B.C.'s Electricity Grid & Markets



Alex Tu, BC Hydro



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BC Hydro's integrated system

Provides approximately 5,000,000 customers with reliable electricity

Generation

- 12,000 MW capacity
- 30 hydroelectric plants and 2 thermal generating stations
- Over 97% clean

Transmission

- 500 kV series-compensated backbone
- 20,000km of transmission lines
- Over 300 substations
- Interconnected to Alberta and US

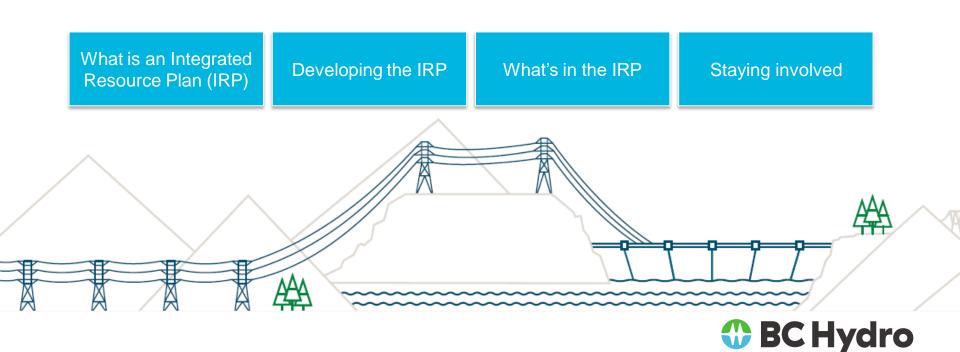
Distribution

- o 60,000km of distribution lines
- Serve 14 non-integrated areas





BC Hydro's Integrated System Resource Planning



Power smart

What's an Integrated Resource Plan (IRP)

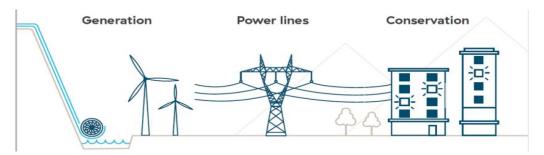
The IRP is a guidebook for the what, when and how of meeting customers' evolving electricity needs



What does the plan include?

It guides the what, when and how much of future resources

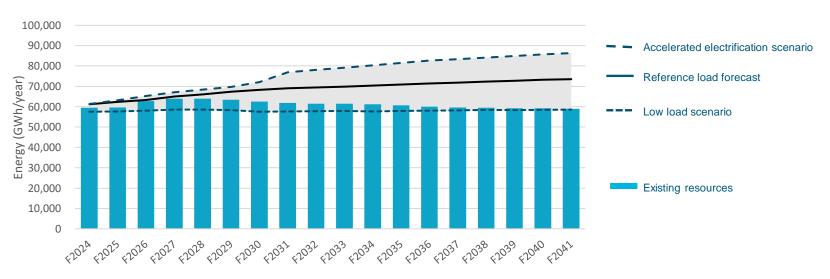






The plan considers a range of future scenarios

The plan adds resources to meet future customer electricity needs, and considers uncertainty through high and low electricity demand scenarios



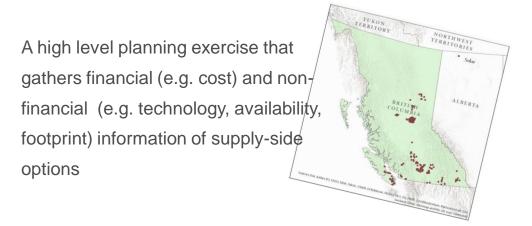


An inventory of demand and supply options

The latest generation supply options update (2019-2020) focused on solar, wind and batteries

Generation options (e.g.)

- Solar
- Wind
- Batteries
- Run-of-river hydro
- Geothermal
- Biomass
- Municipal solid waste
- Pumped hydro storage





2021 IRP – what we heard from First Nations

The IRP is the earliest we can engage on planning to meet customer future needs



Themes that emerged:



- **Reconciliation** was the top priority
- Limiting land and water impacts was another top priority
- Strong interest in clean energy opportunities
- Consider unique circumstances of Indigenous communities and customers

- Included two rounds of consultation
- 64 Indigenous Nations and Organizations participated
- 84 participants attended regional workshops
- 59 survey responses
- Report from the First Nations Energy & 0 Mining Council



What's in the 2021 Integrated Resource Plan

The plan update shows a need for new renewable energy resources

CONSERVE AND SYSTEM UPGRADES BUY MANAGE Energy efficiency Transmission reinforcement to Electricity Purchase Utility scale batteries **Energy Acquisitions** South Coast (Step 1 and Step 2) Agreement (EPA) renewals (with scalable levels) Acquire about 3000 GWh of Voluntary time-varying rates Prince George to Terrace Clean or renewable energy Capacitor Demand response programs Industrial Load Curtailment **2021 IRP ACTIONS ACCELERATED EXTENDED NEW ACCELERATED UPDATED 2021 IRP ACTIONS**

The plan will be updated in 2025

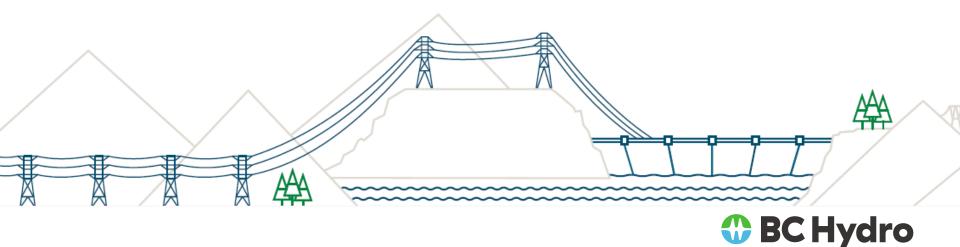
Being flexible during this time of energy transition and global uncertainty means we'll be updating the plan more frequently

How to contact us

- CP2040.Indigenous@bchydro.com or call us at 1-877-461-0161 extension #3.
- To view the updated plan: CleanPower2040.



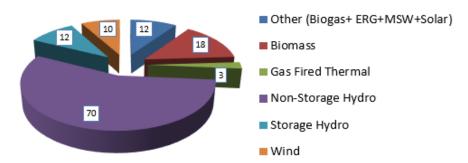
IPP Portfolio Management - Power Acquisitions



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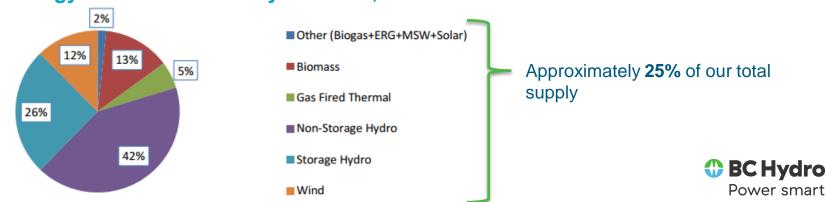
BC Hydro Independent Power Producer (IPP) Portfolio

Electricity Purchase Agreements (EPAs) → 125 Operating IPP facilities



Link to: IPP Supply Map & Lists

IPP energy deliveries to BC Hydro → 16,330 GWh in fiscal 2022



What is an Independent Power Producer (IPP)?







Energy companies

Including many with First Nations partners

Industrial companies

Examples: Pulp & Paper sector

First Nations

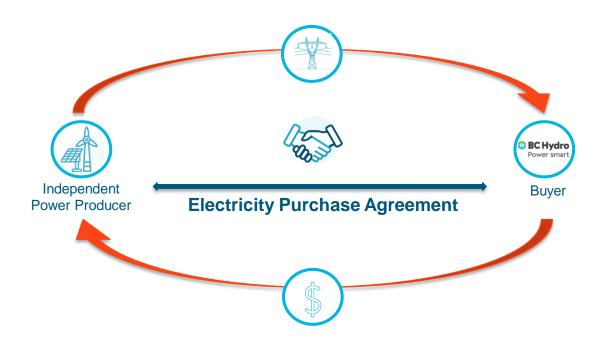
Examples: Hucapasath, Tla-o-qui-aht, Tsilhqot'in, etc.

Local governments

Examples: MetroVan, Nanaimo Regional District



What is an Electricity Purchase Agreement (EPA)?





What is included in an Electricity Purchase Agreement?



Pricing



Project definition



Contract term



Obligations of each party



Rights of each party



Confidentiality



bcuc

Regulatory





BC Hydro's competitive Call for Power



On June 15, the Province of BC and BC Hydro announced plans for a Call for Power:

- Estimated need of about 3,000 GWh per year, starting delivery as early as 2028
- Larger clean or renewable energy projects
- First Nations partnership opportunities



We're planning to look for



Energy profile aligned with our needs: approximately 3,000 GWh/year



Connect to BC Hydro's existing system



Cost effective energy



Reliable delivery: starting as early as 2028



Larger clean or renewable projects

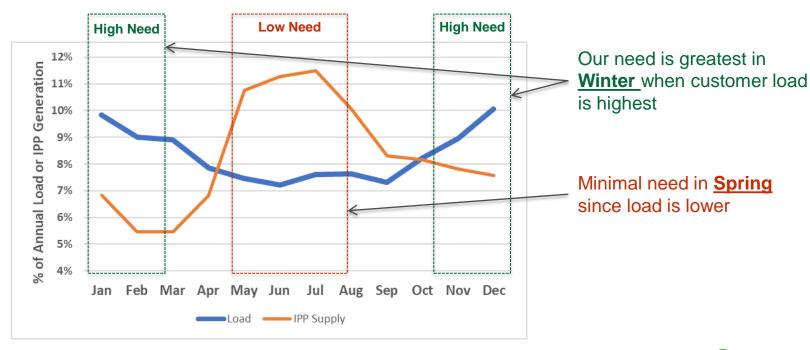


First Nations partnerships and collaboration



Projects that best align with our system needs

Projects with a profile that best align with our needs





Partnerships with First Nations

We will work closely with First Nations to co-design the call

- BC Hydro is committed to reconciliation and the principles of the UN Declaration on the Rights of Indigenous Peoples
- BC Hydro is committed to early engagement and working with First Nations to find meaningful partnership opportunities
- We want to listen and learn what is important to First Nations for this call
- We want to collaborate with First Nations on the design of the call and we are open to ideas and input on how it will work



What is our schedule for Call for Power?

We're engaging with First Nations, IPPs and stakeholders to design our Call for Power

- Information sessions, June 29, 10 am to 11 am and July 6, 1 pm to 2 pm
- Opportunities for input and feedback in summer and fall
- For more information, visit <u>BC Hydro Call for Power Website</u>

