

December 2015

Dear Neighbour:

Powering the proposed Woodfibre LNG facility - leading alternative identified

As you likely know, BC Hydro has been asked to supply power to Woodfibre LNG Limited's proposed liquefied natural gas (LNG) processing and export facility near Squamish.

When we met with communities last spring, we shared information on three alternatives for powering Woodfibre LNG's facility. We promised to let you know when we had identified a leading alternative.

We have identified Alternative 1 as our leading alternative based on our study results and input from First Nations and local communities. However, before we make a final decision on how we'll power Woodfibre LNG, we'll be doing additional studies and further consultation on this alternative.

What we'd build

We've shown Alternative 1 on the map enclosed with this letter.

First, we'd construct a **temporary solution** to provide power to Woodfibre LNG by their planned in-service date. This involves upgrading the existing 138 kV transmission line located between Gibsons and Cheekye substations.

We currently think we can complete these upgrades within our existing right-of-way – the land under and around our power lines.

Before we start this work, we'll complete more studies so we know exactly where the line needs to be upgraded and the types of upgrades we'll need to make. Upgrades could involve replacing existing wood poles with slightly taller wood poles or tightening the lines.

Later, we'd construct the **permanent solution**, which involves connecting the Woodfibre LNG facility to the existing 500 kV transmission line adjacent to their site. A new switching station would also be built on their property. The permanent solution would provide a fully redundant supply, which means there would be more than one transmission line providing power to the proposed facility. That way, if one line unexpectedly stops functioning, the other can still power the facility. The date for this work hasn't yet been determined.

Why did BC Hydro choose this alternative?

We chose Alternative 1 as our leading alternative after hearing feedback from local communities and First Nations, and considering potential economic, social and environmental impacts.

Other important information

If the proposed Woodfibre LNG facility isn't built, there will be no electricity system upgrades required at this time.

Woodfibre LNG is responsible for all costs associated with upgrading the electricity system to connect the facility to our system.

What's next?

Thanks to all of you who have provided feedback to us so far. We will continue to work with First Nations and local communities and update you as we plan, design and construct the project.

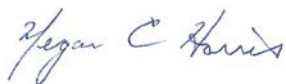
At this time, we are waiting for authorization from Woodfibre LNG to move forward with additional studies.

You can find information about this project online at bchydro.com/woodfibreLNG.

And if you'd like any more information, to share your feedback, or if you have questions, contact me by:

- email: stakeholderengagement@bchydro.com, or
- phone: 604 623 4472 or toll free 1 866 647 3334.

Sincerely,



Megan Harris
Stakeholder Engagement, BC Hydro

Woodfibre LNG Interconnection Project: Alternative 1

