



BC HYDRO PHASE 2 REVIEW INDIGENOUS ENGAGEMENT

What We Heard Summary Report
Summer 2020



Ministry of
Energy, Mines and
Petroleum Resources

BC Hydro Phase 2 Review Indigenous Engagement What We Heard Summary Report

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1 Executive Summary

From September 1, 2019, to May 31, 2020, the Province of B.C., led by the Ministry of Energy, Mines and Petroleum Resources (EMPR), carried out Indigenous engagement on Phase 2 of the Comprehensive Review of BC Hydro (“Phase 2”). The goal of this engagement was to hear Indigenous perspectives and priorities with respect to Phase 2, and to identify further opportunities for Indigenous participation in the electricity sector.

The engagement consisted of participation in the CleanBC Provincial forum (January 2020), the First Nations Major Projects Coalition Industry Engagement Event (March 2020), 26 individual meetings with Indigenous nations and organisations, 2 webinars, 6 regional meetings, and receipt of 22 written submissions. Much of this engagement was conducted through teleconferences and virtual meetings as a response to travel and physical distancing restrictions associated with the COVID-19 outbreak. Throughout this process EMPR engaged with over 170 participants from 80 Indigenous nations, Indigenous nation organisations, and Indigenous businesses on Phase 2.

The feedback received in engagement sessions and written submissions was recorded and analysed to identify common categories and themes of interest. Over 400 comments were recorded throughout this process. These comments were categorized based on the type of interests raised as follows (with count of comments):

- Economic Interests (192);
- Relationship with BC Hydro (107);
- Community Energy Interests (58);
- Other Interests (81).

Economic interests were by far the most common interests raised. These included interests in economic development opportunities related to the generation and sale of electricity, procurement and contracting, infrastructure ownership, concerns over rates and affordability for community members, revenue sharing between BC Hydro and Indigenous nations impacted by BC Hydro infrastructure, and opportunities surrounding the creation of Indigenous power authorities and utilities.

Strengthening relationships with BC Hydro was the second most common area of interest raised. Interests raised under this category included feedback on Indigenous nation’s past experiences with BC Hydro and impacts of BC Hydro operations within Indigenous nations’ traditional territories, discussion of areas for improvement, and the principles in which the relationship should be grounded. Overall, comments focused on shifting to a relationship based on partnership, grounded in the principles of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and the *Declaration on the Rights of Indigenous Peoples Act* (“Declaration Act”). More specifically, comments included the need to acknowledge the historic impacts of BC Hydro infrastructure on Indigenous nations, the expectation for earlier, more fulsome engagement and consultation on matters that affect aboriginal rights and title, and the desire for increasingly shared decision-making on projects occurring in Indigenous nations’ traditional territories.

The desire of many communities is to reduce their need to buy electricity from BC Hydro and increase community scale electricity generation. The overall goal being to increase community self-sufficiency, reduce electricity bills, and increase reliability. Reducing dependency on, and consumption of, diesel for electricity generation in off-grid communities was a close second. Community energy interests also

included the need for improved energy and building efficiency in Indigenous communities and simplified access to funding programs to implement efficiency upgrades.

Other topics raised which did not clearly fall within the first three categories included concerns over the removal of the self-sufficiency requirement, support for moving to a 100% clean generation standard, and advice on the Province's engagement approach related to the BC Hydro Review.

An Indigenous engagement summary package, containing the raw data and analysis of feedback received, copies of all written submissions, and this draft What We Heard report, was summarized shared with Provincial decision makers for their consideration.

2 Introduction

In June 2018, the Province announced a two-phase Comprehensive Review of BC Hydro. Phase 1 focused on cost savings, efficiencies, and new revenue streams to keep electricity rates low, while ensuring sound regulatory and financial oversight of BC Hydro. Phase 1 was completed, in February 2019, and the outcomes included:

- Enhanced regulatory oversight of BC Hydro by the B.C. Utilities Commission (BCUC); and
- A new rate forecast, including a 1% rate reduction for FY2021, achieved through a number of savings initiatives. This included reducing BC Hydro's future energy costs by limiting the amount and price of energy to be purchased in the renewal of certain biomass Electricity Purchase Agreements (EPAs), and indefinitely suspending the Standing Offer Program (SOP).

Phase 2 began with the release of a Terms of Reference (ToR) in July 2019. It is defined as a Transformational Review, the objective of which is to create a strategy that ensures BC Hydro sustainability into the future. This includes maintaining the ability to provide customers with reliable clean energy at competitive rates, supporting CleanBC and reducing greenhouse gas emissions while responding and adapting to changes in climate, consumer demand, technology, and B.C.'s commitment to reconciliation with Indigenous peoples.

An [Interim Report](#) discussing priority areas and ideas for consideration under Phase 2 was released on March 6, 2020. This discussion paper introduced ideas grouped under the following five themes for consideration in the Final Report:

- Emerging Trends
- Supporting B.C.'s Energy and Economic Development Goals through CleanBC
- Thriving in an evolving Electricity Sector
- Leveraging our Strengths; and
- Advancing Reconciliation through new Partnerships with Indigenous nations.

Indigenous engagement on the Interim Report concluded on May 31, 2020. Priorities and perspectives heard during Indigenous engagement on the Interim Report have been analysed to identify priority Indigenous interests in Phase 2, including opportunities to improve the relationship with BC Hydro and opportunities for increased Indigenous participation in the energy sector. These perspectives were considered in the drafting of Phase 2 recommendations made to Provincial decision makers.

[Subsequent Note (November 2021) The recommendations made under Phase 2 were released through [three separate news releases](#) in summer and fall 2021. In addition, as part of its June 2021 Draft Action Plan to advance the Declaration on the Rights of Indigenous Peoples Act, the Province signalled a further engagement with Indigenous nations to identify and support new clean energy opportunities for Indigenous peoples related to CleanBC, the BC Hydro Review and the British Columbia Utility Commission (BCUC)'s Inquiry on the Regulation of Indigenous Utilities. This engagement has subsequently begun. Co-led and co-designed by EMPR and the First Nations Leadership Council, through their delegate, the First Nations Energy and Mining Council, the Indigenous Clean Energy Opportunities (ICEO) engagement process was formally launched on November 17, 2021. Further information on the ICEO can be found [here](#).]

3 Overview of Engagement Process

The Province, led by EMPR, began engaging with Indigenous nations, communities and organisations on Phase 2 in September 2019.

The focus of the engagement was to explore opportunities for increased Indigenous participation in the electricity sector. The ToR outlined the following Indigenous opportunities for exploration under Phase 2:

- Future opportunities or new roles for Indigenous nations in the development, ownership, or operation of electrical infrastructure or services;
- Recommendations on how to enhance Indigenous nations' participation in the energy sector; and
- Consider how BC Hydro currently works with Indigenous communities and explore alternative approaches to working with Indigenous communities going forward.

The engagement process has been separated into two stages: pre- and post-Interim Report engagement. A detailed summary table of engagements conducted, and participation, is included in **Section 4**.

3.1 Pre-Interim Report Engagement

Prior to the release of the Interim Report, Indigenous engagement focused on hearing Indigenous nations' and organizations' priorities and perspectives on the concepts identified in the ToR, and their preferences for further engagement. The pre-Interim Report engagement consisted of individual meetings with Indigenous nations and organisations with known interests in the electricity sector.

In addition, a presentation and breakout discussions on Phase 2 was held at the CleanBC Indigenous Engagement Forum, in Vancouver, on January 30, 2020. This event was attended by 95 participants representing 74 Indigenous communities and organizations. The Province also participated in the First Nations Major Projects Coalition (FNMPC) Industry Engagement Event and Annual General Meeting, March 2-4, 2020, to share information with, and collect input from, their 33 members Nations on Phase 2.

This early engagement informed the development of the post-Interim Report engagement process.

3.2 Post-Interim Report Engagement

Following the release of the Interim Report a second, more extensive, stage of engagement was launched, to which all Indigenous nations in B.C. were invited to participate. This second stage of engagement focused on hearing Indigenous perspectives on the concepts considered in the Interim Report and identifying, and further exploring, priorities and perspectives of Indigenous nations and communities in the electricity sector. Initially, the Province planned to conduct a series of six in-person regional engagement sessions and individual meetings, concluding April 14, 2020. However, with the COVID-19 health pandemic and physical distancing requirements following, the engagement process was amended to be conducted through remote meetings and webinars, and the timeline was extended until May 31, 2020, to provide additional flexibility and opportunities to engage.

The post-Interim Report engagement included one in-person regional session (Terrace), 5 teleconference regional sessions, 2 webinars, and 26 individual online meetings and teleconferences with Indigenous nations and organizations. Written submissions were also encouraged from any interested participants throughout the engagement process. In total 22 written submissions were received by the end of the engagement period.

3.3 Engagement Timeline

Figure 1: Phase 2 Review engagement timeline.

		2019					2020					
		Summer	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Summer
Pre-Interim Report	Launch Phase 2 Review											
	Release TOR											
	Individual Meetings											
	CleanBC Forum											
	FNMPC Industry Event and AGM											
Post-Interim Report	Interim Report Release											
	Regional Engagement Meetings / Tele-conferences											
	Individual Meetings											
	Webinars											
	Engagement Window Closes											
	Phase 2 Review Final Report and Recommendations											

4 Summary of Engagements Conducted and Participation

Table 1: Summary of engagement sessions and participation.

Event	Format	# of Sessions
CleanBC Engagement Forum	Presentation and Breakout	1 forum
FNMPC Event and AGM	Information table, presentation and Q&A session.	1 forum
Regional Meetings	In person and teleconference	1 in person, 5 tele-conference
Individual Nation Meetings	Tele-conference / in person	18
FN Organization Meetings	Tele-conference / in person	8
Webinars	Online Webinar	2
Written Submissions	Written Submissions	22
Total: Nations and Organizations Engaged		~80
Total: Participants		~170

5 Recording Participants' Feedback

Verbal feedback was recorded by Provincial note-takers during the regional sessions, individual meetings and webinars. All verbal comments were tracked for later analysis, broken out in an engagement tracking spreadsheet by engagement session, and coded into categories and themes of interests.

Written submissions were accepted throughout the engagement process. Written submissions were saved as received and summarised as individual entries in the engagement tracking document. In total 22 written submissions were received from Indigenous nations and organizations.

6 Summary of What We Heard

A variety of priorities and perspectives were raised by participants with respect to Phase 2 and Indigenous opportunities in the electricity sector moving forward. These included interests in economic development opportunities, affordability, improving the relationship with BC Hydro, community energy interests and opportunities, and more. To analyse these comments, and to identify trends showing the most common priorities and perspectives raised, the comments were coded and grouped into four general categories:

- Economic Interests
- Relationship with BC Hydro
- Community Energy Interests
- Other

A summary chart showing the distribution of comments across these four categories is included in **Figure 2**. A further sub-division of these categories into the most common themes raised within each category, and discussion of what we heard under each of these themes, is included in **Sections 7.1 – 7.4**. A summary of feedback received, broken out by category and themes, showing source of feedback (verbal or written) is included in **Figure 3**.

Figure 2: Breakdown of comments by category

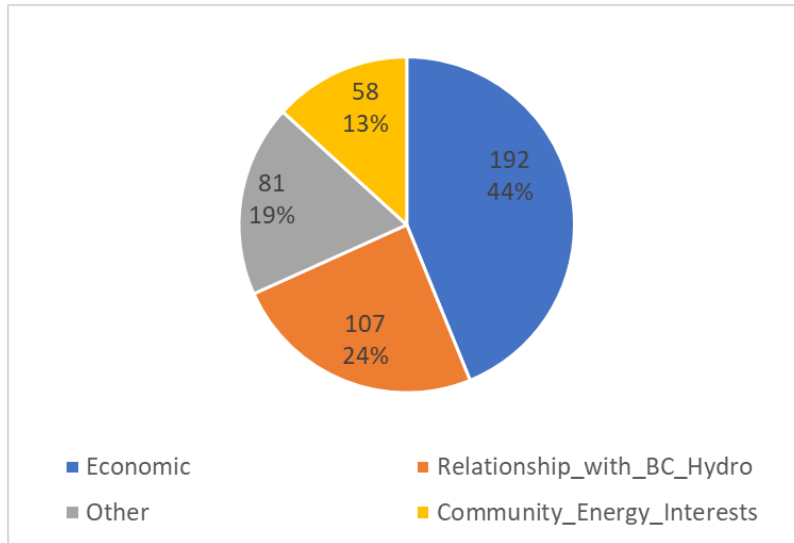
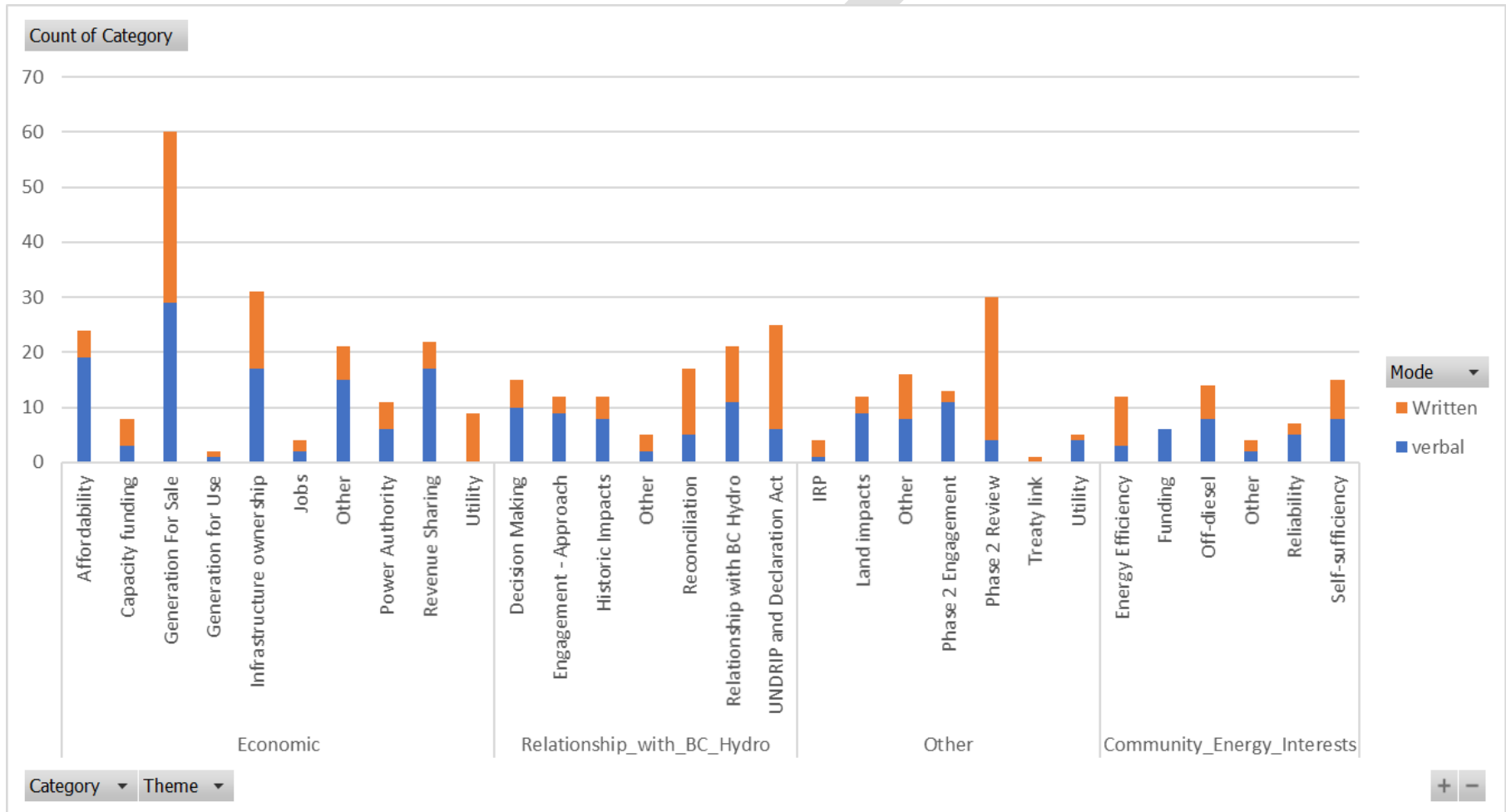


Figure 3: Summary plot of comments received, broken out by category and theme, and differentiating between verbal and written comments.
Economic Interests

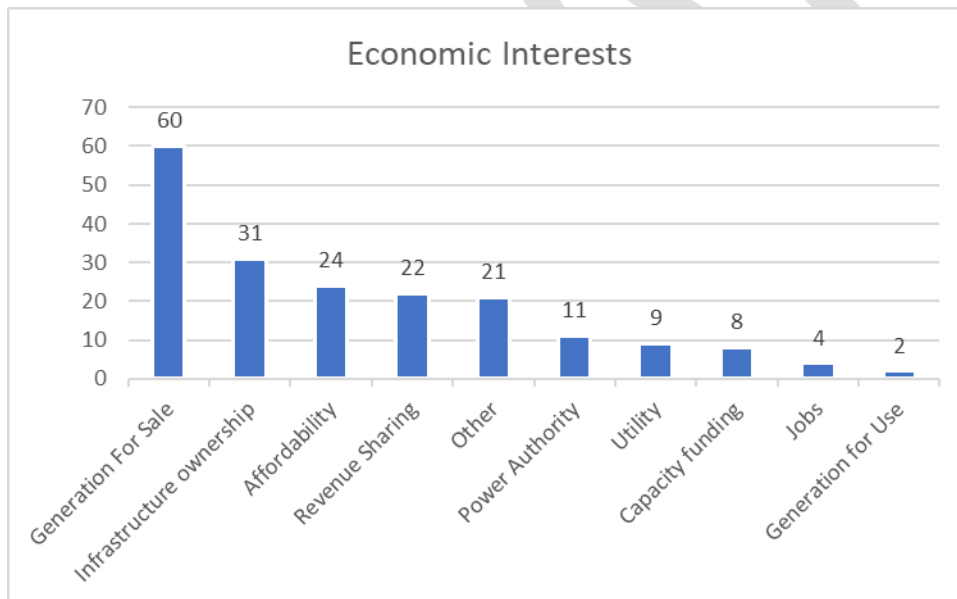


Comments related to economic priorities and perspectives were the most common interests heard during engagements. Under the “Economic Interests” category we recorded anything raised related to economic development, affordability and rates, financial impacts from BC Hydro operations, or economic participation in the electricity sector. Economic interests were grouped into common themes which included:

- Affordability and rates
- Capacity funding
- Generation for Sale (Acting as or in partnership with an Independent Power Producer (IPP), an equity investor or through revenue sharing opportunities)
- Generation for Use (main goal to reduce costs)
- Infrastructure ownership
- Jobs and procurement
- Power Authority
- Revenue Sharing
- Other

Descriptions of the feedback received under the most common economic themes are included in **Sections 6.1.1 – 6.1.6**. A breakdown of the Economic Interests heard by theme and frequency of interest is included in **Figure 4**.

Figure 4: Frequency of Interests raised by theme.



6.1.1 Generation of Electricity for Sale

The most common interest heard during the engagement process was the need for economic development opportunities associated with electricity generation. This could occur through Indigenous ownership or partnership with IPPs selling to BC Hydro, as equity investors in non-Indigenous IPPs, revenue sharing opportunities, or direct sale to third party customers. This is seen by many Indigenous nations as a key economic development opportunity that is consistent with the values of their

communities and was framed as an example of an opportunity to advance the Province’s commitments to reconciliation. Specific ideas included the establishment of a taxpayer or ratepayer supported Indigenous nation IPP program to replace the SOP, either now or when BC Hydro’s current surplus expires, and by enabling opportunities for Indigenous nations to generate and sell electricity, that is financially feasible, to other Indigenous communities, third party customers, or neighbouring jurisdictions.

“We urge B.C. to implement policy that enables electricity generating First Nations to take part in the distribution and sale of electricity to other First Nations.”

– Quote from written submission

Concerns were raised over potential impacts of the indefinite suspension of the SOP and the current electricity surplus on Indigenous nations and their partners ability to renew EPAs upon expiry¹. It was also suggested that removal of the current BC Hydro self-sufficiency requirement would make BC based IPP less viable due to increased competition with IPPs outside of B.C. This could reduce future opportunities in B.C. for electricity generation and have a negative impact on the re-negotiation of EPA renewals where Indigenous nations are the IPPs or have an invested interest in the IPP. This concern was particularly strong in written submissions.

“We fear that elimination of the self-sufficiency requirement provision in the Clean Energy Act is a step backwards and threatens to shut the door on new First Nation-owned clean energy developments. By choosing to import power from other jurisdictions instead of developing local energy generation opportunities, BC Hydro is choosing to outsource the jobs, revenue and other benefits that clean energy developments can bring to BC First Nations, and to BC citizens in general”.

- Quote from written submission

The relationship between the outcomes of the BCUC Indigenous Utilities inquiry² and opportunities for provision of utilities services, including generation and sale of electricity, was also raised by some participants.

6.1.2 Affordability and Rates

High electricity rates and lack of affordability were raised as priority issues by many participants. We heard that large households, low incomes, seasonal work, inefficient buildings and reliance on baseboard electric heaters have resulted in high electricity bills that are unaffordable for many

¹ In 2017 the SOP was temporarily suspended while the Province completed Phase 1 of the Comprehensive Review of BC Hydro, and indefinitely suspended on February 14, 2019, after Phase 1 was completed. Concurrently, the Province conducted a one-year long, province-wide engagement with Indigenous Nations impacted by the decision to suspend the SOP.

² The Final BCUC’s Inquiry on the Regulation of Indigenous Utilities Final Report recommended “The Government of BC reconsider the Standing Offer Program (SOP) program along with the cap for that program and any other provision that places undue economic barriers on potential participants. If the program is restructured and reintroduced, it should be based on market electricity prices, so that Indigenous utilities are provided meaningful competitive economic opportunities while ensuring that all BC Hydro ratepayers are not harmed.”

community members. The frequency of service being cut off for non-payment, especially for elders and in winter, was a matter of real and considerable concern for many communities as it directly impinges on the quality of individuals' lives.

Under the current stepped-rate structure, community members often find themselves in step 2, facing high electricity bills. Participants were supportive of exploring alternative rates structures with the goal of reducing costs. There was interest in better understanding options and opportunities around rate flattening, optional rates, additional incentives for heat pumps, heat pump rates, and "lifeline rates" for low-income households.

Some participants acknowledged the relationship between the cost of EPAs, the impacts these can have on rates, and the difficult balance of providing economic development opportunities through electricity generation in B.C. while still maintaining affordability.

6.1.3 Revenue Sharing

Revenue Sharing as an accommodation measure to compensate for the historical impacts to rights and title associated with BC Hydro legacy infrastructure on Indigenous nations treaty lands, traditional territories and reserves was one of the most common comments raised during engagements. The common sentiment was that the proportion of benefits derived from BC Hydro infrastructure located in Indigenous nations territories that flows back to those Indigenous nations is inadequate. Revenue sharing was seen to provide opportunities to rectify this imbalance. Some participants suggested that revenue sharing from existing and legacy infrastructure is an essential step in advancing reconciliation, while others focused on creating additional opportunities for revenue sharing and partnerships in new infrastructure projects moving forward.

6.1.4 Infrastructure Ownership

A variety of priorities and perspectives were heard regarding opportunities for ownership and operation of electricity infrastructure as a means to exercise rights and title, achieve economic self-determination, and to raise living standards for community members. The dominant interest was in opportunities to own and operate electricity generating facilities, while some participants also expressed interest in further exploring opportunities in the ownership and operation of transmission and distribution infrastructure. These interests included both opportunities to own and operate, or partner with BC Hydro, on new infrastructure developments, as well as opportunities to acquire equity stakes in existing BC Hydro infrastructure. Based on our engagement, transmission infrastructure ownership represents a strong interest for a small number of Indigenous nations.

"First Nations are not allowed to share in Crown owned projects and heritage assets. This must be addressed and First Nations to be part of crown owned projects and heritage assets."

- Quote from written submission

6.1.5 Indigenous Power Authority and Utilities

Many participants noted the linkages between Phase 2 and the BCUC Inquiry on the Regulation of Indigenous Utilities, especially with respect to infrastructure ownership and the relationship with BC Hydro, and a number expressed interest in establishing Indigenous Utilities for the generation, transmission and/or sale of electricity. Interest was also expressed from a small number of groups in establishing an Indigenous Power Authority in coastal north west B.C., to represent Indigenous interests

to BC Hydro in its planning and decision-making, to support a BC Hydro revenue sharing program, or to fully compete with BC Hydro as a utility. Some Indigenous nations also expressed a desire to enter into new partnerships with BC Hydro to provide electricity services to new or existing BC Hydro customers.

These were seen to provide both opportunities for economic development and an opportunity to demonstrate self-determination over the use and provision of utility services within Indigenous nations' traditional territories.

6.1.6 Other Economic Interests

A variety of other economic priorities and perspectives were raised during engagements, but at a lower frequency than those interests introduced in **Sections 6.1.1 – 6.1.5**. Interests were raised related to jobs and training for Indigenous peoples, as well as preferential procurement and contracting for Indigenous firms on BC Hydro projects. Support was also raised for net metering at the individual household and community scale, as a way to generate income or reduce costs to community members, while some participants additionally suggested further exploring opportunities related to owning and operating electric vehicle charging stations.

Access to capital was raised as a barrier for Indigenous nations participation in the electricity sector, and additional funding and capacity support was requested to facilitate Indigenous participation in the sector.

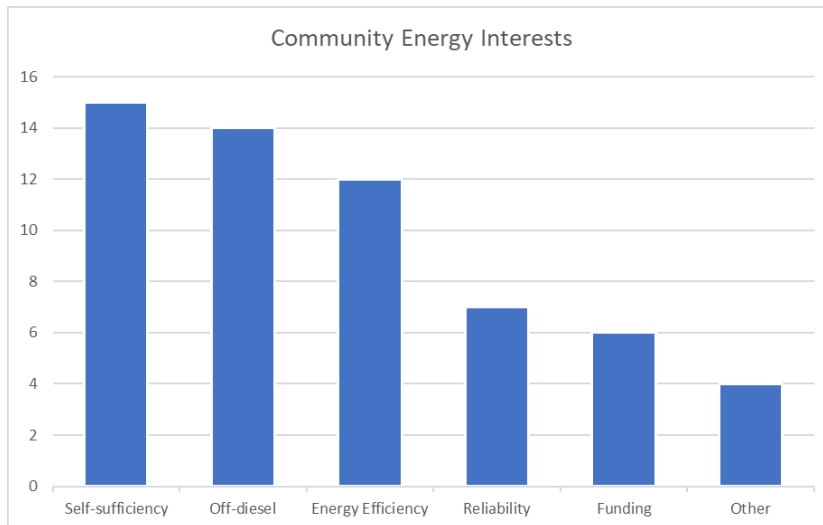
Recognition of rights and title was noted as a key, foundational step in allowing Indigenous nations to realise economic benefits from their territories and resources.

6.2 Community Energy Interests

Exploring opportunities for community-scale energy efficiency and generation projects, increasing system reliability (especially for end-of-line communities), and funding supports required to realise these objectives were raised by participants as the key community-level energy interests.

Descriptions of the feedback received under each these community energy interest themes are included in **Sections 6.2.1 – 6.2.6**. A breakdown of the interests raised by theme and frequency is included in **Figure 5**.

Figure 5: Frequency of community energy interests raised by theme.



6.2.1 Self-sufficiency of Energy Supply

Opportunities for community-scale clean energy generation for use within the community was identified as an area of interest by participants. This idea was tied to economic benefits associated with potentially reduced electricity costs for members once generation capacity was installed, achieving self-sufficiency and decreased reliance on BC Hydro for provision of electricity services, and potential additional reliability associated with local generation.

6.2.2 Reducing Reliance on Diesel

The ongoing reliance of diesel generators in non-integrated/remote and end-of-line remote communities was identified as a priority issue to be resolved. These issues were raised by various communities, including integrated, non-integrated and end-of-line communities. The concept of reducing diesel dependency in remote communities aligns with the goals and interests of these communities, the CleanBC plan, and supports achieving Provincial Greenhouse Gas reduction targets. It was suggested that additional support would be required to facilitate this transition. The options of renewable micro-grids and extension of the existing BC Hydro grid to connect these communities were discussed, with consensus being that each remote community's interests, options and opportunities for renewable generation were unique, and would require community-specific solutions to reduce reliance on diesel.

The Remote Community Energy Strategy (RCES) provides an opportunity to support Indigenous communities in reducing their dependency on diesel. Information about RCES, and opportunities to participate in upcoming RCES engagements, was shared with participants from remote communities.

“We also note the Interim Report’s section on reducing diesel consumption, and the need for BC Hydro to take a stronger role in supporting and promoting the diesel reduction efforts of First Nations. We support this objective.”

– Quote from written submission

6.2.3 Energy Efficiency

Indigenous community members often face high electricity bills, particularly in the case of electric heat and inefficient buildings. Building efficiency upgrades and conversion of heat supply from baseboard electric to electric heat pumps were identified as key areas for building improvements in Indigenous communities. Continued and increased funding to support community and residential buildings was identified as a requirement to realise increased energy efficiency in Indigenous communities.

“We strongly urge BC Hydro to increase funding and make new and existing home energy efficiency programs more accessible. This is particularly important for Indigenous communities and households that face high energy bills due to aging housing infrastructure and inefficient home heating systems.”

– Quote from written submission

6.2.4 Reliability

Concerns were raised over reliability of BC Hydro infrastructure and services, and response times following power outages, especially for more distant and end-of-line communities. Some participants reported that their communities faced frequent outages and slow response times from BC Hydro, and were looking for assurance that processes were in place to reduce outages and ensure prompt responses to reinitiate service in the event of an outage. Participants also reported that with these outages they would often lose large appliances, and in some cases a season’s worth of fish and other wildlife harvest. This was a particularly high priority for Northern and remote communities during the winter months.

6.2.5 Funding

Comments were heard regarding the need for additional funding to support community scale clean energy and efficiency projects. Access to funding, including issues related to the availability, timing, and application requirements for funding programs, were identified as areas for improvement.

6.2.6 Other

Other interests raised included project specific issues and exploring opportunities to employ Smart Grid technologies.

6.3 Relationship with BC Hydro

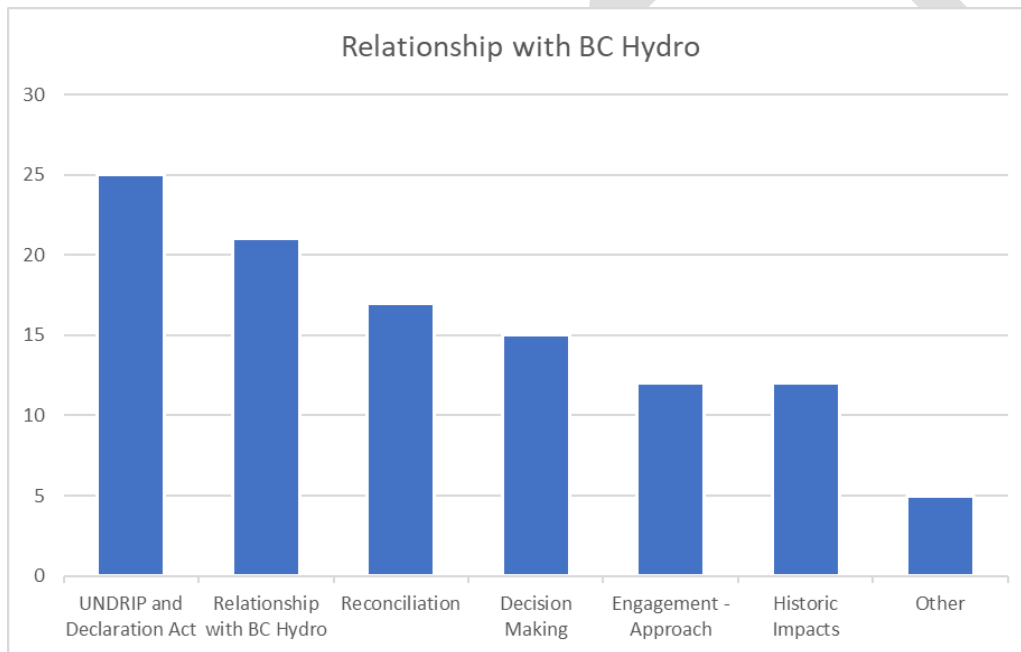
This category of comments concerning BC Hydro’s working relationship with Indigenous nations was the second most common category of comments raised during engagement, behind economic interests. In our analysis, this category included any feedback recorded related to a Nation or organization’s historical experience of working with BC Hydro in their territory and suggestions for moving forward. Relationship with BC Hydro comments were further broken out into themes, which included:

- UNDRIP and the Declaration Act;
- The historic relationship with BC Hydro;
- Reconciliation;
- Historic impacts of BC Hydro legacy infrastructure;

- BC Hydro’s approach to engagement and consultation;
- Decision-making;
- Other

A breakdown for frequency of interests by theme in the “Relationship with BC Hydro” category is included in **Figure 6**. Given the cross-cutting nature of the feedback received across the themes considered under this category, this feedback has been further grouped for discussion purposes into the Historic Relationship with BC Hydro and Impacts from Legacy Infrastructure (**Section 6.3.1**) and Reconciliation, UNDRIP, Declaration Act and Decision-making (**Section 6.3.2**).

Figure 6: Frequency of Interests raised by Theme.



6.3.1 Historic relationship with BC Hydro and impacts from legacy infrastructure

Many participants commented on the historic relationships between BC Hydro and Indigenous nations and provided feedback on how relationships could be strengthened moving forward. Feedback included acknowledging and addressing historic impacts and moving towards partnership-based relationships that are grounded in UNDRIP. Partnerships with BC Hydro could be considered on a project level for projects occurring within Nation’s traditional territories, and should reflect the importance of BC Hydro supporting communities to build capacity in the electricity sector. All relationships should be guided by a community’s cultural principles. Involving Indigenous nations more heavily in area based and strategic level planning initiatives also provides opportunities to strengthen the relationship with BC Hydro through partnerships.

Some participants stressed that in order to improve the relationships with BC Hydro, negative impacts from the legacy of hydro infrastructure on their territories need to be acknowledged and addressed. For example, Indigenous nations may not have been consulted on, or compensated for, BC Hydro infrastructure such as transmission lines and dams constructed in their territory. The past impacts to Aboriginal rights and title need to be acknowledged and accommodated in order to build a stronger relationship for the future.

6.3.2 Reconciliation, UNDRIP, Declaration Act, and Decision-making

During engagement we heard positive comments that the Phase 2 Interim Report reflects the province's commitment to reconciliation, but also concerns that there were no specifics detailing how BC Hydro will bring them to action. Many participants suggested that more details are needed on the "new opportunities for Indigenous nations and communities" mentioned in the report. The need for economic reconciliation was emphasized, including revenue sharing and/or accommodation for existing BC Hydro infrastructure, and compensation for Indigenous nations that incurred losses from the indefinite suspension of the BC Hydro SOP.

Many participants stated the importance of grounding the relationship with BC Hydro in UNDRIP and were keen to understand how B.C.'s new Declaration Act and its commitment to implementing UNDRIP will be realized by BC Hydro. UNDRIP contains key articles outlining:

- Indigenous rights to freely pursue economic development,
- Indigenous rights to the lands, territories, and resources which they have traditionally owned, occupied or otherwise used or acquired,
- Indigenous rights to determine and develop priorities and strategies for the development or use of their lands or territories and other resources, and
- that States shall consult and cooperate in good faith with the indigenous peoples concerned through their own representative institutions in order to obtain their free and informed consent prior to the approval of any project affecting their lands or territories and other resources.

These elements were noted to be necessary for building a respectful relationship between BC Hydro and Indigenous nations in B.C.

BC Hydro's engagement and consultation processes were noted to play a key role in advancing the relationship and supporting reconciliation. The relationship should be consistent with, and grounded in, UNDRIP. Comments that addressed how BC Hydro engages communities in its planning and projects included the importance of recognizing and engaging hereditary governance, early and inclusive community engagement and communication through all stages of projects, both planned and potential, and for the Province, BC Hydro, and the BCUC to coordinate engagement and information sharing to minimize administrative demands on communities.

The desire for communities to be involved in all aspects of BC Hydro's planning and projects concerning their territories was a common interest heard throughout engagement. Common language included "early and often". This includes long-term and strategic planning at early stages so communities can identify opportunities and plan resources accordingly. Many Indigenous nations identified that as B.C. increases electrification of its economy, there will be more infrastructure needed which will potentially bring more impacts to their territories, but also create more opportunities for partnership and shared decision-making. An integral component of shared decision-making and partnership on hydro projects is

the inclusion of traditional Indigenous knowledge and values, and mutually agreeing upon terms for archaeological standards such as “ground disturbance” and “cultural heritage”.

6.3.3 Other

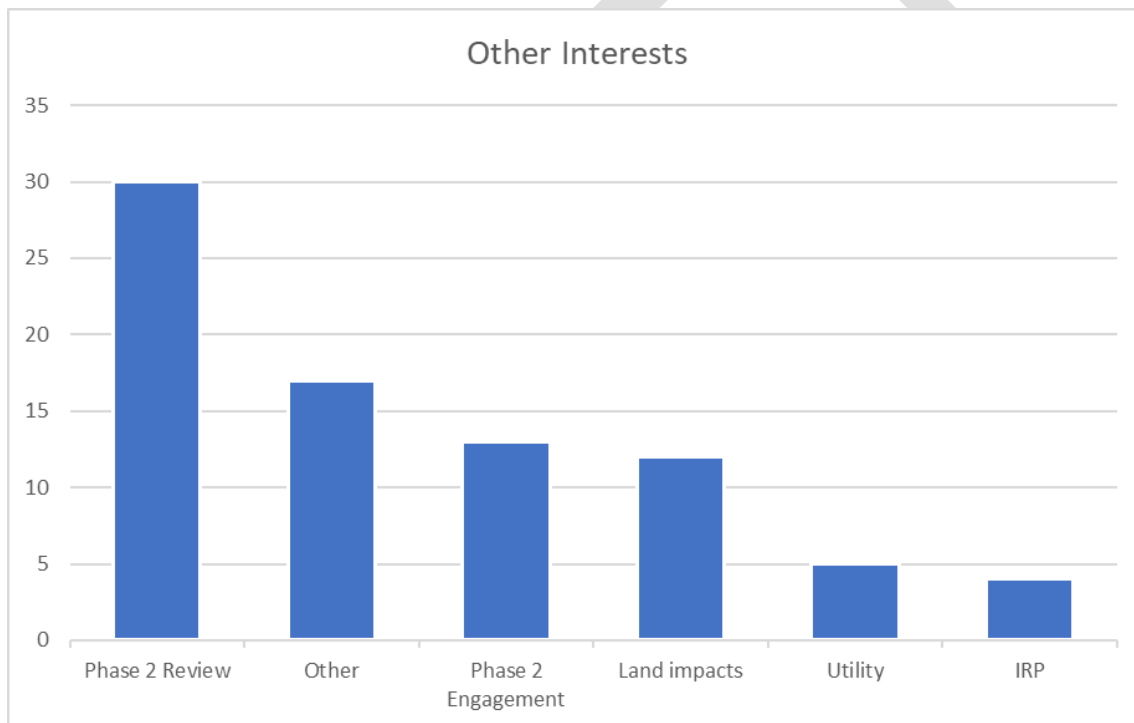
Other areas of feedback regarding Relationship with BC Hydro were recommendations for BC Hydro to form stronger relationships with the local Indigenous businesses.

6.4 Other Interests

All interests recorded which did not fit well within the other three categories were captured in the Other Interests category.

Descriptions of the feedback received under the most common other themes are included in **Sections 6.4.1 – 6.4.4** and a breakdown for frequency of interests by theme in this category is included in **Figure 7**.

Figure 7: Frequency of interests raised by theme.



6.4.1 Phase 2 Review

This theme was a catch-all for feedback related to the specific concepts introduced in the Phase 2 Interim Report.

Many participants noted that a key issue identified in the concepts introduced in the ToR and Interim Report was the indication of “new opportunities for First Nations” in the electricity sector, but that there was no clear indication of what these are, or how Indigenous nations could realise them. While the omission of detail around specific opportunities was deliberate to leave space to hear indigenous priorities and perspectives on where participants saw opportunities, many noted, particularly common in written submissions, that further clarity was needed on what the Province saw as opportunities.

“This Phase 2 report does not really answer the questions regarding the role of First Nations in the clean energy industry. There must be a more comprehensive way to involve First Nations in the clean energy industry and there are not many things identified in this discussion document.”

– Quote from written submission

While some participants suggested they were supportive of removing the self-sufficiency requirement to allow BC Hydro to access cheaper clean power with the goal of keeping rates affordable, the majority of feedback on this consideration was in opposition, citing risks to competitiveness and limiting Indigenous nations’ opportunities to generate and sell electricity to BC Hydro.

The majority of participants commenting on the 100% clean electricity standard were supportive of B.C. moving in this direction. However, there were some concerns raised over capacity and reliability associated with increasing reliance on import of low-cost renewables from other jurisdictions instead of procuring new energy in B.C., preferably from local Indigenous nations.

6.4.2 Phase 2 Review Engagement

This theme was a catch-all for feedback related to the Phase 2 Indigenous engagement process.

Participants noted that capacity funding would have allowed them to engage more meaningfully and to provide fuller feedback on their communities’ interests. Many communities do not have time or resources to participate in the numerous Provincial engagements ongoing at any point in time, and capacity support would allow them to dedicate staff or resources to these engagements.

A key theme that was raised during the engagement was the importance of BC Hydro and the Province working in a Government-to-Government relationship with individual Indigenous nations. Individual meetings with Indigenous nations and organisations were generally preferred to regional forums or webinars as a means of engagement. However, it was suggested that a combination of the two was acceptable and provided an opportunity to hear from their neighbours and across the Province. The openness of the Province to hold individual calls with any interested Nation or organisation was appreciated. Some participants highlighted the importance of continued engagement on implementation of the Phase 2 recommendations following the release of a final report and/or recommendations.

It was also suggested that in addition to engagement that there should have been additional Indigenous representation and oversight throughout Phase 2, including in the governance and advisory structures.

6.4.3 Land Impacts

BC Hydro infrastructure and operations have been noted to have detrimental impacts to lands and resources within Indigenous nations’ territories. Indigenous nations want to be included in decision-

making process on projects that would have potential impacts to lands within their traditional territories, and a long-term view must be taken in assessing the potential impacts of projects.

6.4.4 Utility

The current monopoly utility structure does not provide opportunities for Indigenous participation. It was also suggested that Indigenous representation should be higher both within BC Hydro and the BCUC.

6.4.5 Other

A range of other topics were raised which did not clearly fall within the common themes identified. These included:

- Forecasting of long-term energy supply and demand, the Integrated Resource Plan and impacts of electrification of the transportation sector;
- Opportunities to support achieving CleanBC greenhouse gas reduction targets;
- Impacts of BC Hydro operations on treaty rights.

7 What We Did with What We Heard

A summary of information collected during Indigenous engagements was shared with Provincial decision makers for their consideration. This summary was informed by a “What We Heard Package” which included:

- A comprehensive “What We Heard” excel workbook;
- All written submissions; and
- A copy of this “What We Heard – Summary Report”.

In addition, Input received on preferences for engagement approach will be used to inform decisions on a post-decision, implementation-focused engagement plan, and to establish improved processes for working together moving forward.

[Subsequent Note (November 2021): With a number of Phase 2 actions, such as the CleanBC Electrification Rate (announced January 2021), BC Hydro’s Draft Integrated Resource Plan (released for Indigenous and other feedback in June 2021) and BC Hydro’s Electrification Plan (released September 2021), and significant focus on the CleanBC Roadmap to 2030 that includes a number of complimentary initiatives, government chose to release the BC Hydro Phase 2 Review Recommendations through a series of News Releases and Backgrounders over the summer and fall of 2021. A Phase 2 Final Report will not be released. The post-Phase 2 engagement, known as the Indigenous Clean Energy Opportunities Review, will commence in November 2021.]