

BC Hydro and Power Authority

2025/26 – 2027/28 Service Plan

March 2025



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Board Chair's Accountability Statement



The 2025/26 – 2027/28 BC Hydro Service Plan was prepared under the Board's direction in accordance with the *Budget Transparency and Accountability Act*. This plan is consistent with government's strategic priorities and fiscal plan. The Board is accountable for the contents of this plan and is responsible for the validity and reliability of the information presented.

All significant assumptions, policy decisions, events and identified risks, as of March 4, 2025 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 blue ink that reads "Glen Clark". The signature is fluid and cursive.

Glen Clark
Board Chair, BC Hydro
March 4, 2025

Table of Contents

Board Chair's Accountability Statement.....	3
Strategic Direction.....	5
Purpose of the Organization and Alignment with Government Priorities.....	5
Operating Environment.....	6
Performance Planning.....	8
Financial Plan.....	20
Appendix A: Subsidiaries and Operating Segments.....	36
Appendix B: Mandate Letter from the Minister Responsible.....	39

Strategic Direction

In 2025/26, public sector organizations will continue to prioritize delivering the services and infrastructure needed for people to build good lives in strong communities.

To support this objective public sector organizations will support Government's focus on growing the economy, responding to the threat of tariffs, creating good paying jobs, improving affordability, strengthening health care and education, and making communities safer.

Public sector organizations will also continue to work as directed to support the implementation of the Declaration on the Rights of Indigenous Peoples Act Action Plan.

This 2025/26 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 percent 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, our homes and our quality of life. As a provincial Crown Corporation, BC Hydro reports to the Provincial Government through the Minister of Energy and Climate Solutions. Government's expectations are expressed through the following legislation and policies:

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

Our mission is to safely provide our customers with reliable, affordable, and renewable electricity. To fulfill this mission on behalf of our customers and the Province, our Service Plan sets out a three-year plan with strategies, performance measures, and targets aligned with the priorities outlined in the 2023 [B.C. Government's Mandate Letter from the Minister of Energy and Climate Solutions](#). Our Service Plan also aligns with [BC Hydro's Five-Year Strategy](#) to deliver on our vision of a more sustainable future for all British Columbians.

We have identified four strategic goals for the Service Plan based on the foundational principles and documents described above:

1. We will meet growing customer demand;
2. We will strengthen our resilience;
3. We will maintain affordability;

4. We will continue to advance reconciliation with First Nations.

Operating Environment

As our province enters an era of significant population growth, industrial and economic development, and continued action to reduce greenhouse gas emissions (GHGs) there is a need for decisive action to meet increasing demand for electricity. Meeting this demand will require significant investment to maintain our existing infrastructure, build new transmission, and add new sources of energy and capacity resources over a relatively short period of time. We are accelerating investment in our system at unprecedented levels while engaging with new approaches and forms of partnerships that enable affordable rates, innovation, reconciliation, and responsiveness to market conditions. We are focused on promptly deploying investments that optimally support economic development, population and housing growth while protecting the cost to our residential rate payers.

Our [\\$36 billion dollar Capital Plan](#) sets a pathway for community and regional infrastructure investments across B.C. These capital investments will support approximately 10,000 jobs for skilled workers annually, on average, and generate economic growth for First Nations and communities all over the province.

Advancing power infrastructure which supplies industrial business is key to enabling economic development in the Province. Two areas of focus are northwestern and northeastern B.C. In the northwest we are advancing the North Coast Transmission Line (NCTL), which will support new and expanded mines, port expansion and electrification, and additional LNG development. [As recently announced by the Government of British Columbia](#), to accelerate permit approval of the NCTL, legislation will be introduced to make the [British Columbia Energy Regulator \(BCER\)](#) the sole permitting regulator for the line to help streamline the development and construction timeline. In the northeast there is the potential for significant new upstream gas development and electrification of existing production. BC Hydro is working with industry and First Nations to support their development, ensuring power is there when needed, all while looking to minimize cumulative impacts to the region.

In December 2024 we awarded 30-year electricity purchase agreements to ten projects as part of our 2024 Call for Power. These projects will provide nearly 5,000 gigawatt hours per year of electricity - enough to power nearly 500,000 homes and boost our current supply by eight percent. It is projected that their development and construction are also expected to generate between \$5 billion and \$6 billion in private capital investment. The outcomes of the Call for Power support the commitments in [BC Hydro's Declaration on the Rights of Indigenous Peoples Implementation Plan](#) and result in meaningful economic reconciliation opportunities. Nearly all of the projects have First Nations majority ownership representing approximately \$2.5 billion to \$3 billion of ownership by First Nations in new renewable energy projects in the province. To ensure that these facilities start generating renewable and affordable electricity for our customers as quickly as possible they have been exempted from the provincial Environmental Approval (EA). While they will still proceed through a rigorous permitting process, it will be streamlined and focused on balancing strong environmental protection with the need for additional electricity to support B.C.'s economy. In 2025, we will also focus on

advancing the next competitive call for power to increase and diversify B.C.'s generation of electricity.

The [Site C Clean Energy Project](#) is safely nearing completion and will provide 1,100 megawatts of capacity and produce about 5,100 gigawatt hours of electricity each year – enough energy to reliably power nearly 500,000 homes or 1.7 million electric vehicles per year in British Columbia. Two of the six generating units are now providing power into BC Hydro's electricity system and the remaining four units are expected to be operational in 2025.

We are implementing ambitious plans for energy efficiency to grow the economy, support the energy transition and ensure the cost of energy remains low for the people of BC. Through the [Energy Efficiency Plan](#) we are investing over \$700 million between fiscal years 2025-2027 in tools, technology and programs for customers to encourage more energy efficient choices and a shift away from using energy during peak times. Through the Electrification Plan we are investing over \$260 million over five years (fiscal 2022-2026) in programs for customers to encourage a switch from fossil fuels to renewable electricity and attract new, industry to British Columbia. These programs are efficient and effective and incorporate innovative technologies and approaches to energy management.

As a utility that operates in a high hazard industry, we keep safety and reliability 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. It has been more than 14 years since our last employee fatality in August 2010. We continuously work to improve our performance by sustaining and strengthening our internal Integrated Safety and Compliance Framework.

Performance Planning

Goal 1: Meet growing customer demand

Population increase, industrial growth, economic development and climate action are all driving an increase in demand for renewable electricity and related infrastructure. As we build a clean economy, electricity is increasingly a larger proportion of the province's total energy use and our customers are looking for innovative solutions and products.

Objective 1.1: BC Hydro will stay close to our customers

As our province continues to grow, so do the needs and expectations of our customers, who we are committed to serving. This objective ensures we engage deeply with all customer segments to understand their changing needs to effectively power economic growth in British Columbia, including unlocking the economic potential of the North Coast and Northeast areas of the province. It also focuses on finding innovative ways to make life more affordable for British Columbians and help achieve greenhouse gas reduction goals.

Key Strategies

- Innovate and implement a range of residential customer rates, solutions and products to meet our customers' needs.
- Work closely with industrial customers to understand their priorities, respond to changing market conditions and enable effective and responsive system planning that supports economic growth.
- Develop solutions that make it easier for our residential, commercial and industrial customers to connect to our system including process improvements and business practice changes.
- Expediently provide our industrial customers with the information they need to make decisions related to connecting to our transmission system.
- Modernize our industrial tariffs to ensure that they enable economic growth.

Objective 1.2: BC Hydro will deepen our partnerships

We, alongside our customers, work in an increasingly complex economic and operating environment. This objective highlights the need for us to increasingly collaborate with partners, such as municipalities and our suppliers, to develop agile and creative solutions that can accelerate our work, meet growing demand and drive sustainable economic development.

Key Strategies

- Work with municipalities to streamline the electrical service connection process and reduce the amount of time it takes for electrical infrastructure design, permitting and construction.

- Collaborate meaningfully with municipalities to jointly plan and execute infrastructure construction work to minimize the impact of infrastructure work on communities and drive cost and time efficiencies.
- Partner with priority suppliers and service providers to ensure we can secure the services, materials and equipment needed to implement our increased capital plan and energy efficiency plan.
- Evolve our procurement approach to make it easier and more appealing for suppliers to work with BC Hydro.

Performance Measures

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[1a] CSAT Index ¹	85	85	85	85

Data source: BC Hydro customer satisfaction surveys

¹Percentage of customers satisfied or very satisfied. Customer Satisfaction Index (CSAT) is an index measuring customer satisfaction of BC Hydro's three main customer groups (residential, commercial, and industrial). The index is comprised of the five key drivers of satisfaction weighted equally across the three customer types.

Discussion

As a Crown corporation serving over five million people in B.C., customer service and satisfaction is at the core of our mandate. Our 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. Maintaining our current target of 85 percent customer satisfaction indicates strong customer support of our work.

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[1b] Power Smart Participants ¹	160,000	215,000	225,000	270,000

Data source: Product participation databases

¹Power Smart Participants includes customer enrolment in the following products: Team Power Smart Challenge, HydroHome, heat pumps, EV Power Management, Peak Saver, Time of Day Rate, and Solar and Battery.

Discussion

The Power Smart Participants (formerly known as Residential Electrification Program Participation) measures the annual number of our residential customers who enroll in optional energy efficiency and demand response products that support the energy transition, including planned, current, or upcoming offerings such as [Team Power Smart Challenge](#), [HydroHome](#), [heat pumps](#), [Electric Vehicle Power Management](#), [Peak Saver](#), [Time of Day Rate](#), and [Solar and](#)

[Battery](#) programs. This metric represents a good proxy for residential customers’ overall engagement in demand side management programs and fuel switching. It is linked to lowering energy consumption and bills to support affordability, and adopting new technologies.

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[1c] Energy Efficiency Program Savings ¹	N/A	350	400	500

Data source: BC Hydro Energy Management and Innovation group

¹Energy Efficiency Program Savings are measured in GWh/year.

Discussion

Energy Efficiency Program Savings measured in gigawatts per year (GWh/year) reflect the annual new incremental energy savings from programs in the Energy Efficiency Plan. This metric measures the success of BC Hydro’s energy efficiency programs. The targets are derived from the Energy Efficiency Plan, which is informed by the Integrated Resource Plan.

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[1d] GHG Emission Reduction – BC Hydro Operations ¹	44%	44%	46%	47%

Data source: Collected by various BC Hydro groups, including: Environment (sulfur hexafluoride (SF6)/CH4); Supply Chain (paper use and air travel); Fleet Services (vehicle emissions); Properties (buildings); Asset Planning (Non-Integrated Areas and Independent Power Producers); and Operations (thermal).

¹ Cumulative GHG reductions from BC Hydro operations since 2007. The baseline GHG emission in 2007 was 1,735 k tCO2e.

Discussion

GHG Emissions Reduction – BC Hydro Operations measures BC Hydro’s progress in reducing GHG emissions related to our own operations to align with and support the Province’s climate goals. This includes areas such as: fleet; buildings; sulfur hexafluoride (SF6) and carbon tetrafluoride (CF4); thermal; air travel; paper; independent power producers; and non-integrated areas. Non-integrated areas are communities that are not connected to BC Hydro’s integrated grid and instead receive electricity service from local generation sources. Targets for this measure have been set to exceed the 38 to 43 percent provincial reduction targets for industry from 2007 levels by 2025 and 2030, respectively. The target for F25/F26 has been adjusted from 45% to 44% to reflect the implication of a change to the Emissions Intensity Factor methodology as directed by the Climate Action Secretariat and economic dispatch of thermal resources during cold winter weather. Under the Clean Energy Act, BC Hydro is required to submit annual GHG Reduction Regulation Reporting to the provincial government.

Goal 2: Strengthen our resilience

The world around us is changing and we are investing in our energy system to drive economic growth and reliably meet the energy needs of current and future customers. This includes

securing new sources of renewable energy and capacity and empowering our employees to meet the evolving expectations of our customers, while addressing climate change risks and cybersecurity threats.

Objective 2.1: BC Hydro will invest in B.C.'s energy system

With significant electrical load growth on the horizon, and our existing system aging, this objective reinforces our commitment to extending the life of our assets where possible, while also modernizing and investing in new infrastructure and technology to drive economic development in a way that is responsive to changing market conditions and demand from new large loads. This includes a focus on fostering economic development in the North through the North Coast Transmission Line and infrastructure to support industrial growth in the Northeast.

Key Strategies

- Advance the North Coast Transmission Line and transmission infrastructure in the North Montney region.
- Enhance the reliability and resilience of the generation, transmission and distribution system by continuing to effectively implement maintenance and vegetation management programs.
- Action our 10-Year Capital plan by implementing fit-for-purpose project and program governance and delivery strategies.
- Advance our 5-Year Technology and Cybersecurity plans to modernize our technology systems and enhance cybersecurity measures to safeguard the electrical grid.
- Implement innovations and advance work on modernizing the grid to support economic growth and meet future energy needs.

Objective 2.2: BC Hydro will secure additional sources of energy and capacity to support a clean economy

Meeting increased demand will require the addition of new sources of renewable energy over a short period of time. This objective emphasizes our efforts to build towards a clean economy by increasing and diversifying B.C.'s energy supply by adding new sources of renewable electricity, while also adding capacity to the system by helping customers adjust their current electricity consumption behaviour.

Key Strategies

- Secure renewable energy and capacity to support sustainable economic growth through regular calls for power.
- Integrate new renewable energy projects to our system.
- Increase investment in energy efficiency and demand response to secure a total of 2,000 gigawatt hours of energy savings and 400 megawatts of capacity savings by Fiscal 2030.

Objective 2.3: BC Hydro will empower and strengthen our organization

BC Hydro provides stable, family supporting jobs, across British Columbia. The increasing scale, scope and complexity of work will have significant impacts on our people and organization. This objective highlights the need to increase our emphasis on innovation and technology in our business, ensure we have the skills needed for the future, and take an intentional approach to supporting the workplace culture we need to succeed.

Key Strategies

- Preserve our strong safety performance during this time of high volume of work and enhance our focus on both physical and psychological safety.
- Refresh our existing people programs to foster the cultural attributes needed to achieve our strategic objectives.
- Further develop the capability of our leaders and ensure they have the support, training and skills they need to cultivate engaged and productive teams.
- Implement technology systems and tools to increase the ability of our employees to deliver their work.
- Build the capabilities of our workforce to identify, assess and leverage technological innovations.

Performance Measures

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[2a] Fatality & Permanently Disabling Injury ¹	0	0	0	0

Data source: BC Hydro Incident Management System

¹Loss of life or the injury has resulted in a permanent disability. BC Hydro's safety performance measure does not include contractor or public safety injuries or fatalities.

Discussion

Achieving our target of zero fatalities and permanently disabling injuries is an indicator of the effectiveness of our safety plan. This measure can indicate systemic issues with our safety management system that can drive improvements to our operations. To ensure accuracy and reliability of the data, each incident is reviewed to ensure the correct injury category and seriousness has been assigned in BC Hydro's Incident Management System. The target for this metric is set at zero, which aligns with our focus on safety by preventing all fatalities and permanently disabling injuries.

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[2b] System Average Interruption Duration Index (SAIDI) ^{1,2,3}	5.12	4.50	4.55	4.55

Data source: BC Hydro Distribution Outage Data Warehouse System and Asset Registry

¹Reliability targets are based on specific values, however performance within 10 percent 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.

²Total outage duration (in hours) of sustained interruptions experienced by an average customer in a year excluding major events.

³Starting in 2025/26, BC Hydro will adopt the Institute of Electrical and Electronics Engineers (IEEE) standard of a major event day. The 2024/25 forecast above reflects the adoption of IEEE standard. The 2024/25 forecast under the 2024/25 methodology is 3.63.

Discussion

BC Hydro's service reliability to its customers is measured using SAIDI, which is the average outage duration of sustained interruptions experienced by an average customer in a year, excluding major event days. The performance measure helps support targeted investment, planning, and process improvements to meet our customers' needs for reliability. SAIDI 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 therefore the data excludes major events. Starting in 2025/26, BC Hydro will adopt the [Institute of Electrical and Electronics Engineers](#) standard of a major event day to automate calculation, improve comparability across peer utilities companies, and annually adjust thresholds to account for climate change and system operational changes. The targets remain relatively stable and align with planned capital investment to mitigate increasing reliability impacts due to planned outages to maintain and upgrade equipment.

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[2c] Employee Engagement Index (points) ¹	74 points	At or above the engagement score of the BC Public Service	At or above the engagement score of the BC Public Service	At or above the engagement score of the BC Public Service

Data source: Confidential biennial employee engagement survey administered by an external service provider.

¹At or above the score of the BC Public Service, which was 70 points in 2024.

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.

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[2d] Cybersecurity Ranking amongst Canadian Peers ¹	Upper quartile	Upper quartile	Upper quartile	Upper quartile

Data source: BitSight Security Rankings Amongst Canadian Peers

¹The 11 Canadian peers BC Hydro is benchmarked against includes: SaskPower, Hydro One, TransAlta, Nova Scotia Power, Hydro-Quebec, NB Power, Manitoba Hydro, Nalcor Energy, Atco Ltd., Northwest Territories Power Corporation, and Ontario Power Generation.

Discussion

As BC Hydro is a critical infrastructure operator, this performance measure reflects our performance in addressing cyber risk which can cause significant disruption to our operations. [BitSight’s Security Ranking Amongst Canadian Peers](#) is an industry-recognized measure of preparedness to withstand cybersecurity incidents. There are a total of four quartiles in the calculation, with the “upper” quartile indicating performance among the top three Canadian peers. We have set targets in the upper ranking against Canadian peers to aim to achieve the highest level of cyber security in our operations.

Goal 3: Maintain affordability

This goal focuses on BC Hydro’s efforts to balance the investment needed to support economic development and growing demand with affordability, which is a challenge facing utilities across North America. To maintain affordability and support the economy during this period of rapid growth we will make smart decisions focused on cost-effectiveness and efficiency.

Objective 3.1: BC Hydro will ensure long-term financial sustainability

A lot is changing, and this objective ensures our financial model and structures are set up to deliver the needed investments in our system both today and in the longer-term. Managing costs and improving operational efficiencies with technology and process optimization will remain important to ensure we can continue to meet demand and support economic development in British Columbia.

Key Strategies

- Implement rates aligned to the investments required to meet growing demand.
- Maintain a sustainable financial structure to ensure long term viability and support growth.
- Improve operational efficiency by optimizing processes and leveraging technology that helps us deliver more work, faster.
- Continue to enhance the ways we work across teams, suppliers, and experts to ensure thoughtful assessments of how to successfully operate and deliver our projects on time and on budget.

Performance Measures

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[3a] Affordable Bills – Residential ¹	1 st quartile	1 st quartile	1 st quartile	1 st quartile

Data source: Hydro-Québec’s annual report on North American electricity rates, “[Comparison of Electricity Prices in Major North American Cities](#)”

¹BC Hydro calculates the Affordable Bills performance measure based on the median consumption level for residential customer. 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.

Discussion

The Affordable Bills measure is based on BC Hydro’s rankings in the residential category in the annual Hydro-Québec report, Comparison of Electricity Prices in Major North American Cities. Our targets, based on this report, demonstrate that our bills are affordable compared to other major North American utilities. In Hydro-Québec’s 2024 Comparison of Electricity Prices in Major North American Cities report, monthly bills have been calculated based on rates in effect on April 1, 2024. 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 main sources of electricity vary amongst the 22 participating utilities from wind, hydro, solar, nuclear, thermal, coal, and natural gas. 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. Further information about Hydro-Québec’s methodology can be found in the Hydro-Québec report. The methodology for calculating Affordable Bills performance measure uses the median consumption level because it provides a better representation of the central tendency than average. Targets of first quartile aim to maintain the highest level of performance when benchmarked against other North American utilities.

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[3b] Project Budget to Actual Cost: Cumulative Five Years (% variance) ^{1,2}	+1.92% on \$2.7 billion	Within ±5% of budget	Within ±5% of budget	Within ±5% of budget

Data source: BC Hydro Capital Infrastructure Project Delivery

¹This 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 because the size of the Site C Project would dominate the results of this measure making the results less meaningful.

Discussion

The Project Budget to Actual Cost measure includes Dam Safety, Generation, Transmission, Substation, and Distribution projects managed by BC Hydro Capital Infrastructure Project Delivery, as well as properties over \$1.5 million over 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 five percent of the budget, excluding project reserves at the portfolio level. The ± five percent target is the same over the plan period, as the objective is to have the entire project portfolio in service within this actual cost range, as we continue to prudently manage capital expenditures and keep rates affordable for our customers.

Goal 4: Advance reconciliation with First Nations

Advancing reconciliation is a long-standing priority for BC Hydro. As a Crown corporation, we also have an important role to play in supporting the Province's commitments to reconciliation, guided by the [United Nations Declaration on the Rights of Indigenous Peoples \(UNDRIP\)](#).

Objective 4.1: BC Hydro will continue to invest in and build mutually beneficial and stronger relationships with First Nations communities

Constructing and operating our electricity system has left lasting impacts on Indigenous peoples, cultures, traditions and ways of life which we deeply regret. Developing mutually beneficial relationships with First Nations is critical to our ongoing approach to operating and growing our system.

Key Strategies

- Continue to meet our commitments in our Relationship Agreements and work together with Indigenous communities to further reconciliation by creating sustainable benefits.
- 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.
- Partner with First Nations communities, the Province and the federal government to develop a plan to support remote communities to reduce or eliminate diesel generation.
- Increase opportunities for First Nations to participation in BC Hydro's planning decisions at a regional level.

Objective 4.2: BC Hydro will increase First Nations participation in the energy system

This objective highlights the important role we have to play in advancing reconciliation, and our belief that new models of doing business will be critical moving forward. To be successful we need to continue building on our relationship with First Nations and look for opportunities for First Nations to become partners in the energy system.

Key Strategies

- Engage First Nations in energy planning and provide meaningful procurement opportunities on capital and maintenance work.
- Support First Nations equity ownership through electricity purchase agreements from calls for power and community renewable energy projects in non-integrated areas.

- Continue dialogue and consultation with First Nations on the North Coast Transmission Line and develop a co-ownership agreement structure.

Performance Measures

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[4a] First Nations Economic Participation:				
<ul style="list-style-type: none"> • Economic Participants (#) • First Nations Revenues (\$ million) 	<ul style="list-style-type: none"> • N/A • N/A 	<ul style="list-style-type: none"> • Info Only • 250 	<ul style="list-style-type: none"> • Info Only • 550 	<ul style="list-style-type: none"> • Info Only • 800

Data source: BC Hydro Supply Chain, Independent Power Producer Portfolio Management, and Properties

Discussion

The new First Nations Economic Participation measure demonstrates BC Hydro’s commitment to a progressive operating model and improving relationships with First Nations. The measure has two components – Economic Participants and Economic Benefit. Economic Participants counts the number of instances of First Nations participation in directed Indigenous procurement contracts, Indigenous land lease contracts, Electricity Purchase Agreements with Indigenous equity interest, and Indigenous joint ownership of transmission assets. We report the Economic Participants as an informational only measure because it offers valuable insight that complements the Economic Benefit measure. However, these figures can fluctuate depending on demand and transaction size, making target setting ineffective. First Nations Revenues measures the total cumulative value paid to First Nations beginning in 2025/26 for the transactions and agreements described above. In aggregate, the First Nations Economic Participation measure is a proxy for our ability to become partners in the energy system with the First Nations and our commitment to advancing meaningful economic reconciliation with First Nations.

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[4b] Partnership Accreditation in Indigenous Relations	Gold	Gold	Gold	Gold

Data source: The Partnership Accreditation in Indigenous Relations certification program is overseen by the Canadian Council for Aboriginal Business. It is reviewed on a three-year cycle. BC Hydro last received the three-year Gold accreditation in 2024/25.

Discussion

Gold is the highest level for the Partnership Accreditation in Indigenous Relations (PAIR), formerly known as Progressive Aboriginal Relations certificate, from the [Canadian Council for Indigenous Business](#). This level of certification offers external validation of BC Hydro’s continuous improvement and focus on enhanced Indigenous relations. The PAIR certification program is designed to help Canadian businesses benchmark, improve, and signal their

commitment to progressive relationships with Indigenous communities, businesses, and peoples. PAIR certification evaluates four areas of performance including: leadership actions; employment; business development; and community relations. 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 Indigenous Business since 2012. BC Hydro is one of 23 companies in Canada that have attained that this designation.

Financial Plan

Summary: Financial Outlook

Consolidated Statement of Net Income ¹ (\$ millions)	2024/25 Forecast	2025/26 Budget	2026/27 Budget	2027/28 Budget
Domestic	6,191	6,764	7,188	7,640
Trade	1,305	1,375	1,389	1,409
Total Revenues	7,496	8,139	8,577	9,048
Operating Costs				
Cost of energy	2,782	2,862	2,915	3,037
Personnel expenses, materials & external services²	1,955	2,026	2,107	2,127
Amortization and depreciation	1,197	1,357	1,435	1,511
Grants and taxes	331	360	358	389
Other	133	134	146	172
Finance charges	1,105	1,121	1,174	1,237
Total Expenses	7,502	7,860	8,135	8,473
Net Income before movement in regulatory balances	(7)	279	442	575
Net movement in regulatory balances	579	433	270	137
Net Income	572	712	712	712
Other Selected Financial Information				
Dividends	-	-	-	-
Net Debt³	32,504	35,169	37,535	39,578
Equity	8,266	8,973	9,680	10,387
Capital Expenditures	4,420	4,469	4,383	4,390

¹ Table may not add due to rounding.

² These amounts are net of capitalized costs and recoveries and include Powerex & Powertech operating costs as well as 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	2024/25 Forecast	2025/26 Budget	2026/27 Budget	2027/28 Budget
Growth and Load				
Domestic Sales Load Growth (%) ²	3.7	0.3	3.6	(0.4)
Load and System Exports:				
Domestic Sales Volume (GWh)	56,812	57,001	59,034	58,798
System Exports Volume (GWh)	1,549	4,046	4,534	3,898
Line Loss and System Use (GWh)	4,578	5,537	5,736	5,717
Total Load and System Exports (GWh)	62,939	66,584	69,304	68,413
Energy Generation				
Total System Water Inflows (% of average)	86.3	100.0	100.0	100.0
Sources of Supply:				
Hydro Generation (GWh)	41,773	48,984	51,985	50,772
System Imports (GWh)	8,437	3,077	2,885	3,207
Independent Power Producers and Long-Term Purchases (GWh)	12,467	14,205	14,103	14,111
Thermal Generation & Other (GWh)	261	318	331	324
Total Sources of Supply (GWh)	62,939	66,584	69,304	68,413
Average Mid-C Price (U.S.\$/MWh)	54.44	65.23	69.03	69.22
Average Natural Gas Price at Sumas (U.S.\$/MMBTU)	3.43	4.52	4.70	4.93
Financial				
Canadian Short-Term Interest Rates (%) ³	4.05	2.68	2.79	2.79
Canadian Long-Term Interest Rates (%) ³	4.03	3.84	3.95	4.02
Foreign Exchange Rate (U.S.\$:Cdn\$) ³	0.7320	0.7453	0.7634	0.7707

¹ Table may not add due to rounding.

² Includes the impact of Demand Side Management programs. Excludes system exports.

³ Financial assumptions from Ministry of Finance, October 2024.

Sensitivity Analysis

Factor	Change	Approximate change in 2025/26 earnings before regulatory account transfers (in \$ millions)
Hydro Generation (GWh) ¹	+/- 1%	35
Customer Demand ²	+/- 1%	10
Electricity/Gas trade margins ³	+/- 1%	5
Purchases from Energy Purchase Agreements (EPAs) ⁴	+/- 1%	5
Interest rates – variable debt	+/- 100 basis points	50

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.

Management's Perspective on Financial Outlook

The current financial projections for revenues and expenses through 2027/28 were approved by the BC Hydro Board of Directors and submitted to the Ministry of Finance in February 2025.

Uncertainty around inflation and interest rates could have a sustained adverse impact on BC Hydro's future performance if they were to cause a decrease in customer load, volatility in electricity/gas trade margins, interest rate volatility, difficulty accessing debt, project delays and project cost escalations. In addition, geopolitical factors have caused negative disruptions to supply chains which are resulting in project delays and project cost escalations. There is significant uncertainty surrounding the potential for United States tariffs and policy direction via Executive Orders. Potential United States and any resulting retaliatory Canadian tariffs will have significant implications for federal and provincial economies and to BC Hydro's load, revenue, trade, supply chains, and ability to deliver capital projects.

The uncertainty related to these economic concerns limit the ability to predict the ultimate adverse impact of the economy on BC Hydro's performance, financial condition, results of operations and cash flows.

As an example of uncertainty in the financial forecast, annual generation from a hydroelectric system is inherently variable as it depends on water inflows.

The annual system surplus (i.e., the difference between generation and load) averaged 925 GWh for the five fiscal years prior to 2024/25, but ranges from a deficit of 10,430 GWh in 2023/24 to a surplus of 10,699 GWh in 2020/21.

British Columbia was in a drought that reduced overall inflows and associated generation (energy) in 2023/24 and 2024/25. The low snowpack in both the Columbia and Peace basins in

the spring of 2024 resulted in similar inflow and energy challenges as last year as 55% of the BC Hydro owned or contracted energy comes from the Columbia and Peace basins. Rain in the fall of 2024 mitigated some of the drought impacts for this fiscal year and while the effect of the drought is still significant in 2024/25, it is forecast to be less than in 2023/24. Hydro generation remains forecast to be below average for the balance of 2024/25. However, large variability in system inflows can still result in significantly different amounts of generation relative to the current period and, subsequently, affect cost of energy. Cost of energy may be higher due to imports in times of deficit and domestic revenues may be higher due to exports in times of surplus. Variability in seasonal and annual surplus or deficit amounts affects BC Hydro's cost of energy, domestic revenues, and financial performance.

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)	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast
Capital Expenditures by Type¹				
Sustaining	1,843	2,107	2,390	2,505
Growth	2,577	2,362	1,993	1,885
Subtotal – BC Hydro Capital Expenditures before CIA	4,420	4,469	4,383	4,390
Contributions-in-Aid (CIA) ²	(397)	(297)	(306)	(444)
Total – BC Hydro Capital Expenditures net of CIA	4,023	4,172	4,077	3,946
Capital Expenditures by Function				
Generation	582	756	919	977
Transmission and Distribution	1,807	2,366	2,807	2,915
Properties, Technology and Other	429	458	446	498
Site C Project ³	1,602	889	211	-
Subtotal – BC Hydro Capital Expenditures before CIA	4,420	4,469	4,383	4,390
CIA	(397)	(297)	(306)	(444)
Total BC Hydro Capital Expenditures net of CIA	4,023	4,172	4,077	3,946

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 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, 2024 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
Projects Recently Put into Service				
<p>Bridge River 1 – Penstock Concrete Foundation Refurbishment</p> <p>This project addressed safety and reliability risks of the four penstocks at the Bridge River 1 Generating Station by refurbishing the penstock supports and concrete foundations, and installing slope stabilization measures.</p>	2024 In-Service	\$56	\$9	\$65
<p>Capilano Substation Upgrade Project</p> <p>This project addressed the existing asset health, reliability, safety, and environmental issues associated with the Capilano Substation, and ensured that the capacity of the substation met the long term area needs. The project introduced a 25kV source to enable 25kV voltage conversion and facilitated the execution of other future substation projects in the North Shore area.</p>	2024 In-Service	\$72	\$5	\$77

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2024 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
<p>G.M. Shrum (GMS) G1 to 10 Control System Upgrade</p> <p>This project replaced the controls equipment, provided full remote-control capability from the Control Center, and rectified 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, was of growing concern due to increasing maintenance requirements, lack of available spare parts and decreasing reliability. The controls were well beyond their expected life, which caused operating problems and increased the risk of damage to major equipment.</p>	2024 In-Service	\$71	\$5	\$76
Ongoing				
<p>Mica Replace Units 1 to 4 Generator Transformers Project</p> <p>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 and went in-service in 2022. One of the transformers developed issues and was exchanged with a spare</p>	2022 In-Service	\$79	\$10	\$89

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2024 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
transformer. The Board approved the purchase and construction of infrastructure to store an additional spare transformer.				
<p>Mica Modernize Controls Project</p> <p>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.</p>	2025 Targeted In-Service	\$55	\$1	\$56
<p>Natal - 60-138 kV Switchyard Upgrade Project</p> <p>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 will remove PCB containing equipment by the December 31, 2025 Federal PCB Regulation deadline.</p>	2025 Targeted In-Service	\$69	\$32	\$101
<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-</p>	2025* Targeted In-Service	\$14,229	\$1,771	\$16,000**

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2024 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
<p>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>				
<p>Vancouver Island Radio System Project</p> <p>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 are being completed at 38 substations and microwave repeater sites and the project includes installation of a new microwave radio link.</p> <p><i>*The total cost represents the gross cost of the project and has not been netted for a contribution of \$1M.</i></p>	<p>2025 Targeted In-Service</p>	<p>\$51</p>	<p>\$7</p>	<p>\$58*</p>

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2024 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
<p>Various Sites – EV Charging Infrastructure Implementation Program</p> <p>This program is required to deliver BC Hydro’s portion of the Provincial Government’s mandate B.C. ’s Electric Highway and target of 10,000 public EV charging stations by 2030.</p> <p><i>*The total cost represents the gross cost of the project and has not been netted for the Provincial and Federal Government’s funding of \$8 million and \$10 million, respectively.</i></p>	<p>2025 Targeted In-Service</p>	<p>\$67</p>	<p>\$6</p>	<p>\$73*</p>
<p>Mainwaring Station Upgrade Project</p> <p>This project is required to maintain the reliability of the Mainwaring substation, and address safety and environmental risks at the substation.</p>	<p>2026 Targeted In-Service</p>	<p>\$62</p>	<p>\$92</p>	<p>\$154</p>
<p>Ruskin – Left Abutment Slope Sinkhole Remediation Project</p> <p>This project will address the left abutment slope instability and remediate the sinkhole issues adjacent to the Ruskin Generating Station to mitigate dam safety risks.</p>	<p>2026 Targeted In-Service</p>	<p>\$45</p>	<p>\$26</p>	<p>\$71</p>

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2024 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
<p>Sperling Substation 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>	<p>2026 Targeted In-Service</p>	<p>\$56</p>	<p>\$20</p>	<p>\$76</p>
<p>Fleetwood – Distribution Load Interconnection (SLS Servicing) Project</p> <p>This project is on behalf of BC Hydro’s customer, the Province of BC, to supply the Surrey-Langley-Skytrain extension and will also allow BC Hydro to reinforce the flexibility and reliability of the overall distribution system.</p> <p><i>*The total cost represents the gross cost of the project and has not been netted for a customer’s contribution of \$81M.</i></p>	<p>2027 Targeted In-Service</p>	<p>\$2</p>	<p>\$156</p>	<p>\$158*</p>
<p>Long Lake Terminal Station – Transmission Load Interconnection Project</p>	<p>2027 Targeted In-Service</p>	<p>\$6</p>	<p>\$74</p>	<p>\$80*</p>

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2024 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
<p>This project is to facilitate the interconnection of customers' facilities to BC Hydro's Long Lake terminal substation. Under BC Hydro's standard tariffs and policies, customers are required to pay a portion of this project's costs.</p> <p><i>*The total cost represents the gross cost of the project and has not been netted for a customer's contribution of \$1M.</i></p>				
<p>Materials Classification Facility Project</p> <p>This project is to complete the construction and commissioning of the new Materials Classification Facility on the BC Hydro Surrey Campus.</p>	<p>2027 Targeted In-Service</p>	<p>\$21</p>	<p>\$55</p>	<p>\$76</p>
<p>Minette - Transmission Load Interconnection Project</p> <p>This project is to facilitate the interconnection of a customer's facility to BC Hydro's Minette Substation. Under BC Hydro's standards tariffs and policies, the customer is required to pay a portion of this project's costs.</p> <p><i>*The total cost represents the gross cost of the project and has not been netted for a customer's contribution of \$20M.</i></p>	<p>2027 Targeted In-Service</p>	<p>\$4</p>	<p>\$68</p>	<p>\$72*</p>
<p>Ladore Spillway Seismic Upgrade Project</p>	<p>2028</p>	<p>\$37</p>	<p>\$336</p>	<p>\$373</p>

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2024 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
<p>This project is to replace the existing spillway gates system to address known seismic and reliability deficiencies at the Ladore dam.</p>	<p>Targeted In-Service</p>			
<p>Treaty Creek Terminal - Transmission Load Interconnection (KSM) Project</p> <p>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 and policies, 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.</p> <p><i>*The total cost represents the gross cost of the project and has not been netted for a customer’s contribution of \$87M.</i></p>	<p>2028 Targeted In-Service</p>	<p>\$47</p>	<p>\$121</p>	<p>\$168*</p>
<p>Northwest - Substations Outage Mitigation Project</p> <p>This project is required to improve supply availability to a customer by mitigating planned line outages in the radial bulk transmission system that supplies the Northwest. Under BC Hydro’s standard tariffs and policies, the customer is required to pay a portion of this project’s costs.</p>	<p>2028 Targeted In-Service</p>	<p>\$22</p>	<p>\$67</p>	<p>\$89*</p>

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2024 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
<p><i>*The total cost represents the gross cost of the project and has not been netted for a customer's contribution of \$2M.</i></p>				
<p>Peace to Kelly Lake Stations Sustainment Project</p> <p>This project is required to maintain the reliability of BC Hydro's bulk transmission system by replacing station assets within the Peace to Kelly Lake transmission system that are at end-of-life.</p>	<p>2028 Targeted In-Service</p>	<p>\$102</p>	<p>\$242</p>	<p>\$344</p>
<p>Prince George to Terrace Capacitors Project</p> <p>This project is required to increase the transfer capacity of the North Coast bulk transmission system to meet growing customer service requests in the region.</p> <p><i>*The total cost represents the gross cost of the project and has not been netted for estimated Federal government contributions of \$97M nor a customer's contribution of \$4M.</i></p>	<p>2028 Targeted In-Service</p>	<p>\$121</p>	<p>\$461</p>	<p>\$582*</p>
<p>Burrard Switchyard – Control Building Upgrade Project</p> <p>This project will address the need of constructing a new control building, establish the communication system, and install the new protection and</p>	<p>2029 Targeted In-Service</p>	<p>\$5</p>	<p>\$52</p>	<p>\$57</p>

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2024 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
control equipment for the Burrard switchyard.				
<p>John Hart Dam Seismic Upgrade Project</p> <p>This project will address dam safety risks at the John Hart dam and will significantly improve the overall seismic withstand of the dam structure, the reliability of the spillway gates system, and address inflow imbalance issues between the Ladore dam and John Hart dam.</p>	2029 Targeted In-Service	\$303	\$609	\$912
<p>Kootenay Canal Modernize Controls Project</p> <p>This project will address reliability, maintainability, and safety of the Kootenay Canal facility by replacing the aged control equipment, exciters, and select governor mechanical components for the four Kootenay Canal generating units.</p>	2029 Targeted In-Service	\$18	\$43	\$61
<p>Bridge River 1 Replace Units 1-4 Generators / Governors Project</p> <p>This project will address the deteriorating condition of the aging</p>	2032 Targeted In-Service	\$19	\$294	\$313

Major Capital Projects (over \$50 million)	Targeted Completion Date (Calendar Year)	Project Cost to Dec 31, 2024 (\$ millions)	Estimated Cost to Complete (\$ millions)	Anticipated Total Cost (\$ millions)
<p>generators, governors, exciters, and control systems at the Bridge River 1 generating station. The project will improve reliability, restore licensed flow and generation capacity, and increase operating flexibility of the generating station.</p>				

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.

Powerex operates in competitive and complex wholesale energy markets, which can cause income in any given year to vary significantly. The Service Plan forecast includes annual Trade Income from Powerex of approximately \$550 million per year for 2025/26 to 2027/28, based on the average earnings over the last five fiscal years. For more information, visit powerex.com.

Board of Directors:

- Catherine Roome - Chair
- Sam Drier
- Marilyn Mauritz
- Doug Allen
- Chris O'Riley

Powertech Labs Inc

Powertech Labs Inc., incorporated in 1988 and originally established in Surrey in 1979, is a wholly owned subsidiary of BC Hydro. Powertech provides innovative solutions, specialized testing, and technical expertise to industry partners globally, all aimed to foster a safe and sustainable energy future. Powertech is internationally recognized for its technical leadership across various fields related to electric utilities and sustainable energy sectors. It is also a leader in hydrogen technology, having long-standing experience designing and manufacturing innovative hydrogen vehicle refueling systems. This expertise plays a pivotal role in supporting BC Hydro's commitment to 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 \$0 to \$9 million per year for 2025/26 to 2027/28. For more information, visit powertechlabs.com.

Board of Directors:

- Chris O'Riley - Chair
- Melissa Holland
- 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, 2024, 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



Date: July 26, 2023

Lori Wanamaker
Chair
BC Hydro
18th Floor, 333 Dunsmuir Street
Vancouver, BC V6B 5R3

Dear Lori Wanamaker,

On behalf of Premier Eby and the Executive Council, I would like to extend my thanks to you, your board members and your organization's leadership for your dedication, expertise, and service to the people of British Columbia.

Public sector organizations – including Crowns, Health Authorities and Post Secondary Institution Boards – support British Columbians by delivering vital public services and are accountable to the public through their responsible Minister. Your leadership in advancing and protecting the public interest strengthens trust in public institutions.

You are serving British Columbians at a time when people in our province continue to recover from and respond to the upheaval caused by the COVID-19 pandemic, an ongoing toxic drug crisis, climate-related natural disasters, and while global inflation is driving up costs. Now more than ever, we need to focus on building a prosperous, low-carbon, sustainable economy, and a province where everyone can find a good home – in rural areas, in cities, and in Indigenous communities.

This mandate letter, which I am sending in my capacity as Minister responsible for BC Hydro, sets out overarching principles relevant to the entire public sector and specific direction on priorities and expectations for your organization for the remainder of Government's term.

Government and public sector organizations must continue to advance results that people can see and feel in these key areas: strengthened health care, safer communities, attainable and secure housing, and a clean and fair economy that delivers affordability and prosperity.

In doing so, you will continue working towards lasting and meaningful Reconciliation by supporting opportunities for Indigenous Peoples to be full partners in the province we are

building together, and delivering on specific commitments as outlined in the *Declaration on the Rights of Indigenous Peoples Act* action plan.

As required by the *Climate Change Accountability Act*, please ensure your organization implements targets and strategies for minimizing greenhouse gas emissions and managing climate risk, including achieving carbon neutrality each year and aligning with 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.

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. As part of this work, your organization is expected to adopt the Gender-Based Analysis Plus (GBA+) lens to ensure gender equity is reflected in your operations and programs.

British Columbians expect that public sector organizations operate in a responsible manner to deliver quality services equitably in all regions of the province. This requires strategic stewardship of planning, operations, and policies in the areas of financial, risk, and human resource management including information security and privacy protection.

The protection of government data and networks is a priority, especially where it concerns personal information of British Columbians. Public sector organizations must maintain up to date systems and effective cybersecurity practices, including maintaining current information management and cybersecurity policies, guidelines and standards; evaluating your organization against industry standards; and maintaining appropriate security and privacy practices. The Office of the Chief Information Officer within the Ministry of Citizens Services is available to support and offer guidance to your organization in any of these areas.

Public sector organizations must also implement and maintain an effective fraud risk management strategy. The Office of the Comptroller General and the Risk Management Branch in the Ministry of Finance are available for consultation.

The Crown Agencies Secretariat (CAS) in the Ministry of Finance supports public sector organizations to operate effectively, in the public interest, and aligned with government's strategic direction and priorities. Within CAS, the Crown Agencies and Board Resourcing Office

(CABRO) will continue to support you and your board on recruitment, appointments and professional development, as well as ensuring Board composition and governance reflects the diversity of our province. CAS can support you in public sector governance best practices, policy and planning.

In addition to continuing to make progress on your 2021 mandate letter, I expect you to ensure the important priorities and areas of focus listed in this letter are incorporated into the practices of your organization and develop plans to address the following new priorities within your approved budget:

- Support the development of a climate-aligned energy framework for B.C.
- Actively participate in the BC Hydro Task Force to accelerate the electrification of B.C.'s economy by powering more homes, businesses and industries with renewable electricity, address climate change and meet the targets set out in the CleanBC Plan and BC Hydro's Electrification Plan.
- Continue to implement BC Hydro's Electrification Plan to attract new innovative industries to B.C. and advance the switch from fossil fuels to clean electricity in homes and buildings, vehicles and fleets, businesses and industry.
- Work with the Ministry of Energy, Mines and Low Carbon Innovation to co-develop targeted programs to support clean energy and efficiency upgrades for low-income and multi-unit residential buildings.
- Support the Province's goal of completing B.C.'s Electric Highway by 2024 and target of 10,000 public EV charging stations by 2030 by leading station deployment, working with other parties and providing clean, reliable electricity to power vehicles and stations.
- Work with the Ministry of Energy, Mines and Low Carbon Innovation to co-develop programs that encourage efficient use of electricity in the transportation sector.
- Identify and advance Indigenous ownership opportunities in future electricity generation and transmission investments to advance reconciliation and support economic self-determination.
- Continue to make improvements to accelerate the process for new residential and industrial customer connections to support the Province's affordable housing and industrial decarbonization priorities.
- Continue to make improvements to accelerate and expand efforts to support the Province's goal of providing all B.C. communities with access to high-speed internet connectivity by 2027, while maintaining cost effectiveness and reliability for BC Hydro ratepayers, and safety for workers.

Each board member is asked to sign this letter to acknowledge this direction from government to your organization. The signed letter is to be posted publicly on your website by summer 2023.

I look forward to continuing to work with you and your Board colleagues to meet the high standards set for us by all British Columbians.

Sincerely,



Josie Osborne
Minister

Date: July 26, 2023

cc: Honourable David Eby, KC, Premier
Shannon Salter, 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
Mary Sue Maloughney, Associate Deputy Minister, Crown Agencies Secretariat, Ministry of Finance
Shannon Baskerville, Deputy Minister, Ministry of Energy, Mines and Low Carbon Innovation
Lynette DuJohn, Director, BC Hydro
Daryl Fields, Director, BC Hydro
Amanda Hobson, Director, BC Hydro
Irene Lanzinger, Director, BC Hydro
Chief Clarence Louie, Director, BC Hydro
Victoria McMillan, Director, BC Hydro
Nalaine Morin, Director, BC Hydro
Vasee Navaratnam, Director, BC Hydro
John Nunn, Director, BC Hydro
Catherine Roome, Director, BC Hydro
Chris O'Riley, President and Chief Executive Officer, BC Hydro



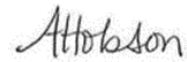
Lori Wanamaker,
Chair
Date: August 22, 2023



Lynette DuJohn,
Director
Date: August 22, 2023




Daryl Fields,
Director
Date: August 22, 2023



Amanda Hobson,
Director
Date: August 22, 2023



Irene Lanzinger,
Director
Date: August 22, 2023



Chief Clarence Louie,
Director
Date: August 22, 2023



Victoria McMillan,
Director
Date: August 22, 2023



Nalaine Morin,
Director
Date: August 22, 2023



Vasee Navaratnam,
Director
Date: August 22, 2023



John Nunn,
Director
Date: August 22, 2023



Catherine Roome,
Director
Date: August 22, 2023