

workforce capability and resiliency. It is important for employees in Operations to complete technical and leadership training, in addition to mandatory safety and regulatory training, to maintain the skills required to work safely and efficiently and maintain system reliability. Equipment at stations is also becoming increasingly complex with a variety of new and legacy equipment to maintain and operate. Training will return to 2021/22 levels beginning in 2023/24.

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[4e] Mandatory Reliability Standards Non-Compliance Reduction (%) [Non-compliance reduction compared to 2020/2021] ²	75	70	80	85

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>.

²The data source for all reliability standards compliance performance metrics and incidents is based on information provided by BC Hydro business groups. Reliability Standards incidents are reported to the Reliability Standards Assurance team and investigated to determine if the incident is reportable to Western Electricity Coordinating Council.

Discussion

Mandatory Reliability Standards help ensure the reliability and security of the bulk power system in North America and the BCUC is responsible for monitoring and assessing entities' compliance. BC Hydro's Mandatory Reliability Standards Non-Compliance Reduction is a measure that shows the percentage decrease in non-compliance incidents reportable to the Western Electricity Coordinating Council relative to 2020/21. The targets have been set to indicate continual improvements made in BC Hydro's management of reliability standards compliance risks.

Goal 5: Advance reconciliation with Indigenous Peoples

As a Crown corporation, BC Hydro has an important role to play supporting the Province's commitment to reconciliation. We recognize that operating, maintaining and expanding BC Hydro's extensive electricity system impacts a significant number of Indigenous communities across the province.

Objective 5.1: BC Hydro will advance reconciliation by continuing to invest in and build mutually beneficial and stronger relationships with Indigenous communities.

Advancing reconciliation is a long-standing priority for BC Hydro. Mutually beneficial relationships with Indigenous Nations are critical to operating and growing our system of clean electricity.

Key Strategies

- Meet our commitments in our Relationship Agreements and continue to work together with Indigenous communities to further reconciliation to create sustainable benefits. This includes renewing existing Relationship Agreements and finalizing additional agreements with Indigenous Nations most impacted by BC Hydro infrastructure.
- Engage with First Nations on our draft UNDRIP Implementation Plan that demonstrates our commitment to reconciliation and release the Final UNDRIP Implementation Plan in 2023.
- Promote and deliver Indigenous awareness training and other cultural awareness opportunities to our employees to increase understanding of reconciliation and UNDRIP.
- Continue to implement our Indigenous employment strategy including delivering on our Indigenous employment programs such as Indigenous Professionals in Development that focus on hiring Indigenous people in management and professional positions.
- As part of the CleanBC plan, partner with the Province and the federal government to develop a plan to help remote communities, with a focus on Indigenous communities, reduce or eliminate diesel generation through energy planning and efficiency measures, and replacing diesel generation with energy from cleaner sources.
- Increase opportunities for Indigenous Nations to participate in BC Hydro's planning decisions at a regional level, including co-designing approaches to minimize impacts on the land base.

Discussion

BC Hydro has developed a Draft UNDRIP Implementation Plan that outlines actions we will take to incorporate the principles of UNDRIP into our business for the benefit of Indigenous peoples. Key themes in the plan include respectful relations, social and cultural well-being, decision-making, stewardship of water, lands and environment and economic relations. In 2023/24, we will continue to consult with First Nations on the draft plan and work towards our target of finalizing the UNDRIP Implementation Plan. Progress on our ongoing work with Indigenous Nations to find meaningful paths to reconciliation will be monitored through Goal 5's performance measures.

Performance Measures

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[5a] Indigenous Procurement (\$ billion) ² [Cumulative total beginning in 2014/15]	1.1	1.25	1.36	1.425

¹ Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>

² The data source for the performance measure is a report generated by BC Hydro's Supply Chain team that includes the value of direct and indirect procurement, contracts issued, and contract spend.

Discussion

Indigenous Procurement is a measure of the total cumulative dollar value of procurement at BC Hydro done with Indigenous Nations beginning in 2014/15. Consistent with BC Hydro's Indigenous Contract and Procurement policy, this measure demonstrates BC Hydro's support for the long-term economic interests of Indigenous peoples in British Columbia by committing to directed procurement opportunities. This supports our relationship agreements, impact benefit agreements and other arrangements with Indigenous groups.

The Indigenous Procurement performance measure represents opportunities for Indigenous Nations to share in the benefits of the work that BC Hydro does to build, operate and maintain the system. BC Hydro is forecasting that the value of direct Indigenous procurement contracts will exceed the cumulative value of \$1 billion, since 2014/15, by the end of 2022/23 and has adjusted its targets upward to include additional contracts by the end of 2025/2026. Additional economic and community benefits flowing from direct and indirect Indigenous procurement are not captured by this metric.

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[5b] Indigenous Employment (%) ²	4.3	4.6	4.9	5.0

¹ Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>

² Data on our workforce diversity and available workforce are calculated and confidentially stored with BC Stats.

Discussion

Indigenous Employment supports efforts to increase the percentage of Indigenous BC Hydro employees so that it is representative of the Indigenous population of B.C. This measure helps advance our Inclusion and Diversity strategy and supports the Truth and Reconciliation Commission's Calls to Action and our Statement of Indigenous Principles.

The 2023/24 – 2024/25 targets for Indigenous employment have been set to achieve BC Hydro's goal of increasing Indigenous employment by 25 per cent from 2020/21 levels (from 4 per cent to 5 per cent), by 2025/26. This measure will also help determine if process changes are needed at various stages of the employee career cycle so that our employee population is reflective of the working population in B.C.

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[5c] Indigenous Awareness Training at BC Hydro (% complete) ²	62	63	71	80

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>

²Course completion will be measured by tracking the course participation in BC Hydro's INDIG-101 and/or INDIG-201 courses.

Discussion

Indigenous Awareness Training evaluates BC Hydro's workforce awareness of Indigenous culture and supports BC Hydro's goal of advancing reconciliation by increasing the number of employees who understand their role in reconciliation.

The Indigenous Awareness Training measure assesses progress towards having 80 per cent of all BC Hydro employees completing INDIG-101 and/or 201 training over a five-year time period, starting in 2021/22. Indigenous Awareness training is an important part of advancing reconciliation. With thousands of employees across British Columbia, the 80 per cent target demonstrates our commitment to advancing reconciliation. This will help improved diversity and reconciliation, specifically around providing cultural awareness training and tools to our managers enabling reconciliation, as well as employee retention and recruitment.

Performance Measure ¹	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[5d] Progressive Aboriginal Relations Certificate ²	Gold	Gold	Gold	Gold

¹Performance Measure descriptions, rationale, data source information and benchmarking are available online at <https://www.bchydro.com/toolbar/about/strategies-plans-regulatory/service-plan.html>

²Progressive Aboriginal Relations is a certification program by the Canadian Council of Aboriginal Business. It is reviewed on a three-year cycle.

Discussion

The Canadian Council of Aboriginal Business's Progressive Aboriginal Relations (PAR) Gold certification offers validation of BC Hydro's continuous improvement and focus on enhanced Indigenous relations. It is a certification program designed to help Canadian businesses benchmark, improve and signal their commitment to progressive relationships with Indigenous communities, businesses and people. PAR certification evaluates four areas of performance including: leadership actions; employment; business development; and community relations. It provides a high degree of assurance to Indigenous communities, as certification every three years is supported by an independent third-party verification and is determined by a jury comprised of Indigenous businesspeople. BC Hydro has attained the highest, gold-level designation from the Canadian Council for Aboriginal Business since 2012.

Financial Plan

Summary Financial Outlook

Consolidated Statement of Net Income ¹ (\$ millions)	2022/23 Forecast	2023/24 Budget	2024/25 Budget	2025/26 Budget
Domestic	5,331	5,844	6,131	6,621
Trade	2,684	2,100	2,036	2,197
Total Revenues	8,014	7,945	8,166	8,818
Operating Costs				
Cost of energy	3,585	3,662	3,768	3,848
Personnel expenses, materials & external services²	1,363	1,439	1,514	1,636
Amortization and depreciation	1,051	1,078	1,139	1,318
Grants and taxes	316	315	331	350
Other	139	110	150	131
Finance charges	458	633	734	1,079
Total Expenses	6,911	7,236	7,636	8,363
Net Income before movement in regulatory balances	1,103	709	530	456
Net movement in regulatory balances	(391)	3	182	256
Net Income	712	712	712	712
Other Selected Financial Information				
Dividends	-	-	-	-
Net Debt³	27,200	29,077	31,146	32,081
Equity	7,758	8,470	9,182	9,894
Capital Expenditures	3,878	3,815	3,924	2,653

¹ Table may not add due to rounding.

² These amounts are net of capitalized overhead and consist of the following:

	2022/23	2023/24	2024/25	2025/26
Domestic Base Operating Costs	927	947	979	1,064
Other	437	492	535	572

Other largely consists of Powerex & Powertech operating costs, IFRS-ineligible capital overhead, and expenses subject to regulatory deferral.

³ Debt figures are net of sinking funds and cash and cash equivalents.

Key Forecast Assumptions, Risks and Sensitivities

Key Assumptions ¹	2022/23 Forecast	2023/24 Budget	2024/25 Budget	2025/26 Budget
Growth and Load				
B.C. Real Gross Domestic Product Growth (%) ²	3.8	2.7	1.8	2.2
Domestic Sales Load Growth (%) ³	1.2	2.8	3.4	3.2
Load and System Exports:				
Domestic Sales Volume (GWh)	54,096	55,636	57,512	59,367
System Exports Volume (GWh)	6,708	4,749	4,036	3,942
Line Loss and System Use (GWh)	5,173	5,640	5,781	5,925
Total Load and System Exports (GWh)	65,977	66,026	67,329	69,234
Energy Generation				
Total System Water Inflows (% of average)	96.9	100.0	100.0	100.0
Sources of Supply:				
Hydro Generation (GWh)	46,825	45,823	46,544	49,215
System Imports (GWh)	2,419	4,167	5,029	4,325
Independent Power Producers and Long-term Purchases (GWh)	16,457	15,723	15,443	15,377
Thermal Generation & Other (GWh)	275	312	313	317
Total Sources of Supply (GWh)	65,977	66,026	67,329	69,234
Average Mid-C Price (U.S.\$/MWh)	79.27	83.41	71.38	64.87
Average Natural Gas Price at Sumas (U.S.\$/MMBTU)	7.21	5.08	4.51	4.43
Financial				
Canadian Short-Term Interest Rates (%) ⁴	3.16	3.86	3.23	2.61
Canadian Long-Term Interest Rates (%) ⁴	4.11	4.08	3.91	3.72
Foreign Exchange Rate (U.S.\$:Cdn\$) ⁴	0.7558	0.7645	0.7855	0.7922

¹ Table may not add due to rounding.

² Economic assumptions based on Conference Board of Canada – August 2020 forecast and based on calendar year.

These economic assumptions are consistent with the economic assumptions used in the Load Forecast, which was prepared in December 2020.

³ Includes the impact of Demand Side Management programs. Excludes system exports.

⁴ Financial assumptions from Ministry of Finance, October 2022.

Sensitivity Analysis

Factor	Change	Approximate change in 2023/24 earnings before regulatory account transfers (in \$ millions)
Hydro Generation (GWh) ¹	+/- 1%	40
Customer Load ²	+/- 1%	5
Electricity/Gas trade margins ³	+/- 1%	4
Purchases from Energy Purchase Agreements (EPAs) ⁴	+/- 1%	2
Interest rates – variable debt	+/- 100 basis points	40
Interest rates – hedges of future debt issuances ⁵	+/- 100 basis points	+300/-350
Discount rates – Post-employment benefit plan current service costs ⁶	+/- 100 basis points	+15/-20

¹ Assumes a change in hydro generation is offset by a corresponding change in system imports or exports.

² Assumes a percentage change is applied equally to all customer classes. Assumes a change in customer load is offset by a corresponding change in system imports or exports.

³ Trade revenues less trade energy costs.

⁴ Assumes a change in purchases from EPAs is offset by a corresponding change in system imports or exports.

⁵ Relates to unrealized gains/(losses) on interest rate hedges of future debt issuances. Note that hedging gains and losses serve to offset variation in annual interest rate costs when amortized through the Debt Management Regulatory Account. Sensitivity is based on notional value of hedges outstanding and market interest rates as of September 30, 2022.

⁶ Discount rates based on the yields of AA Canadian Corporate bonds.

Management's Perspective on Financial Outlook

In August 2021, BC Hydro filed a three-year revenue requirements application with the BCUC for 2022/23 to 2024/25. BC Hydro expects a decision in the spring of calendar 2023 which may change the financial projections for revenues and expenses.

The current financial projections for revenues and expenses through 2024/25 were approved by the BC Hydro Board of Directors and submitted to the Ministry of Finance in January 2023.

The COVID-19 pandemic continues to adversely impact global economic activity and has contributed to significant volatility in financial markets. The pandemic could have a sustained adverse impact on economic and market conditions and could adversely impact BC Hydro's future performance if it were to cause a prolonged decrease in customer load, volatility in electricity/gas trade margins and interest rates, difficulty accessing debt, project delays and project cost escalations.

While BC Hydro engages in emergency preparedness (including business continuity planning) to mitigate risks, the persisting uncertainty of this situation limits the ability to predict the ultimate adverse impact of COVID-19 on BC Hydro's performance, financial condition, results of operations and cash flows.

This plan contains forward looking statements, including statements regarding the business and anticipated financial performance of BC Hydro. These statements are subject to a number of risks and

uncertainties such as customer load, hydro generation, interest rates, electricity/gas market conditions and our ability to deliver our capital projects on-time and on-budget. These and other risks and uncertainties may cause actual results to differ from those contemplated in the forward-looking statements.

Capital Expenditures by Year and Type and Function

(\$millions)	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
Capital Expenditures by Type¹				
Sustaining	1,247	1,380	1,351	1,656
Growth	2,631	2,435	2,573	997
Subtotal – BC Hydro Capital Expenditures before CIA	3,878	3,815	3,924	2,653
Contributions-in-Aid (CIA) ²	(176)	(186)	(177)	(181)
Total – BC Hydro Capital Expenditures net of CIA	3,702	3,629	3,747	2,472
Generation	340	400	418	565
Transmission and Distribution	1,040	1,098	1,153	1,359
Properties, Technology and Other	272	277	264	296
Site C Project ³	2,226	2,040	2,089	433
Subtotal – BC Hydro Capital Expenditures before CIA	3,878	3,815	3,924	2,653
CIA	(176)	(186)	(177)	(181)
Total BC Hydro Capital Expenditures net of CIA	3,702	3,629	3,747	2,472

¹ BC Hydro classifies capital expenditures as either sustaining capital or growth capital:

- Sustaining capital includes expenditures to ensure the continued availability and reliability of generation, transmission and distribution facilities. It also includes expenditures to support the business, such as vehicles and information technology.
- Growth capital includes expenditures to meet customer load growth and other business investments. Growth capital includes expenditures to expand existing generation assets as well as expand and reinforce the transmission and distribution system, and includes Site C.

² Contributions in aid of construction are amounts paid by certain customers toward the cost of property, plant and equipment required for the extension of services to supply electricity.

³ Site C project expenditures excludes charges subject to regulatory deferral and certain operating expenditures.

Projects over \$50 million

BC Hydro has the following projects, each with capital costs expected to exceed \$50 million, listed

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2022 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
Projects Recently Put Into Service or Completed				
Downtown Vancouver Electricity Supply: West End Strategic Property Purchase This project acquired property rights needed to build and connect a new underground substation that will upgrade the aging electricity system in downtown Vancouver.	2022 Completed	\$74	\$0	\$74
Mica Replace Units 1 to 4 Generator Transformers Project This project addressed the reliability and safety risks of the Unit 1-4 Generator Step-up Unit transformers at the Mica Generating Station, which were nearing end of life. There was a heightened reliability and safety risk from continuing to operate these transformers in an underground powerhouse as they aged.	2022 In-Service	\$72	\$8	\$80

according to targeted completion date. These projects have been approved by the Board of Directors.

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2022 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
Ongoing				
G.M. Shrum (GMS) G1 to 10 Control System Upgrade This project will replace the controls equipment, provide full remote-control capability from the control center, and rectify deficiencies in the current system. The condition of the legacy controls for the GMS generating units, which were originally installed in the 1960s and 1970s, is of growing concern due to increasing maintenance requirements, lack of available spare parts and decreasing reliability. The controls are well beyond their expected life, which causes operating problems and increases the risk of damage to major equipment.	2023 Targeted In-Service	\$67	\$8	\$75
5L063 Telkwa Project This project will increase the reliability and reduce the safety risks of the 500kV radial transmission line (5L063) that provides service for customers in Northwest British Columbia. A portion of the 5L063 line will be relocated away from the current area of unstable terrain.	2023 Targeted In-Service	\$44	\$22	\$66
Lake Buntzen 1 Coquitlam Tunnel Gates Refurbishment Project This project is to address safety and environmental risks by improving the reliability of the Coquitlam tunnel gates for control of water conveyance from the Coquitlam Reservoir to Buntzen Lake Reservoir.	2023 Targeted In-Service	\$38	\$29	\$67

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2022 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
Mount Lehman Substation Upgrade Project This project will increase the firm capacity of the Mount Lehman Substation to address safety and asset health concerns at both the Clayburn and Sumas Way substations.	2023 Targeted In-Service	\$51	\$7	\$58
Street Light Replacement Program The program will convert approximately 95,000 BC Hydro owned and maintained High Pressure Sodium and Mercury Vapour street lights to Light Emitting Diode (LED) street lights. This is required to meet federal polychlorinated biphenyl (PCB) environmental regulations by the end of 2025, manage increasing operations and maintenance costs, and better meet our customers' expectations. Lights have started to be converted and conversions will be completed in 2023.	2023 Targeted In-Service	\$51	\$24	\$75
Various Sites – NERC Critical Infrastructure Protection Implementation Project for cyber assets This project is required to install equipment and establish processes, practices, and procedures to ensure that BC Hydro is compliant with the Critical Infrastructure Protection (CIP) CIP-003-7 and revised CIP-003-8 Mandatory Reliability Standards on all low impact Bulk Electric System Cyber Assets.	2023 Targeted In-Service	\$36	\$24	\$60

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2022 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
Wahleach Refurbish Generator Project This project will improve the reliability of the generator at Wahleach Generating Facility, and its scope includes replacement of the stator and rotor poles, refurbishment of the remaining major components, and a combination of new, replacement, and refurbishment of the auxiliary components. The project also includes the installation of a new powerhouse crane and structural upgrades to the powerhouse building.	2023 Targeted In-Service	\$41	\$10	\$51
Capilano Substation Upgrade Project This project will address the existing asset health, reliability, safety, and environmental issues associated with the Capilano Substation, and to ensure that the capacity of the substation meets the long term area needs. The project will also introduce a 25kV source to enable 25kV voltage conversion and facilitate the execution of other future substation projects in the North Shore area.	2024 Targeted In-Service	\$52	\$35	\$87
Mica Modernize Controls Project This project will address the reliability, maintainability, and operability of the Units 1-4 exciters, governors, unit controls and control room controls at the Mica Creek Generating Station.	2024 Targeted In-Service	\$44	\$12	\$56

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2022 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
Vancouver Island Radio System Project This project will replace the end-of-life BC Hydro telecommunication system on Vancouver Island with a modernized system to improve reliability and increase communication capacity. Upgrades will be completed at 38 substations and microwave repeater sites and the project will also include installation of a new microwave radio link.	2024 Targeted In-Service	\$39	\$14	\$53
Natal – 60-138 kV Switchyard Upgrade Project This project is to address reliability, regulatory and safety risks at the Natal substation as the 60-138kV switchyard equipment is at end of life and requires replacement.	2025 Targeted In-Service	\$19	\$65	\$84

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2022 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
<p>Site C Project***</p> <p>This project will construct a third dam and a hydroelectric generating station on the Peace River approximately seven kilometres southwest of Fort St. John. It will be capable of producing approximately 5,100 gigawatt-hours of electricity annually and 1,100 megawatts of capacity. Site C will provide clean, renewable and cost-effective power in B.C. for more than 100 years.</p> <p><i>*Planned in-service date for all units.</i></p> <p><i>**Site C project total anticipated cost and project cost to date include capital costs, charges subject to regulatory deferral and certain operating expenditures.</i></p> <p><i>***As approved in June 2021, the Site C project budget is \$16 billion with a project in-service date of calendar year 2025. BC Hydro continues to manage significant risks to the project and continues to work with the Project Assurance Board, Mr. Milburn, Ernst & Young Canada, and the Technical Advisory Board to manage these project risks.</i></p>	2025* Targeted In-Service	\$10,464	\$5,536	\$16,000**
<p>Sperling Substation (SPG) Metalclad Switchgear Replacement Project</p> <p>This project will address the existing asset health, reliability and safety risks associated with the 12kV 60 series feeder section and the bulk oil breaker in the 12 kV 70/80 series feeder section, insufficient electrical clearances in the 60 series feeder section, and arc flash safety risks associated with the 12kV indoor metalclad switchgear.</p>	2026 Targeted In-Service	\$32	\$44	\$76

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2022 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
Treaty Creek Terminal – Transmission Load Interconnection (KSM) Project This project is to facilitate the interconnection for construction power for the planned Kerr-Sulphurets-Mitchell (KSM) Mine to BC Hydro's transmission system. Under BC Hydro's standard tariffs, the customer is required to pay a portion of this project's costs. A future project is planned to supply power for the full mine. <i>*The total cost represents the gross cost of the project and has not been netted for a customer's contribution of \$37M.</i>	2026 Targeted In-Service	\$25	\$84	\$109*
Mainwaring Station Upgrade Project This project is required to maintain the reliability of the Mainwaring substation, and address safety and environmental risks at the substation.	2026 Targeted In-Service	\$10	\$144	\$154

Appendix A: Subsidiaries and Operating Segments

Active Subsidiaries

As wholly owned subsidiaries, and like BC Hydro itself, Powerex Corp. and Powertech Labs Inc. follow best practices in corporate governance and subsidiary activities align with BC Hydro's mandate, strategic priorities and fiscal plan.

Powerex Corp

Powerex Corp., an energy marketer, is a wholly owned corporate subsidiary of BC Hydro and a key participant in wholesale energy markets across North America. Powerex's business consists of trading wholesale power and natural gas, environmental products (renewable energy credits or other similar products), carbon products (allowances and other similar products), ancillary energy services and financial energy products.

Through its contractual agreements with BC Hydro, Powerex supports BC Hydro's system requirements by importing and exporting energy. Powerex also markets, through a contractual agreement with the Province, the Canadian Entitlement to the Downstream Power Benefits under the Columbia River Treaty.

The Chief Executive Officer (CEO) of Powerex reports directly to the Board of Directors of Powerex. The Chair of the Powerex Board ensures the Board of BC Hydro is informed of Powerex's key strategies and business activities. The Powerex CEO also informs the BC Hydro President & CEO and Executive Team of Powerex's key strategies and business activities.

Powerex operates in competitive and complex wholesale energy-markets, which can cause net income in any given year to vary significantly. Market, economic and weather conditions, reduced hydro system flexibility, unrealized mark-to-market gains or losses and the strength of the Canadian dollar can materially impact Powerex net income. The Service Plan forecast includes annual trade income from Powerex of approximately \$290 million per year for 2023/24 to 2025/26, based on the average earnings over the last five fiscal years. For more information, visit powerex.com.

Board of Directors:

- Catherine Roome - Chair
- Len Boggio
- Sam Drier
- Marilyn Mauritz
- Chris O'Riley

Powertech Labs Inc

Powertech Labs Inc., operating in Surrey since its inception in 1979, is a wholly owned subsidiary of BC Hydro. Powertech provides innovative solutions, specialized testing and technical expertise to industry partners globally to create a safe and sustainable energy future. Powertech is internationally recognized for its technical leadership in a range of fields related to electric utilities and sustainable energy industries. It is also a leader in hydrogen technology, having long-standing experience designing and producing innovative hydrogen vehicle refueling systems, and is central to BC Hydro's commitment to support the Province's B.C. Hydrogen Strategy.

The President and CEO of Powertech reports to Powertech's Board of Directors through its Chair. The Powertech Board is chaired by BC Hydro's President and CEO and its Directors include senior Executives and Directors of BC Hydro.

The Service Plan forecast includes annual net income from Powertech ranging from approximately \$3 to \$4 million per year for 2023/24 to 2025/26. For more information, visit powertechlabs.com.

Board of Directors:

- Chris O'Riley - Chair
- Melissa Holland
- Vasee Navaratnam
- John Nunn
- David Wong

Other Subsidiaries

BC Hydro has created or retained a number of other subsidiaries for various purposes, including holding licences in other jurisdictions, to manage real estate holdings and to manage various risks. Three of these subsidiaries are considered active:

BCHPA Captive Insurance Company Ltd.

- Procures insurance products and services on behalf of BC Hydro.

Columbia Hydro Constructors Ltd.

- Administers and supplies the labour force to specified projects.

Tongass Power and Light Company

- Provides electrical power to Hyder, Alaska from Stewart, B.C. due to its remoteness from the Alaska electrical system.

Inactive Subsidiaries

BC Hydro's remaining subsidiaries either serve as nominee holding companies (indicated with an *) or are considered to be inactive/dormant. The inactive/dormant subsidiaries do not carry on active operations. As of December 31, 2022, these other subsidiaries consisted of the following:

- British Columbia Hydro International Limited
- British Columbia Power Exchange Corporation
- British Columbia Power Export Corporation
- British Columbia Transmission Corporation
- Columbia Estate Company Limited*
- Edmonds Centre Developments Limited*
- Fauquier Water and Sewerage Corporation
- Hydro Monitoring (Alberta) Inc.*
- Victoria Gas Company Limited
- Waneta Holdings (US) Inc.*
- 1111472 BC Ltd.

Appendix B: Mandate Letter from the Minister Responsible

June 15, 2021

Mr. Doug Allen
Chair
BC Hydro
18th Floor, 333 Dunsmuir Street
Vancouver, BC V6B 5R3

Dear Mr. Allen:

On behalf of Premier John Horgan and the Executive Council, I would like to extend my thanks to you and your board members for the dedication, expertise and skills with which you serve the people of British Columbia.

Every public sector organization is accountable to the citizens of British Columbia. The expectations of British Columbians are identified through their elected representatives, the members of the Legislative Assembly. Your contributions advance and protect the public interest of all British Columbians and, through your work, you are supporting a society in which the people of this Province can exercise their democratic rights, trust and feel protected by their public institutions.

You are serving British Columbians at a time when people in our province face significant challenges as a result of the global COVID-19 pandemic. Recovering from the pandemic will require focused direction, strong alignment and ongoing engagement between public sector organizations and government. It will require all Crowns to adapt to changing circumstances and follow Public Health orders and guidelines as you find ways to deliver your services to citizens.

This mandate letter, which I am sending in my capacity as Minister responsible for BC Hydro on behalf of the Executive Council, communicates expectations for your organization. It sets out overarching principles relevant to the entire public sector and provides specific direction to BC Hydro about priorities and expectations for the coming fiscal year.

I expect that the following five foundational principles will inform your agency's policies and programs:

**Ministry of
Energy, Mines and
Low Carbon Innovation**

Office of the Minister

**Mailing Address:
PO Box 9060, Stn Prov Govt
Victoria, BC V8W 9E2
Telephone: 250 953-0900**

- **Putting people first:** We are committed to working with you to put people first. You and your board are uniquely positioned to advance and protect the public interest, and I expect that you will consider how your board's decisions maintain, protect and enhance the public services people rely on and make life more affordable for everyone.
- **Lasting and meaningful reconciliation:** Reconciliation is an ongoing process and a shared responsibility for us all. Government's unanimous passage of the *Declaration of the Rights of Indigenous Peoples Act* was a significant step forward in this journey – one that all Crown agencies are expected to support as we work in cooperation with Indigenous peoples to establish a clear and sustainable path to lasting reconciliation. True reconciliation will take time and ongoing commitment to work with Indigenous peoples as they move towards self-determination. Guiding these efforts, Crown agencies must also remain focused on creating opportunities that implement the Truth and Reconciliation Commission's recommendations through your mandate.
- **Equity and anti-racism:** Our Province's history, identity and strength are rooted in its diverse population. Yet racialized and marginalized people face historic and present-day barriers that limit their full participation in their communities, workplaces, government and their lives. The public sector has a moral and ethical responsibility to tackle systemic discrimination in all its forms – and every public sector organization has a role in this work. All Crowns are expected to adopt the Gender-Based Analysis Plus (GBA+) lens to ensure equity is reflected in your operations and programs. Similarly, appointments resulting in strong public sector boards that reflect the diversity of BC will help achieve effective and citizen-centred governance.
- **A better future through fighting climate change:** Announced in December 2018, the CleanBC climate action plan puts our Province on the path to a cleaner, better future by building a low-carbon economy with new clean energy jobs and opportunities, protecting our clean air, land and water and supporting communities to prepare for carbon impacts. As part of the accountability framework established in CleanBC, and consistent with the *Climate Change Accountability Act*, please ensure your organization aligns operations with targets and strategies for minimizing greenhouse gas emissions and managing climate change risk, including the CleanBC target of a 50% reduction in public sector building emissions and a 40% reduction in public sector fleet emissions by 2030. Your organization is expected to work with government to report out on these plans and activities as required by legislation.

- **A strong, sustainable economy that works for everyone:** I expect that you will identify new and flexible ways to achieve your mandate and serve the citizens of BC within the guidelines established by the Provincial Health Officer and considering best practices for conducting business during the pandemic. Collectively, our public sector will continue to support British Columbians through the pandemic and economic recovery by investing in health care, getting people back to work, helping businesses and communities, and building the clean, innovative economy of the future. As a public sector organization, I expect that you will consider how your decisions and operations reflect environmental, social and governance factors and contribute to this future.

The Crown agencies and Board Resourcing Office (CABRO), with the Ministry of Finance, will continue to support you and your board on recruitment and appointments as needed, and will be expanding professional development opportunities in 2021/22. The Governing in the Public Interest online certificate program is now available, and all board members are encouraged to complete this new offering.

As the Minister Responsible for BC Hydro, I expect that you will make substantive progress on the following priorities and incorporate them in the goals, objectives and performance measures in your 2021/22 Service Plan:

- Provide leadership in advancing CleanBC's climate and economic development objectives, including electrification, fuel switching, and energy efficiency initiatives in the built environment, transportation, mining, oil and gas, and other sectors.
- Keep electricity affordable by ensuring that rates do not increase above inflation, on a cumulative basis, over the next decade.
- Continue delivering affordability measures that support BC's Poverty Reduction Strategy, including demand-side management programs targeted to low-income customers, in a manner consistent with new and emerging CleanBC policies.
- Maintain or improve customer satisfaction by providing timely and responsive service.
- Safely complete the Site C project within the lowest cost and approved schedule, and implement the recommendations of the Milburn Report, reports from independent dam safety experts, other directions from the Minister responsible, and provide quarterly progress and other reporting to Treasury Board and the BC Utilities Commission.
- Continue to implement government direction resulting from the Comprehensive Review of BC Hydro. Priority initiatives for 2021/22 should include:

- Supporting the implementation of the BC Hydrogen Strategy;
 - Expanding BC Hydro's network of electric vehicle DC fast-charging stations;
 - Supporting clean technology innovation through Powertech;
 - Increasing industrial electrification by making it easier and faster for customers to connect to the electricity grid; and
 - Re-investing new low carbon fuel standard credit revenues in transportation electrification infrastructure, incentives and programs.
- Develop a short-term electrification plan that builds on the key results of the Comprehensive Review of BC Hydro and supports CleanBC.
 - Working with customers, develop efficient and flexible rate proposals for BC Utilities Commission review that will incent greenhouse gas emission reductions and keep rates affordable.
 - Actively market 100% clean energy through Powerex to realize new trading opportunities and income for the benefit of BC Hydro ratepayers.
 - Partner with the Province and the federal government to implement the CleanBC Remote Community Energy Strategy to help remote communities, with a focus on Indigenous communities, reduce diesel use and replace it with clean energy.
 - Work with the Province to secure additional federal funding and bring into service transmission projects that will reduce or avoid greenhouse gas emissions and help meet its climate goals.

Each board member is required to sign the Mandate Letter to acknowledge government's direction to your organization. The signed Mandate Letter is to be posted publicly on your organization's website in spring 2021.

I look forward to continuing to work with you and your Board colleagues to build a better BC.

Sincerely,

Original signed by Minister.

Bruce Ralston
Minister

Date: June 15, 2021

Doug Allen,
Chair

Len Boggio,
Director

Daryl Fields,
Director

Valerie Lambert,
Director

Irene Lanzinger,
Director

Nalaine Morin,
Director

John Nunn,
Director

Catherine Roome,
Director

Chris Sanderson,
Director

cc: Honourable John Horgan, Premier
Lori Wanamaker, Deputy Minister to the Premier, Cabinet Secretary and Head of the BC Public Service
Heather Wood, Deputy Minister and Secretary to Treasury Board, Ministry of Finance
Douglas S. Scott, Deputy Minister, Crown Agencies Secretariat, Ministry of Finance
Fazil Mihar, Deputy Minister, Ministry of Energy, Mines and Low Carbon Innovation
Len Boggio, Director, BC Hydro
Daryl Fields, Director, BC Hydro
Valerie Lambert, Director, BC Hydro
Irene Lanzinger, Director, BC Hydro
Nalaine Morin, Director, BC Hydro
John Nunn, Director, BC Hydro
Catherine Roome, Director, BC Hydro
Chris Sanderson, Director, BC Hydro
Chris O'Riley, President and Chief Executive Officer, BC Hydro