Corporation of the City of
NEW WESTMINSTER

Utility Commission Meeting
Agenda

Tuesday, February 20, 2024, 2:00 p.m.
Meeting held electronically and in Committee Room 2
City Hall

We recognize and respect that New Westminster is on the unceded and unsurrendered land of the Halkomelem speaking peoples. We acknowledge that colonialism has made invisible their histories and connections to the land. As a City, we are learning and building relationships with the people whose lands we are on.

Pages

1. CALL TO ORDER AND LAND ACKNOWLEDGEMENT
   The Chair will open the meeting and provide a land acknowledgement.

2. CHANGES TO THE AGENDA
   Additions or deletion of items.

3. ADOPTION OF MINUTES FROM PREVIOUS MEETINGS

   3.1 Minutes of October 24, 2023 — 3

4. REPORTS AND PRESENTATIONS
   Staff and guest reports and presentations for information, discussion, and/or action

   4.1 Climate Action Decision Making Framework: Introduction and Implementation Plan — 10

5. NEW BUSINESS
   Items added to the agenda at the beginning of the meeting.

6. CORRESPONDENCE

   6.1 BC Hydro - Transition Options - RS 1830 — 30

   6.2 Premier announces new actions to build electricity system, create jobs — 40

7. CONSENT AGENDA

8. MOTION TO CLOSE MEETING

THAT the Utility Commission will now go into a meeting which is closed to the public in accordance with Section 90 of the *Community Charter*, on the basis that the subject matter for all agenda items relate to matters listed under sections:

(1)(a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee, or agent of the municipality or another person appointed by the municipality;
(1)(c) labour relations or other employee relations;
(1)(k) negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public.

9. END OF MEETING

10. UPCOMING MEETINGS

The next scheduled meeting of the Utility Commission is April 16, 2024 at 2:00 p.m.

Corporation of the City of
NEW WESTMINSTER

Utility Commission

MINUTES

Tuesday, October 24, 2023, 1:00 p.m.
Committee Room 2
City Hall

PRESENT

Mayor Patrick Johnstone	Commissioner
Councillor Paul Minhas	Commissioner
Sally Bhullar-Gill	Commissioner
Maya Chorobik*	Commissioner
Lino Siracusa	Chair/Commissioner

REGRETS

Lisa Spitale	Commissioner

STAFF PRESENT

Ronald Au	Senior Financial Services Analyst
Rod Carle	General Manager, Electrical Operations
Steven Faltas	Business Process Manager, Electrical Operations
Carilyn Cook	Committee Clerk

*Denotes electronic attendance

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1. CALL TO ORDER AND LAND ACKNOWLEDGEMENT

Lino Siracusa opened the meeting at 1:00 p.m. and recognized with respect that New Westminster is on the unceded and unsurrendered land of the Halkomelem speaking peoples. He acknowledged that colonialism has made invisible their histories and connections to the land. He recognized that, as a City, we are learning and building relationships with the people whose lands we are on.

2. CHANGES TO THE AGENDA

None.

3. REPORTS AND PRESENTATIONS

3.1 2024-2028 Electric Utility Rates

Ron Au, Senior Financial Services Analyst reviewed the PowerPoint presentation titled “Electrical Utility: 2024-2028 Proposed Utility Rates” which outlined three options as follows:

- Option 1: Status Quo – Existing 2.8% annual rate increase from 2024-2028;
- Option 2: Escalating Increase in Rates – Increasing rates overt time to fund new Capital; and
- Option 3: New Consistent Rates – Balanced and consistent annual rate increase incorporating new Capital.

In response to questions from Commission members, Mr. Au, Rod Carle, General Manager, Electrical Operations, and Steven Faltas, Business Process Manager, Electrical Operations, provided the following comments:

- Growth was not accounted for – this is off the existing situation; however, work is being done to put some framework in place for developers to fund growth;
- Voltage conversion would be a general improvement and would be a benefit to all tax payers;
- Currently, all new developments pay a capacity charge based on the size of the transformations they are putting into their development. This was a fee that came in 2015 with respect to the hospital;
- Typically, developers are asked to pay all costs for all their service;
- It is anticipated that staff will coming back in January/February 2024 with a potential change to the current bylaw around development charges and that it would be almost double what would be charged today;
- The hospital required one complete feeder which was around $3 million which the hospital paid. In order to apply this lump sum to new development, it was converted down to a capacity charge based on size of the transformation they are putting in, which is an easier and more accurate calculation than just doing the actual cost;
- Some discussion has taken place with the City’s Senior Management Team regarding developers paying for growth;
- As we now know that the new substation in Queensborough cost $30 million, we have more of an accurate number than before as over the last 50 years we have always used the two existing substations;

- A steady rate increase over 5 years helps to eliminate rate shock. If the increase is applied all in one year, there will be a rate shock of eight to nine percent;
- The five to 10 percent on reserve is being held off until we have full control of our asset management, which will be addressed in 2024 with the new asset manager;
- The assets may be understated but we did not want to make any increases until we were certain;
- Potentially we could have $100 million worth of new costs in 2029/2030 and we believe that it is prudent to start trying to collect funding towards that now as opposed to waiting;
- Water and sewer are also stimulating a need to increase rates and, while we do not yet have an Asset Management Plan, there will not be as much rate shock if we increase rates now;
- From a status quo perspective, and with some rate increase, monies coming in from upcoming property developments flow through to the reserve;
- Option 2 shows escalating rates the further you delay out, and delaying even further will result in an even higher slope of impact on people in the future. Setting rates today will help us prepare for asset management and help lessen the slope;
- Option 3 provides an opportunity to offset some rates in the future and stabilize what the rate payer will need to pay over time;
- In Option 3, we have captured in the Operating Revenue, some of the growth that is anticipated but have not included 100 percent of all the capital that could be required if 100 percent of the developments come to fruition. The capital has been scaled it to what we could deliver on in the next five to seven years;
- Additional capital will also likely be required from 2030 to 2040 which has not been included, in the scenarios where all of these master plans do happen;
- The goal is to balance addressing a worst case scenario with the status quo and no increase, which is not realistic, and things going as planned;
- We had capacity for the last 30 to 40 years and have relied on that capacity for that time and the residents who have been paying into the utility in that timeframe have benefitted from not paying added capital to supplement the infrastructure. The City has not invested in substations or additional metres or expansions since the 1980s and we have now run out of capacity to build for an electrified future growth;

- In the 1980s there was no rate increase for 10 years;
- There is a lot of complexity to this and staff are sensitive to the idea that in a month we have to establish rates, and we are looking at a one year out study to address such things as pricing strategies with respect to electric vehicles;
- Regarding electric vehicle charging and revenues, basically the rates cover the maintenance of the current chargers so it is currently revenue neutral;
- Staff will be coming back to the Commission with suggestions and recommendations for those with a lower income;
- The City would most likely go to a time of use system once all of the metres are in before adjusting to a two tier rate program such as what BC Hydro offers. At the time that BC Hydro offered a two-tier rate system, it was still more appropriate for New Westminster to remain on a one-tier system as our customer profile is the exact opposite of BC Hydro's;
- Electric vehicle charging rates are every year in a five-year plan. Rates will be adjusted appropriately;
- District energy has been captured a bit in the Capital Plan but staff did not include the minute amount for voltage conversion;
- We know there is something coming, we cannot quantify it 100 percent, and we do not want to get to the position where we have depleted our reserves or we are implementing a 10 percent rate increase. We are trying to balance what we do know with what we do not know and avoid a large rate increase because we have not started today with smaller, incremental increases;
- In terms of the average household using 1,000 kilowatts, 2.8 percent would amount to approximately a $45 increase to the average consumer, with 3.5 percent amounting to approximately $57 annually;
- The simplified model of Option 3 suggests that there are pathways to address the unknown, which we cannot yet share information about because we are still studying it, but not doing something today increases the risk escalated rates in the future;
- If we stay with the existing plan 2.8 percent is sufficient but will not allow the City to put money aside for unexpected expenses;
- The 3.5 percent is the highest increase based on the assumptions that were provided;
- If we go with 3.3 percent we would end with reserves of approximately $22 million and ideally we would like a progressive 5 percent, and once staff report back with more information, this may all change from 2025 to 2029;
- The climate levy was put in before the City got the Provincial funding for the carbon offsets and it was to build a fund to pay for climate-related

infrastructure and initiatives but now that may be changing with the potential of annual revenue coming in from carbon offsets; and

- One thing that has not been done at all in this model is to assume anything with regards to the carbon offset revenue. This would be a point of discussion in the future.

Discussion ensued and Commission members provided the following comments:

- Consideration needs to be given to taxpayers paying today for something years in the future, which they may not benefit from;
- We cannot lose sight of what the impact of an increase may mean to the end user as many residents are already challenged with inflation and high interest and mortgage rates;
- We are reacting to things that were not addressed years ago;
- The rate fee structure is supported so as to not have exorbitant costs on future repairs;
- Different rates for electric vehicle charging, such as what BC hydro has introduced, would provide an opportunity to make money;
- Consistent rate increases is the most comfortable option as it allows us to support our reserve and capital needs in a way that does not push too much to the future;
- There are a lot of unknowns about rate setting in the next five years as we do not know what will happen with BC Hydro rates, the pace at which developments are going to come on, or how we may want to restructure rates once Advanced Metering Infrastructure (AMI) is integrated;
- People are voicing their concerns every day about burdening the cost of growth on current homeowners and that we need to build new infrastructure to support growth that is happening in the region; however, that conversation is quickly changing in the region;
- It was announced today that we would not receive any housing funding from the Federal Government if we continue to increase DCCs and increase the cost of infrastructure on new housing as doing so will not facilitate affordable housing. It is not clear what that will mean locally;
- We need to work on getting our reserves into a comfortable place and planning for the costs that we know are coming, even at a low growth;
- The steady increase model is good but it is risk averse;
- We need to be transparent with our assumptions that are going into building a different rate model and they need to be in alignment with our policies and principles and they do not appear in here in a way that people can discuss them. This is a governance issue;

- As we are studying what our needs are going to be over the next 20 years, we need to include things such as the best practices for asset management and putting the capital program into the rates, offsetting current growth projections against existing users, as well as what is usually put towards maintenance;
- It is important for Council and the community to know what has gone into this and what is involved in order to allow them to support planning for the future and unknowns and to understand the policy questions that have gone into building this model in a way that they can participate;
- Rate payers will want to know how much they are contributing to assets and how much future rate payers would also be paying for them;
- Time must be taken to walk the community through how rates and rate increases are determined;
- More information on the replacement value that staff are looking to set aside would be helpful;
- In addition to the three options, the Commission can recommend that staff come back to the Commission with a more fulsome report with the assumptions; however, time is of the essence so a rate needs to be recommended now for 2024. The number for 2025 can be determined later;
- Given that we know there will be large expense down the line, we do not want to approve rates that are too low and create unexpected consequences that have to be addressed later;
- We should go with an increase somewhere in between 2.8 percent and 3.5 percent;
- It seems like the right time to review capital items and see if they can be moved;
- We need to be very explicit to Council and the community that over 2024 we are going to be doing a lot of capacity, capital analysis that will be brought back to inform future rates; and
- Once we are ready to share that this significant analysis is being done, it can be included on an insert with the tax notices as well as with the utility invoices.

MOVED and SECONDED

That the Utility Commission recommends Option 3 with the change in 2024 to a 3.3 percent utility rate increase and that over 2024, staff will conduct a full capacity analysis to be brought back to the Commission.

Carried.

All members present voted in favour of the motion.

4. NEW BUSINESS

None.

5. END OF MEETING

The meeting ended at 2:13 p.m.

6. UPCOMING MEETINGS

Next meeting scheduled for:

- April 4, 2024 Joint meeting with Council (tentative).

Certified correct,

Lino Siracusa, Chair

Katie Stobbart, Committee Clerk

Climate Action Decision Making Framework

Introduction and Implementation Plan

Utility Commission – February 20, 2024

NEW WESTMINSTER

Image: https://www.hydropower.org/iha/discover-facts-about-hydropower

Recommendation

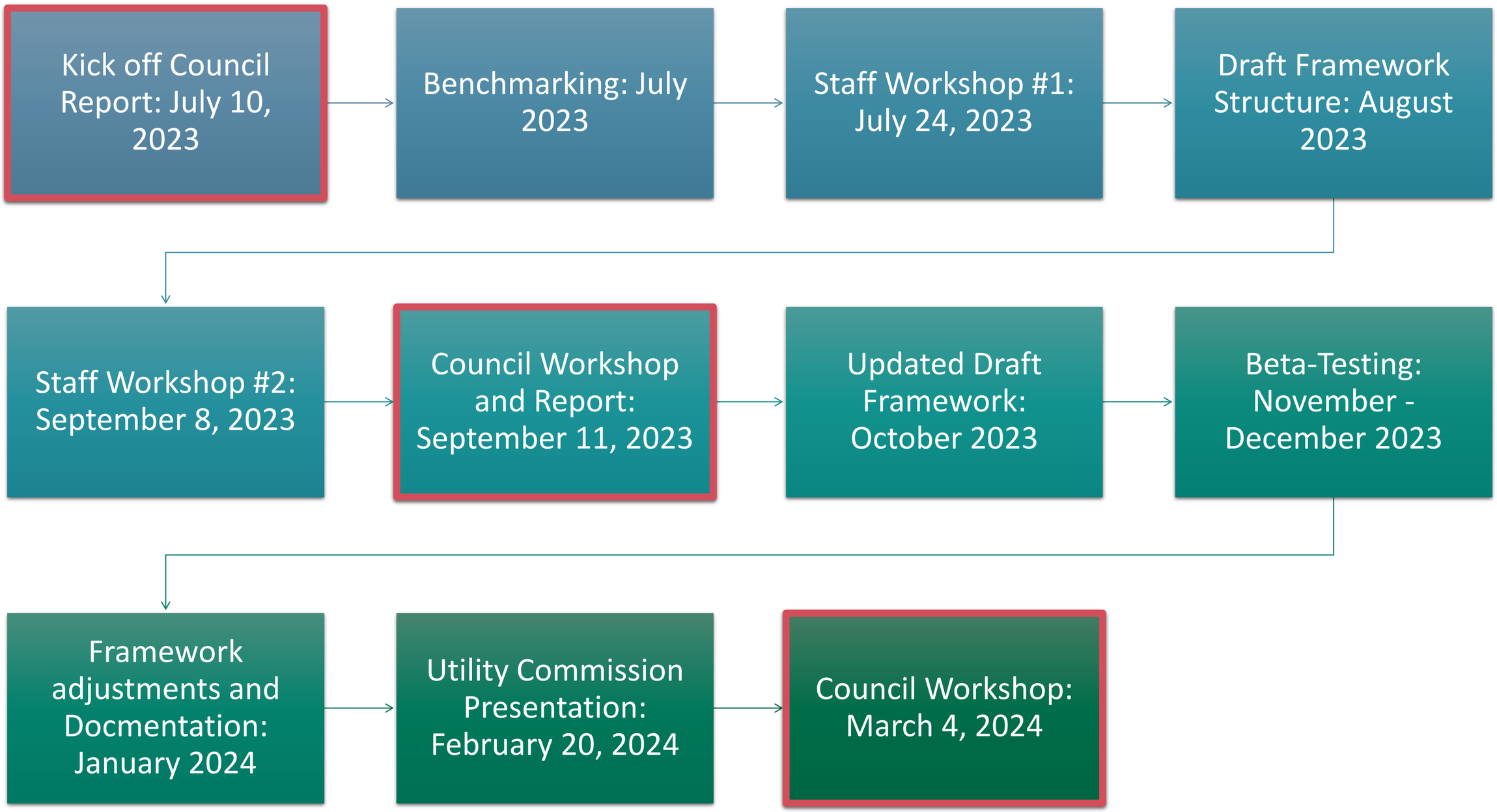
THAT the Utility Commission endorse the proposed Climate Action Decision Making Framework.

Purpose of the Framework

Provide a **structured decision making approach** to allocating funds from the Climate Action Reserve Fund for initiatives which will enable the City to reach its climate action target of net-zero by 2050.

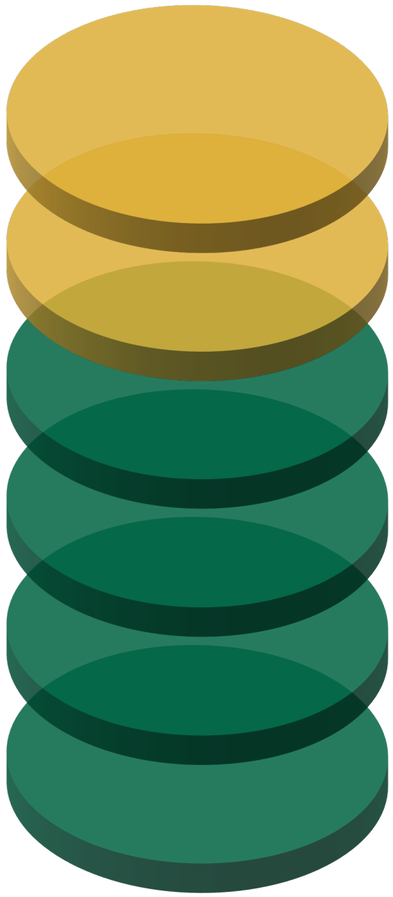
Fund Objectives:

Project Progress



Milestones with RED outline have associated Council Reports

Guiding Principles & Additional Considerations



Reducing GHG emissions

Reducing energy consumption

Increasing climate resilience

Addressing risks arising from climate change

Supporting positive equity outcomes

Improving social and environmental outcomes

Primary Objective

Principles

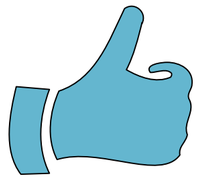
Overview of the Framework

The Framework integrates criteria, rating systems, and weighting systems.

Criteria

Categorized into five types:

- Climate Emergency Criteria
- Pass/Fail Criteria
- Primary Criteria
- Secondary Criteria
- Other Considerations



Ratings

- Ratings applied to some criteria are delineated on **High, Medium,** and **Low**

Weightings

- Involve assigning **relative significance** to criteria

Framework Flow

- Unplanned one-time health and safety initiative funding

Climate related Emergency Measures

Pass/Fail Criteria

- Ensure alignment with climate action strategies

- CARF objectives and guiding principles
- Rated and weighted

Primary Criteria

Secondary Criteria

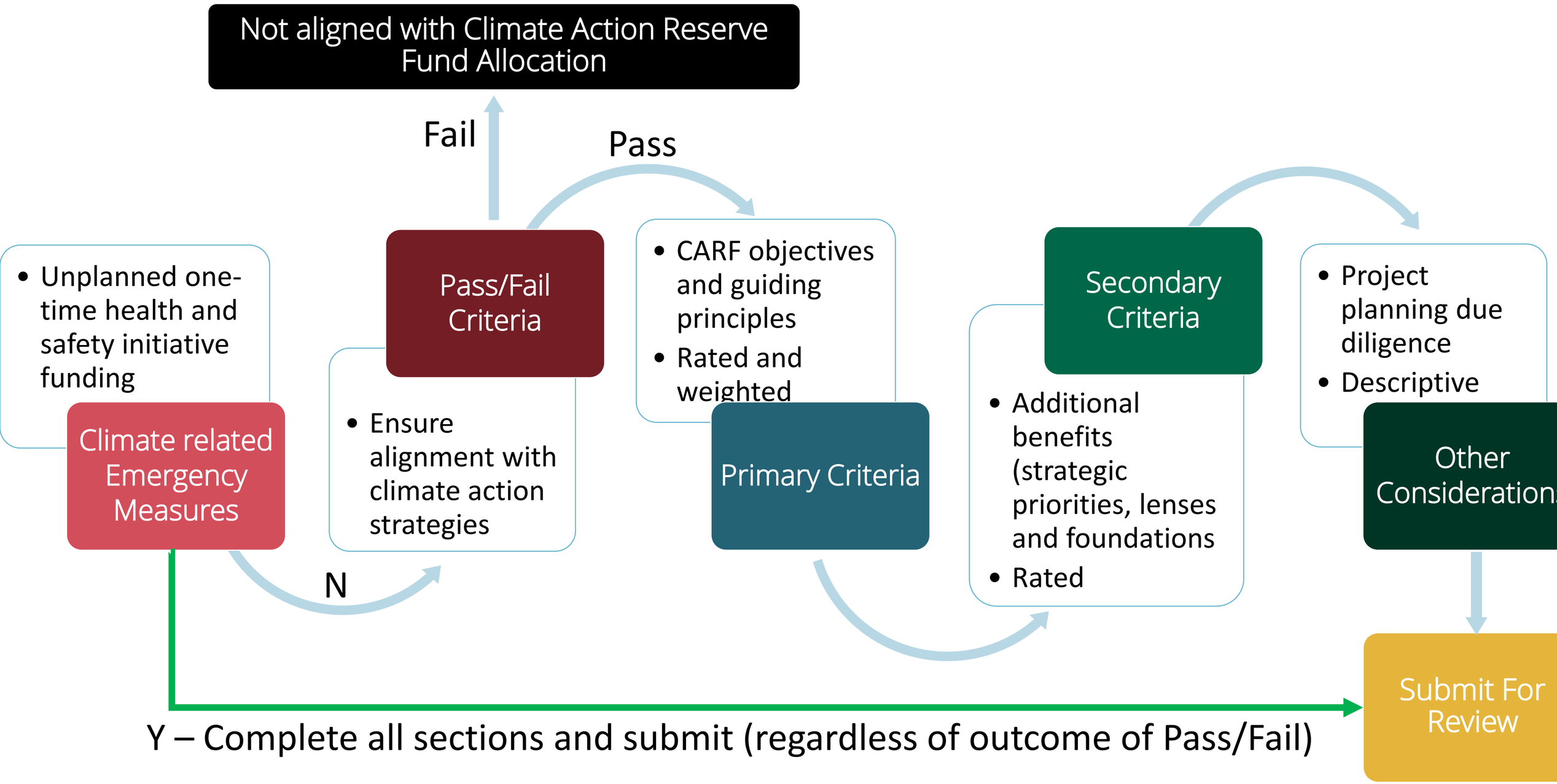
- Additional benefits (strategic priorities, lenses and foundations
- Rated

- Project planning due diligence
- Descriptive

Other Considerations

Submit For Review

Framework Flow



Framework Hierarchy

Climate related Emergency Measures

Pass/Fail Criteria

Primary Criteria

Secondary Criteria

Other Considerations

High — Impact on Framework Scoring — Low

Roles and Responsibilities

There are three key Staff parties with important roles in enabling the assessment of each project against the criteria framework. The final approval step will be Council approval.

PROJECT OWNER

- Complete the Framework

PROJECT REVIEWER

- Consolidates and reviews submissions

FINANCE

- Prepares budget with recommended CARF allocation

COUNCIL

- Approves budget allocation from CARF

Next Steps

Q1 ‘24

Framework for Adoption 04-Mar-2024: Council Workshop	Draft implementation plan and process flow

Q2 ‘24

Training and implementation in 2025 budget process	Implementation in 2024 Quarterly Variance (or Q3)	Develop CA Healthy Reserve Policy	Create online intake process

Q3 ‘24

Ongoing support and implementation in the 2025 budget process	Review Framework submissions for 2025 budget year and potential impact on the CARF

Q4 ‘24 – Q1 ’25

Review and recalibrate the framework	Additional staff training as required

Recommendation and Discussion

THAT the Utility Commission endorse the proposed Climate Action Decision Making Framework.

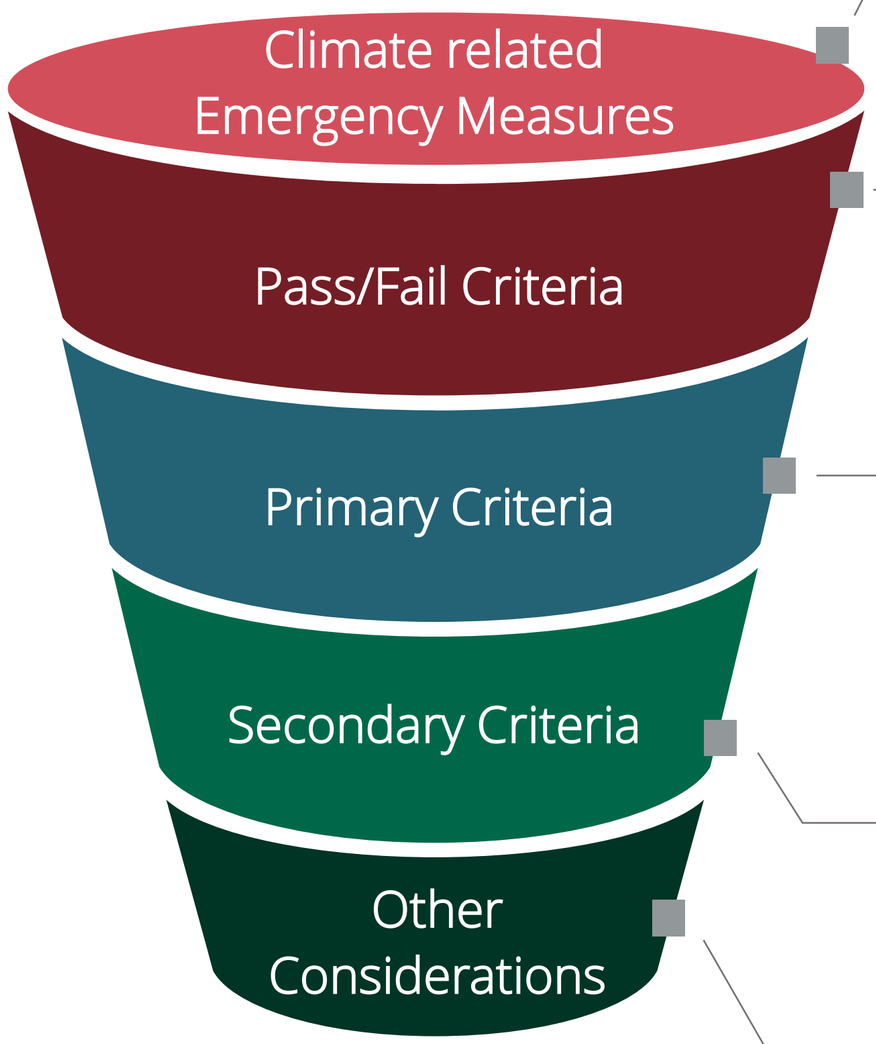
Questions for Discussion:
Does the Commission believe the Framework sufficiently supports climate oriented decision making and that the Commission does not need to a formal role in the use of the Framework?

If not, what role should the Commission play in the review of Climate Action Reserve Fund allocation resulting from the implementation of the Framework and why?

APPENDIX : Elements of the Framework

Climate Action Decision Making Framework

Climate Action Framework Overview



Climate related Emergency Measures

- Address an isolated emergency and critical health and safety risk arising from a climate change hazard

Pass/Fail

- City's climate action strategies
- GHG reduction from base case OR Critical enabler

Primary Criteria

- Extent of emission reductions
  - Relative
  - Absolute
- Operational cost
- Capital cost
- Climate Equity
- Improving health and safety and resiliency for citizens

Secondary Criteria

- Council strategic priorities
- DEIAR
- Reconciliation
- Environment
- Organizational Effectiveness
- Community interest

Other Considerations

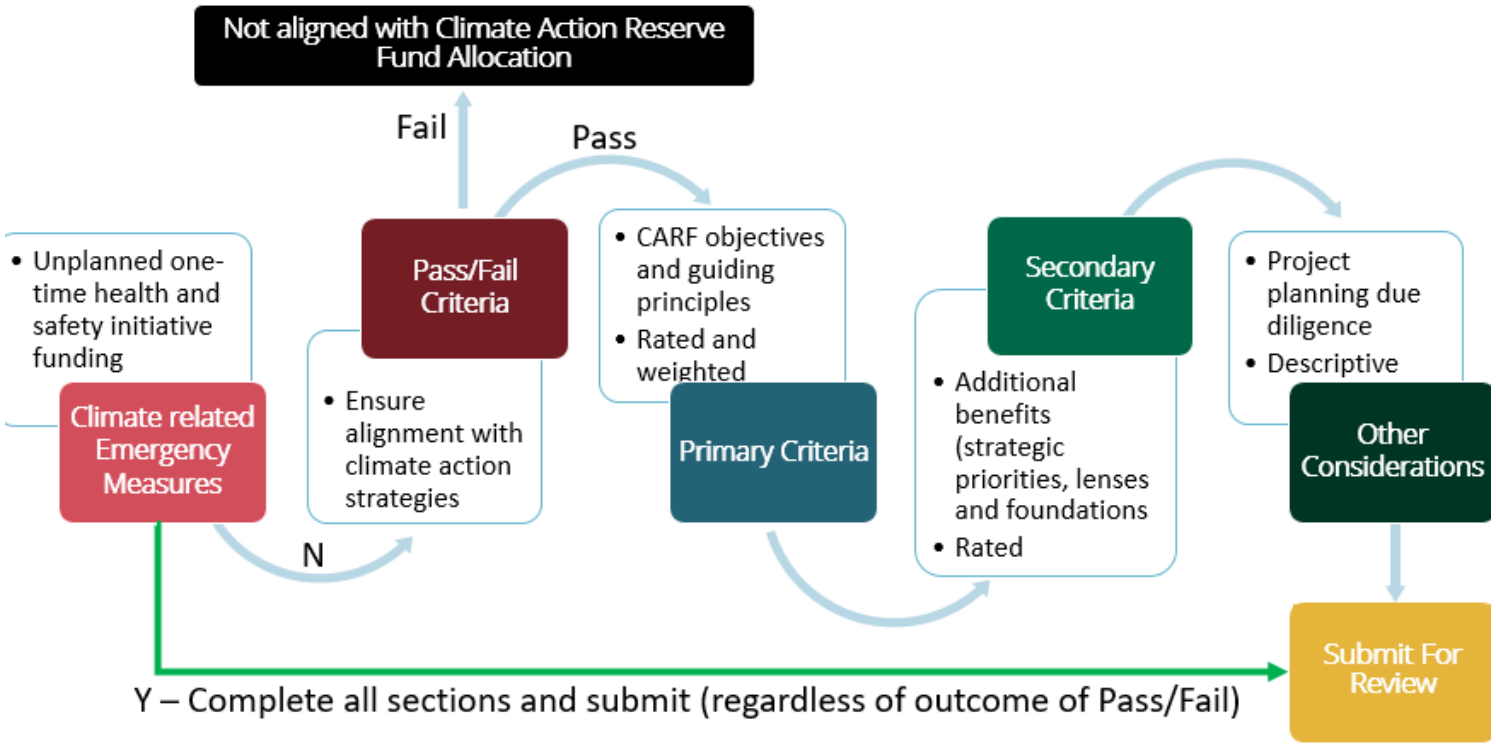
- Internal resource and capacity
- Recent investments in similar initiatives
- Jurisdictional impacts
- Additional funding
- Urgency

Corporation of the City of
NEW WESTMINSTER

Attachment 1

CADMF Structure, Criteria and Rating Scales

Framework Flow



CITY OF NEW WESTMINSTER CLIMATE ACTION CAPITAL PLANNING FRAMEWORK Version 1.0

Particulars	Details
Form Submission Date	
Initiative Budget Year	
Initiative Name	
Business Unit	
Initiative Description	
Bold Step (drop down selection)	
Strategic Priority (drop down selection)	
Total Initiative Capital Expenditure ($ million)	
Capital Funding Request ($ million)	
Any previous funding request made for this initiative? (if yes, please provide additional details):	
Department	

Criteria		Description and intended outcomes	Rating Description	
Emergency Measure				
Climate related Emergency Measure		Is the initiative a one time occurrence and directly responding to an unexpected and immediate climate change related health and safety risk? *If yes, please provide rational in Comments column*	**Pass**	Yes
			Fail	No
Pass/Fail			**Rating Description**	
A) City's Climate Action strategies		Is the initiative listed as an implemnetation action in one of the following climate action strategies? - Community Energy and Emissions Plan 2050 (CEEP), 2022 - Corporate Energy & Emissions Reduction Strategy (CEERS), 2020 - e-Mobility Strategy, 2022	**Pass**	Yes
			Fail	No
Answer B.1 **OR** B.2	**B.1) GHG reduction from base case**	Will the initiative achieve net-reduction of GHG emissions compared to the "Business as Usual" (BAU) case?	**Pass**	Yes
			Fail	No
	B.2) Critical Enabler	Will the initiative facilitate future GHG emission reductions? i.e. electricity conservation, policy tool, administration of community energy programs, etc. *If yes, please provide rational in Comments column*	**Pass**	Yes
			Fail	No

Primary Criteria			Rating Description	
Answer 1A (quant.: relative ***and*** absolute) **OR** 1B (qual.)	**1A) Relative Emission Reduction** (Weighting - 10%)	What is the anticipated emission reductions as compared to BAU?	**High**	>40%
			Med	25% and 40%
			Low	<25%
	1A) Absolute Emission Reduction (Weighting - 30%)	What is the anticipated lifetime emission reductions?	**High**	>25ktCO2e
			Med	10-25ktCO2e
			Low	<10ktCO2e
	1B) Extent of Emission Reductions (Weighting - 40%)	Does this initiative maximize emission reductions relative to other options which achieve the same service delivery?	**High**	Maximized emission reductions
			Med	Some emission reductions
			Low	Low to similar emissions
2) Operational Cost (Weighting - 30%)		How will the initiative impact ongoing operating costs?	**High**	**benefit** savings achieved and/or additional revenue
			Med	**neutral**
			Low	**cost** increased or new operating budget required
3) Capital Cost (Weighting - 15%)		What is the capital request from the Climate Action Reserve Fund to achieve benefits (GHG reductions / critical enabling aspect) *(Ideally the incremental cost of the project to achieve better than BAU)*	**High**	<$250,000 (Tier 1)
			Med	$250,000 - 500,000 (Tier 2)
			Low	>$500,000 (Tier 3)
4) Climate Equity (Weighting - 10%)		Does the initiative help address inequities related to climate impacts?	**High**	Directly targets addressing inequity
			Med	Indirectly supports reducing inequities
			Low	Little to no impact
5) Improving health and safety outcomes of citizens (Weighting - 5%)		Improves community health and safety outcomes and offers greater resiliency against future climate change related risks	**High**	Directly improves health, safety AND resiliency
			Med	Directly improves health, safety OR resiliency
			Low	Indirectly improves health, safety, OR resiliency

Secondary Criteria		Rating Description	
6) Council strategic priorities	Does the initiative align with at least one council strategic priority (2023-26)?: 1. Community Belonging and Connecting 2. Homes and Housing Options 3. People-Centered Economy 4. Safe Movement of People 5. Asset Management and Infrastructure	**High**	Directly
		Med	Indirectly
		Low	Not specifically advancing strategic priorities
7) DEIAR - Diversity, Equity, Inclusion and Anti-Racism	Does this initiative have the potential to reduce inequities (non-climate related) in our community and/or organization?	**High**	**Yes** designed to directly reduce inequities
		Med	**Yes** designed to indirectly reduce inequities
		Low	**Neutral** The initiative will not reduce or increase inequities
8) Reconciliation	Could this initiative have the potential to cause harm to Indigenous people, urban indigenous communities, or local first nations?	**High**	**No** potential harm will be introduced **OR** potential harm has been identified and a **harm reduction plan is included** within the scope of the initiative.
		Med	**Yes** potential harm has been identified and a **harm reduction plan has not yet been included** within the scope of the initiative.
		Low	Potential harm has **not yet been determined**.
9) Environment	Does this initiative align with at least one of the following environmental strategies?: - Environment Strategy and Action Plan (ESAP), 2018 - Biodiversity Strategy, 2022	**High**	Directly
		Med	Indirectly
		Low	Not specifically advancing environmental strategies
10) Organizational Effectiveness - IT Systems	Does this initiative have the potential to increase or introduce risk in the City's cyber security? **OR** Does this initiative have alignment with organizational effectiveness strategies and plans related to HR, IT, Work Space, Facilities Asset Management Plan or Fleet?	**High**	Positive Impact
		Med	Neutral or no impact
		Low	Negative impact
11) Community interest	Through previous engagement activities, has the community expressed interest and/or need for this initiative?	**High**	Directly addresses
		Med	Indirectly addresses
		Low	Has not been expressed through prior public engagement as an initiative of interest / need.

Other considerations	
i) Internal resource and capacity	Will additional resources be required to successfully implement the initiative (short term) or will external short term resources be supplied by the reserve fund (consultants, project managers, etc.)? If external resources required, can this be easily obtained?
ii) Additional funding	Does the initiative have the potential to attract additional funding to the City? Can the Reserve potentially leverage funds from outside of the City?
iii) Recent investments in similar initiatives	What are recent investments made to enhance this service which the initiative would address? If it has been a long time since the last investment in this service areas, what are the risks of continuing to not invest in this area?
iv) Jurisdictional Impacts	Will inter-municipal or other levels of government collaboration be required to implement this initiative? What are potential timing and budget risks associated with permitting and/or seeking appropriate approvals in order to implement this initiative? What regional impacts could this initiative achieve for other jurisdictions?
v) Urgency	Does the initiative address existing service delivery issues, or meet immediate council agenda, while contributing to climate action?

BC Hydro
Power smart

INDUSTRIAL TRANSMISSION RATES
Tel: 604. 699.9446
Email: jane.nzambu@bchydro.com

Attention: Roderick Carle
General Manager
City of New Westminster
(New Westminster Utility Commission)
VIA Email: rcarle@newwestcity.ca

12th January, 2024

Customer Account #:14001

Re: Transition Options – RS 1830 Energy Charge

Dear Rodrick,

Further to BC Hydro's email of December 20, 2023 confirming the Commission's approval by Order G-353-23 of a new default rate schedule for BC Hydro's transmission service customers, Rate Schedule (RS) 1830 effective April 1, 2024, the summary below describes the RS 1830 Energy Charge(s) that you are eligible for during the transition period of F2025 and F2026.

Per directive 8 of Order G-353-23, BC Hydro is required to notify customers of the energy charge(s) that they are eligible for under RS 1830 within 30 days of the date of the order.

Customers are required to notify BC Hydro in writing of the selected fiscal year used for the determination of the applicable RS 1830 energy charge(s) for your site(s) by **February 12, 2024**.

Segmented Rates under RS 1830 during the Transition

Existing RS 1823 customers will transition to RS 1830 at the start of the F2025 billing year unless they have remaining duration from Customer-funded DSM projects as of April, 2024 and elect to stay on RS 1823 for F2025 and F2026 .

Per the final approved RS 1830 rate schedule, the energy charge that each customer is eligible for depends on the customer's historical share of Tier 1 energy consumption under RS 1823, as follows:

- **Energy Charge A:** For customers with a High Share of Tier 1 Energy – i.e., that were charged the Tier 1 Energy Charge for greater than or equal to 97% of the customer's total energy consumption under RS 1823 during the F2020 or F2022 billing year, including such customers with an aggregated CBL.

- **Energy Charge B:** For customers with a Moderate Share of Tier 1 Energy – i.e., that were charged the Tier 1 Energy Charge for greater than or equal to 93% and less than 97% of the customer's total energy consumption under RS 1823 during the F2020 or F2022 billing year, including such customers with an aggregated CBL.

- **Energy Charge C:** For customers with a Low Share of Tier 1 Energy – i.e., that were charged the Tier 1 Energy Charge for less than 93% of the customer's total energy consumption under RS 1823 during the F2020 or F2022 billing year, including such customers with an aggregated CBL, including customers previously taking service under RS 1823A and RS 1827, and new customers.

Choice of segmentation year and RS 1830 Energy Charge

Customers have the option to choose either F2020 or F2022 consumption data for determining the RS 1830 energy charges that will apply to their site(s) during the transition i.e., in F2025 and F2026.

BC Hydro has reviewed your F2020 and F2022 actual consumption data and determined the applicable RS 1830 energy charge(s) for your site(s) as outlined in Tables 1 and 2 below.

- For customers with two or more operating plants and that had elected to aggregate any combination of their Energy CBLs for the operating plants for billing purposes under RS 1823, must choose one fiscal year of consumption data that would apply to all sites within that aggregation.

- If you have sites that are not part of an aggregation you may choose a different fiscal year of consumption than the one selected for the aggregated sites.

Table 1 – Energy Charge Eligibility using F2020 Actual Consumption Data

City of New Westminster- F2020		
Account #	Site	Reviewed Segment (Energy Charge)
		<93% Tier 1, Flat Rate
14001	City of New Westminster	Segment 3 - Energy Charge C

Table 2 – Energy Charge Eligibility using F2022 Actual Consumption Data

City of New Westminster - F2022		
Account #	Site	Reviewed Segment (Energy Charge)
		<93% Tier 1, Flat Rate
14001	City of New Westminster	Segment 3 - Energy Charge C

Please refer to Table 3 below for approved F2025 prices and illustrative F2026 prices under RS 1830. Prices do not include the Deferral Account Rate Rider (DARR) and Trade Income Rate Rider (TIRR).[1]

Table 3 – RS 1830 Prices F2025 and F2026

Year	General Rate Increase (%)	Energy Charge RS 1830 ($/kWh)			Demand Charge ($/kVA)
		Energy Charge A	Energy Charge B	Energy Charge C	
F2025	6.42%	0.04811	0.05101	0.05374	10.154
F2026	8.50%*	0.05185	0.05343	0.05491	11.858
* General rate increase shown for F2026 is based on a forecast and subject to change. Energy Charges are adjusted by 0.5% in F2025 and F2026 in accordance with directive 9 of Order G-353-23					

Important Timelines for Requests

In accordance with Order G-353-23 and the final approved rate schedule for RS 1830, BC Hydro hereby requests the following:

1. Please notify BC Hydro in writing which fiscal year you prefer to use for determining the RS 1830 energy charge that will apply during the transition period by **February 12, 2024**. In your request, please identify each site and the selected fiscal year/applicable energy charge.

BC Hydro will use F2022 consumption data as a default for the determination of the applicable RS 1830 energy charge for your site(s), if you do not notify BC Hydro in writing (one time election) by February 12, 2024 that you elect to pay the energy charge that you would be eligible for based on F2020 billing data.

What are the next steps?

- Please review and submit a request(s) to BC Hydro with your choice of either F2020 or F2022 consumption data for determining the applicable RS 1830 energy charge that will apply for your site(s) at the start of the F2025 billing year, and in accordance with the timelines set out above.

[1] A decision on DARR and TIRR for F2025 is expected in February 2024.

- Please contact me or your Key Account Manager, if you have any questions or concerns regarding the content of this letter.

Sincerely,

Jane Nzambu
Transmission Rates Operations Manager

Cc. *Rick Truong*

5. TRANSMISSION SERVICE

RATE SCHEDULE 1830 – TRANSMISSION SERVICE

Availability	For all purposes. Supply is at 60 kV or higher. This Rate Schedule is available for all Customers. For Customers served under Rate Schedule 1827 on March 31, 2024, this Rate Schedule is available on April 1, 2024. For Customers served under Rate Schedule 1823 on March 31, 2024, this Rate Schedule is available at the start of their first Billing Period commencing on or after April 1, 2024.
Applicable in	Rate Zone I excluding the Districts of Kingsgate Yahk and Lardeau Shutty Bench.

Rate	**Demand Charge:** $10.154 per kVA of Billing Demand per Billing Period plus **Energy Charge: A** For Customers with a High Share of Tier 1 Energy: 4.811 ¢ per kWh for all kWh per Billing Period **Energy Charge: B** For Customers with a Moderate Share of Tier 1 Energy: 5.101 ¢ per kWh for all kWh per Billing Period **Energy Charge: C** For Customers with a Low Share of Tier 1 Energy, including Customers previously taking service under Energy Charge A under Rate Section 1823 and Rate Section 1827, and new Customers: 5.374 ¢ per kWh for all kWh per Billing Period **Monthly Minimum Charge:** $10.154 per kVA of Billing Demand
Definitions	1. Billing Year The Billing Year is the 12-month period starting with the first day of the Billing Period which commences nearest to April 1 in a year, and ending on the last day of such 12-month period.

2. Billing Demand

   The Billing Demand will be:

   (a) The highest kVA Demand during HLH in the Billing Period; or

   (b) 75% of the highest Billing Demand for the Customer's Plant in the immediately preceding period of November to February, both months included; or

   (c) 50% of the Contract Demand stated in the Electricity Supply Agreement for the Customer's Plant,

   whichever is the highest value, provided that for new Customers the Billing Demand for the initial two Billing Periods will be the average of the daily highest kVA Demands for the Customer's Plant.

3. High Load Hours (**HLH**)

   HLH is the period of hours from 06:00 to 22:00 Monday to Saturday, except for Statutory Holidays (New Year's Day, Family Day, Good Friday, Victoria Day, Canada Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day and Christmas Day).

4. Low Load Hours (**LLH**)

   Low Load Hours (**LLH**) are all hours other than HLH.

5. High Share of Tier 1 Energy

   A Customer with a High Share of Tier 1 Energy means a Customer that was charged the Tier 1 Energy Charge for greater than or equal to 97% of the Customer's total energy consumption under Rate Schedule 1823 during the fiscal 2020 or fiscal 2022 Billing Year, including such a Customer with an aggregated CBL.

	6. Moderate Share of Tier 1 Energy A Customer with a Moderate Share of Tier 1 Energy means a Customer that was charged the Tier 1 Energy Charge for greater than or equal to 93% and less than 97% of the Customer's total energy consumption under Rate Schedule 1823 during the fiscal 2020 or fiscal 2022 Billing Year, including such a Customer with an aggregated CBL. 7. Low Share of Tier 1 Energy A Customer with a Low Share of Tier 1 Energy means a Customer that was charged the Tier 1 Energy Charge for less than 93% of the Customer's total energy consumption under Rate Schedule 1823 during the fiscal 2020 or fiscal 2022 Billing Year, including such a Customer with an aggregated CBL. Customers that pay Rate Schedule 1823 Energy Charge A or Rate Schedule 1827 energy charge have a Low Share of Tier 1 Energy, as their consumption is categorized as 90% Tier 1 energy and 10% Tier 2 energy. 8. Tier 1 Energy Charge The Tier 1 Energy Charge is the charge specified in Rate Schedule 1823 for Customers with a CBL and applied to all kWh up to and including 90% of the Customer's CBL in each Billing Year.
Special Conditions	BC Hydro will notify each Customer of the Energy Charge(s) under this Rate Schedule 1830 that the Customer is eligible for based on fiscal 2020 and fiscal 2022 billing data. A Customer will pay the applicable Energy Charge based on fiscal 2022 billing data, unless, within 30 days following BC Hydro's notification, the Customer notifies BC Hydro in writing (one time election) that it elects to pay the Energy Charge that the Customer is eligible for based on fiscal 2020 billing data. All customers are eligible for Energy Charge C under this Rate Schedule irrespective of their share of Tier 1 energy in any year.

Taxes	The rates set out in this Rate Schedule are exclusive of goods and services and provincial sales taxes.
Note	The terms and conditions under which Transmission Service is supplied are contained in Electric Tariff Supplement Nos. 5 and 6, or Electric Tariff Supplement Nos. 87 and 88, as applicable.
Rate Rider	The Deferral Account Rate Rider as set out in Rate Schedule 1901 applies to all charges payable under this Rate Schedule, before taxes and levies.
Rate Increase	Effective April 1, 2024, the rates under this Rate Schedule include a rate increase of 6.42% before rounding.

Rod Carle

From: Rod Carle
Sent: Wednesday, February 07, 2024 2:37 PM
To: 'Hayashi, Shinya'
Cc: Nzambu, Jane; Ronald Au; Shehzad Somji
Subject: RE: [Webinar Documents] _ New Transition Rate Service(RS1830)_BC Hydro

Shinya,

Please consider this email as our notification of election. Please use our RS 1827 F2020 billing data.

Energy Charge C: for Customers with a Low Share of Tier 1 Energy or Currently on a Flat Rate or New Customers

Any questions give me a call

Thanking You In Advance

Roderick Carle, C.I.M., P. Mgr., C. Mgr. / General Manager
New Westminster Utility Commission

T 604. 527. 4569 I C 778. 773. 2682
E rcarle@newwestcity.ca

RTD - 2024, 02, 22 2:22pm

We recognize and respect that New Westminster is on the unceded and unsurrendered land of the Halkomelem speaking peoples. We acknowledge that colonialism has made invisible their histories and connections to the land. As a City, we are learning and building relationships with the people whose lands we are on.

From: Hayashi, Shinya <Shinya.Hayashi@bchydro.com>
Sent: Friday, January 26, 2024 1:52 PM
To: Hayashi, Shinya <Shinya.Hayashi@bchydro.com>
Cc: Nzambu, Jane <Jane.Nzambu@bchydro.com>
Subject: [EXTERNAL] [Webinar Documents] _ New Transition Rate Service(RS1830)_BC Hydro

Hello,

Thank you so much for your time joining our webinar.

Please see the attached PDF file we presented yesterday and today' session .

We are looking forward to receiving your notification of your election or confirmation for the rate transition based on your eligibility.

If you have further questions, please do not hesitate to contact your Key Account Manager.

Sincerely,

Shinya

Shinya Hayashi | Industrial Rates Specialist, Large Customer Rate Operations (He/Him/His)

BC Hydro
333 Dunsmuir Street, 4th Floor
Vancouver, B.C. V6B 5R3

Office: 604.623.3661
Mobile: 604.968.7948
Email: Shinya.Hayashi@bchydro.com

bchydro.com

Smart about power in all we do.

BC Gov News

January 16, 2024

Energy, Mines and Low Carbon Innovation

Premier announces new actions to build electricity system, create jobs

BC Hydro will embark on an unprecedented level of construction over the next 10 years, building out British Columbia's electricity system to power a growing clean economy and communities, and create new jobs.

"We must expand our electrical system like never before, to power industrial development, to power our homes and businesses, to power our future," said Premier David Eby. "Clean, affordable energy will help us meet that opportunity, while reducing pollution, securing good-paying jobs and creating new opportunities for our growing economy."

At the B.C. Natural Resources Forum in Prince George, Premier Eby announced a $36-billion investment for community and regional infrastructure projects that will deliver clean, affordable electricity to people and businesses in the future.

BC Hydro's updated 10-year capital plan, Power Pathway: Building BC's energy future, includes almost $36 billion in community and regional infrastructure investments throughout the province between 2024-25 and 2033-34. This represents an increase of 50% over BC Hydro's previous capital plan ($24 billion), and includes a significant increase in electrification and emissions-reduction infrastructure projects (nearly $10 billion, up from $1 billion).

These new construction projects are projected to support 10,500 to 12,500 jobs on average annually, and will increase and maintain BC Hydro's capital investments as major projects like Site C are completed.

The plan reflects growing demand for electricity across sectors due to population growth and housing construction, increased industrial development, and people and businesses switching from fossil fuels to clean electricity, among other factors. It includes:

- building new high-voltage transmission lines and supporting infrastructure from Prince George to Terrace to meet industrial customer demand in the north coast area, including in the mining sector;
- building or expanding substations and installing new equipment to support residential housing growth and transit electrification in high-growth areas across the Lower Mainland and Vancouver Island; and
- upgrading B.C.'s dams and generating facilities to make them safer, more reliable and more efficient.

"We're taking action to build a clean energy future and create thousands of construction jobs for skilled workers as major infrastructure projects like Site C reach completion," said Josie Osborne, Minister of Energy, Mines and Low Carbon Innovation. "Together with our first call for power in over 15 years, BC Hydro's new capital plan – with almost $4 billion in spending every year for the next decade – will drive economic growth for communities all over the province and ensure households and businesses can power up with clean, reliable and affordable electricity."

BC Hydro's goal is to acquire new sources of clean, renewable electricity, including wind and solar. B.C. is well positioned to add additional intermittent renewables to the grid as its integrated, flexible system of hydro-electric dams act as batteries. The reservoirs store water and allow BC Hydro to ramp production up or down almost instantly, providing a reliable back up for when the sun isn't shining or the wind isn't blowing.

"Our electricity grid is already one of the cleanest in the world, and to meet the scale and pace of what's required, we need to invest in

our system and build for the future," said Chris O'Riley, president and CEO of BC Hydro. "We have already taken significant steps toward sourcing the clean electricity needed to meet the future demand, and we are now embarking on the next step, our $36 billion 10-year capital plan, which includes everything from investing in our generation assets and large transmission infrastructure to the substations and local wires that deliver power to homes and businesses across the province."

In addition to the 10-year capital plan, Premier Eby announced that the Province and BC Hydro are implementing a new streamlined, one-window approval process to speed up approvals to get electricty to in-demand industries faster, and to support jobs.

"Industrial greenhouse gas emissions make up about 40% of B.C.'s total, so we need to work closely with the private sector to electrify rapidly to meet our CleanBC climate goals by 2030 and keep B.C. industries strong and competitive," said George Heyman, Minister of Environment and Climate Change Strategy. "This new, one-window approach will help companies reach final investment decisions sooner so they can move to a decarbonized future that will benefit our province for generations to come and meet the growing global demand and opportunities for low carbon commodities."

The process will result in the Climate Action Secretariat and BC Hydro managing streamlined approvals for industrial electrification projects between the CleanBC Industry Fund and BC Hydro's Large Customer Low Carbon Electrification programs. Transitioning to a one-window process will speed up approvals, increase efficiency, and deliver more funding certainty for proponents.

Quick Fact:

- Electricity demand is expected to increase by 15% or more between now and 2030.

Learn More:

To view BC Hydro's updated 10-year capital plan, Power Pathway: Building BC's energy future, visit: https://news.gov.bc.ca/files/CS-4307-CapitalPlan_LTR.pdf

To view a graph of BC Hydro's planned capital spending, visit: https://news.gov.bc.ca/files/CS-4307-CapitalExpenditures_Chart.pdf

For details on BC Hydro's call for power, visit: https://news.gov.bc.ca/releases/2023EMLI0036-000941

For information on the new collaboration between the CIF and LCE programs, visit: https://www2.gov.bc.ca/gov/content?id=6995A2FA9E2B4C13AAD45AD323CAC770

To learn about other CleanBC programs and funds for cleaner industry, visit: https://www2.gov.bc.ca/gov/content/environment/climate-change/industry

Increased infrastructure to support growing demand for power:

Every year BC Hydro creates a capital plan that looks ahead 10 years. The plan quantifies the new and improved infrastructure required to safely operate its system and meet the electricity demands of its customers. It helps BC Hydro assess the resources it will need in the near to medium term, supports rate planning, and plan engagement with First Nations, local governments and regulators.

The 10-Year capital plan for 2024-25 to 2033-34, Power Pathway: Building BC's energy future, responds to a significant increase in demand for power to support accelerated electrification and population growth as identified in BC Hydro's updated integrated resource plan (currently under review by the B.C. Utilities Commission).

The 10-Year capital plan includes investing in BC Hydro's generation assets, large transmission infrastructure and community substations, and local wires that deliver power to homes and businesses across the province with three main objectives:

- Support the electrification of the province and meet CleanBC emissions reductions targets;
- Reinforce B.C.'s electricity system to enable customer connections and meet load growth; and
- Sustain B.C.'s electricity system, ensuring BC Hydro can safely and reliably meet the needs of its customers while keeping rates low

The plan includes nearly $10 billion for infrastructure to support electrification and GHG reduction, more than $5 billion to address load growth and increased customer connections, and $21 billion to sustain existing capital assets, dam safety and reliability, for a total of $36 billion over 10 years (net of contributions in aid of construction, such as customer payments under tariffs). This is an increase of about 50% from last year's capital plan that included $24.1 billion in investments.

While taking action to grow the electrical system is important, ensuring rates remain affordable is equally important. B.C. currently has the second lowest residential electricity rates in North America, and the third lowest commercial and industrial rates.

BC Hydro rates are currently 15.6% lower than the cumulative rate of inflation over the past seven years (starting 2017-18). In addition, rates are currently 12.4% lower than the previous government's long-term rates plan, saving residential customers approximately $250 million, commercial customers approximately $223 million, and industrial customers approximately $95 million, compared to the previous government's long-term rates plan.

For the sixth year in a row, BC Hydro has applied to the BC Utilities Commission (BCUC) for a rate increase below the rate of inflation. Rate changes are determined by the BCUC following a transparent regulatory process. As an outcome of Phase 1 of the BC Hydro review in 2019, government returned oversight to the BCUC on a number of matters the previous government took away, including rate changes, use of regulatory accounts and BC Hydro's long-term Integrated Resource Plan.

Streamlining funding approvals for industrial electrification:

Both the Clean Industry Fund (CIF) administered by the Climate Action Secretariat and BC Hydro's Large Customer Low Carbon Electrification (LCE) programs support the development, trial and deployment of projects that reduce greenhouse gas emissions from large industrial operations.

Proponents are often looking to leverage both CIF and LCE funding to move these projects forward. However, currently it is complicated to apply for both programs, resulting in delayed project investments and timelines.

Now, proponents will be able to apply for both programs through a new single process that includes:

- streamlined, one-window project application into CIF and LCE, including funding for implementation projects, as well as BC Hydro interconnection studies;
- joint project evaluation process and development of a joint project review committee to move approvals forward more quickly;
- integrated project timelines and payment schedules, including joint funding agreements;
- integrated reporting, measurement, and verification requirements and processes; and
- CIF alignment with BC Hydro's continuous project intake cycle.

The new, faster application process will reduce the administration burden for industry, government, and BC Hydro, allowing projects to be approved and implemented more quickly, and emissions reductions to be achieved sooner.

Since 2019, the CIF has provided more than $215 million in support of large industrial operators reducing greenhouse gas emissions, undertaking pilot projects or support studies that test new emission reducing technologies.

To date, total funded CIF projects are expected to reduce more than approximately 8.7 million tonnes of carbon dioxide equivalent emissions over a 10-year period.

Power Pathway

Building B.C.'s energy future

JANUARY 2024

BC Hydro
Power smart

Power pathway: Building B.C.'s energy future

We are in the midst of an energy transition here in B.C. and across the globe. The impacts of climate change underline the importance of investing in renewable sources of power and ensuring the system we use to deliver this power is safe, reliable and robust. And, while we are fortunate to have access to clean electricity in B.C., it accounts for 20 per cent of the energy currently used in our province.

From heating and cooling homes to powering personal and public transportation, the role of electricity will continue to grow. Businesses in B.C. are also looking to reduce their greenhouse gas emissions by making the switch to electricity to power office buildings, warehouses, work sites and industry. And, while this switch will not happen overnight, we must prepare now for what is next.

Our electricity grid is one of the cleanest in the world, and to meet the scale and pace of what is required next, we need to invest in our system and build for the future. To do this, BC Hydro has in place long-term agile planning processes to ensure we secure the energy we need for tomorrow, while sustaining and building out the infrastructure that provides reliable electricity to communities across the province.

Our clean energy advantage

While countries, states and provinces around the world are grappling with making massive investments in electricity, we are starting from a position of strength. About 98 per cent of the power we generate already comes from renewable resources, making us a leader in clean electricity generation in western North America, and we have in place a reliable and flexible grid to serve our customers.

We have 30 hydroelectric plants and in the coming years, we will add another—Site C—on the Peace River in northern B.C. When it is up and running, Site C will provide British Columbians with enough electricity to power nearly half a million homes or 1.7 million electric vehicles per year.

With the positive momentum around electrification building, we are taking significant steps towards sourcing the additional electricity needed to meet the future demand. Last year, we announced in partnership with the Province, that we will launch our first call for power this spring in over 15 years to add 3,000 gigawatt hours of clean and renewable electricity. This call for power will be the first in a series of calls we anticipate announcing in the coming years and will result in billions of dollars of investment in electricity across the province, creating new economic opportunities for First Nations and thousands of new jobs and economic growth in communities across the province.

Powered by nature: More wind and solar coming to B.C.

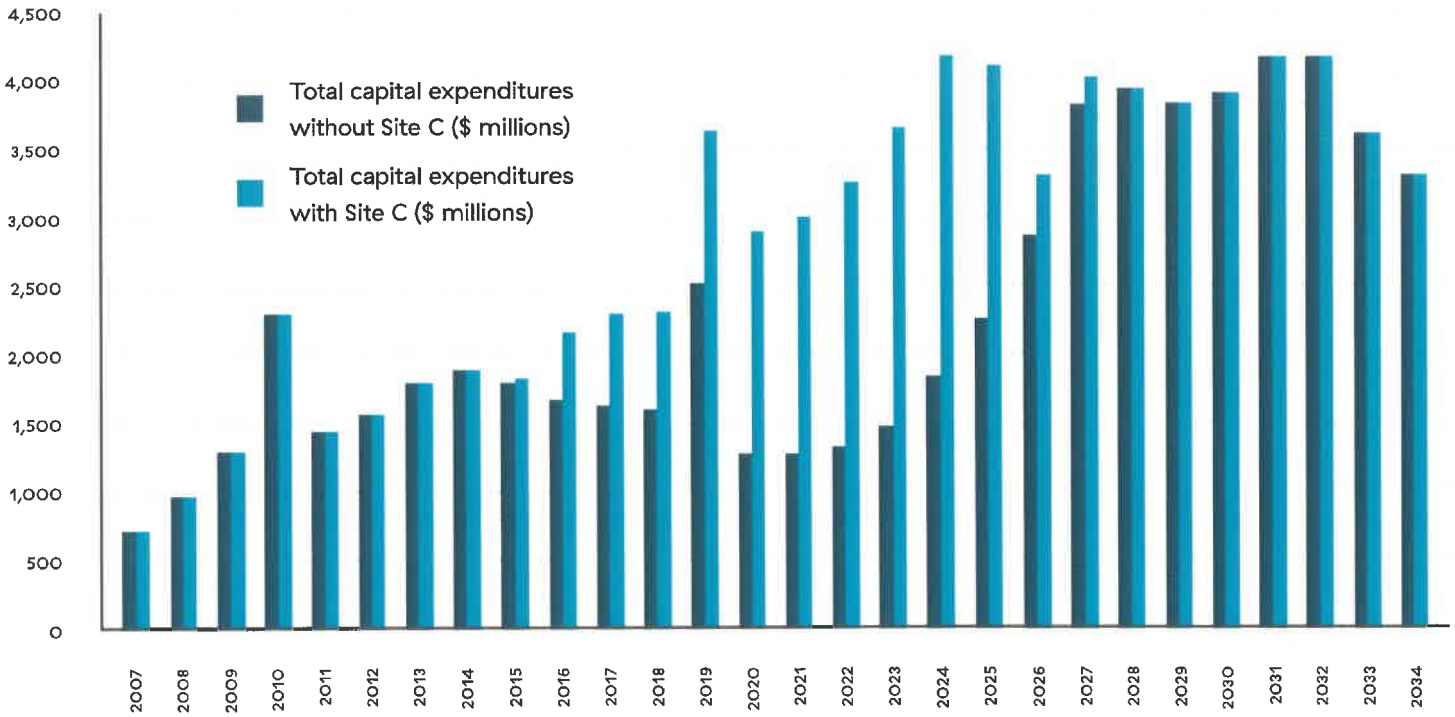
Through the call for power, we expect to see more wind and solar resources developed across B.C. as renewable energy complements our predominately hydroelectric system—meaning wind, water and sun resources working together.

Connecting communities: BC Hydro's capital plan roadmap towards a sustainable future

On the heels of moving forward with the call for power in spring 2024, we are embarking on the next significant step forward—the release of our next annual 10-Year BC Hydro Capital Plan containing $36 billion[1] in community and regional infrastructure investments across B.C. This new plan from Fiscal 2025 to 2034 represents an increase of about 50 per cent in investments over our previous capital plans, and reflects the province's growing demand for electricity over time from residential, commercial, transportation and industrial sectors.

1 Net of contributions in aid of construction such as customer payments under tariff

Capital expenditures



Our 10-Year Capital Plan includes investing in our generation assets, large transmission infrastructure and community substations and local wires that deliver power to homes and businesses across the province with three main objectives:

- support the electrification of our province and meet CleanBC emissions reductions targets;
- reinforce our system to enable customer connections and meet load growth; and,
- sustain our system, ensuring we can safely and reliably meet the needs of our customers while keeping rates low.

Job creation

These capital investments will provide many thousands of high-quality jobs for skilled workers, and generate economic growth for First Nations and communities all over the province. We are estimating our 10-Year Capital Plan will support **10,500 to 12,500 jobs, on average, annually.**

We will meet these objectives through the following investments over the next decade:

- $21 billion of investments in existing assets across the system, ensuring it can handle the expansion and continue to serve future generations.
- Close to $10 billion in new electrification and greenhouse gas reduction efforts—including removing the reliance on diesel generators in remote communities.
- More than $5 billion to support new customer connections, particularly in high growth areas of the province. These investments will support residential housing growth, residential electrification, electrification of transit and industrial electrification.

The 10-Year Capital Plan is reviewed annually, and will be updated to reflect additional investments in the future to support communities and businesses across the province as they grow and as new projects are identified and initiated.

THREE PILLARS OF BC HYDRO 10-YEAR CAPITAL PLAN

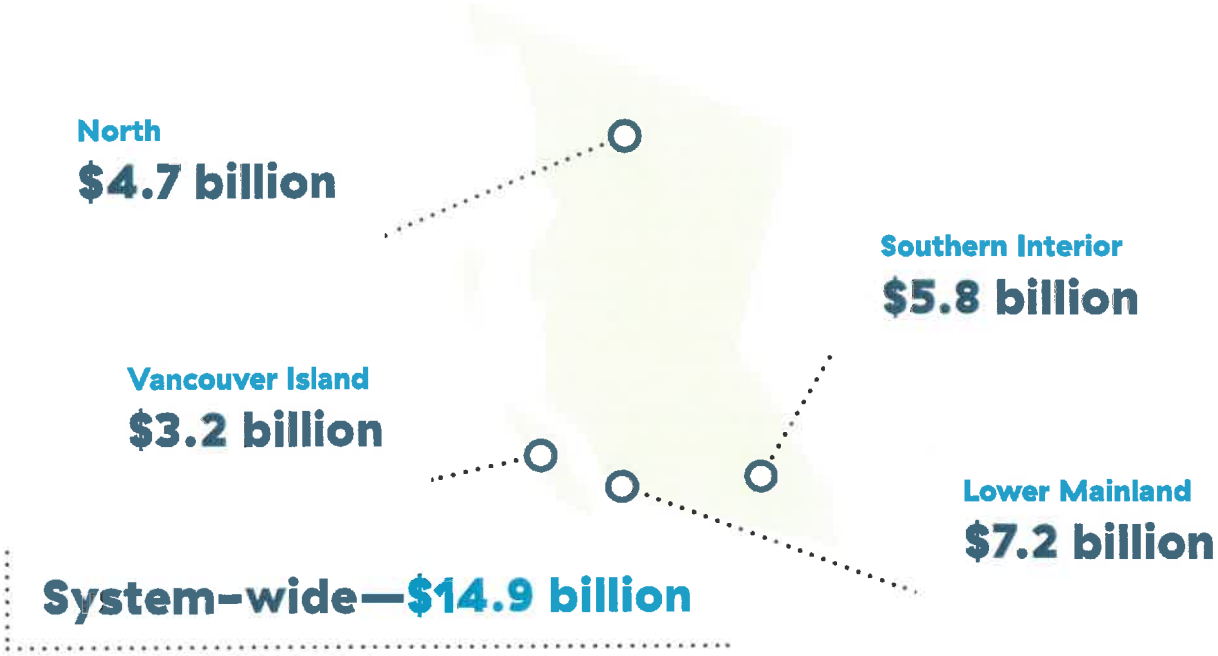
Sustainment
$21 BILLION

Electrification and GHG reduction
$10 BILLION

Reinforcement
$5 BILLION

These investments will be made across our system which spans the entire province, resulting in significant investments in the regions and communities our customers live and work in.

REGIONAL SYSTEM SPEND BREAKDOWN



New electrification and greenhouse gas reduction efforts

As we look ahead, we are anticipating under a range of scenarios that our demand for power will increase by 15 per cent or more by 2030. To meet growing demand, we are making the investments set out in our 10-Year Capital Plan, in addition to adding new clean and renewable generation, to ensure the infrastructure is in place to get safe, reliable power to our customers.

HIGHLIGHTS INCLUDE:

- **Investments in high growth areas:** One important step we are taking to support the pace of electrification and population growth is investments in high growth areas. A total of 12 areas were identified across the Lower Mainland and Vancouver Island where additional capacity will be needed, and our investments in these areas will support residential housing growth, residential electrification, electrification of transit and industrial electrification.

Investments include seven new substations and five redevelopments/expansions, as well as three regional transmission capacity expansions. In identifying the need for these projects, we will be working closely with our communities, First Nations and stakeholders, all of which also hold an important role and interest in building out our system.

EXAMPLES OF SUBSTATION PROJECTS INCLUDE:

- **Mount Pleasant substation expansion:** The Mount Pleasant substation was built to accommodate future expansion within the existing footprint, adding additional transformer capacity and feeder sections without major modifications of substation building and structures. This project will add enough capacity to supply an additional 30,000 to 50,000 homes and is expected to be in-service in Fiscal 2029.
- **Scott Road substation rebuild:** North Surrey, including Surrey City Centre, South Westminster and Guildford, is one of the fast-growing areas in the Lower Mainland and is presently supplied by two substations—Scott Road and Whalley substations. To accommodate this load growth, a new substation will be built within existing property to serve the North Surrey area. BC Hydro expects it to be in-service in Fiscal 2030 and it will provide power to 20,000 to 35,000 homes.
- **New (Goldstream) substation in Colwood:** Colwood substation serves the City of Langford and the City of Colwood. The area has several large developments, including South Skirt Mountain, Bear Mountain, Westhills and Royal Bay developments. To accommodate the anticipated growth, BC Hydro is planning a new substation that will provide power to 40,000 to 70,000 homes and is expected to be in-service by Fiscal 2031.

High growth area substation investments

Substations are vital parts of the electricity system in communities that 'step down' high voltage electricity from the transmission system to lower voltage electricity so it can be easily supplied to homes and businesses in the area through lower voltage distribution lines. Replacing and upgrading substations is an important part of serving future loads to meet increased demand from growing neighbourhoods.

New

Metrotown substation

East Vancouver substation

West End substation

Goldstream substation (Colwood)

Surrey City Centre substation

Campbell Heights substation

Willoughby substation

Redevelopment

Mount Pleasant substation upgrade,

Maclellan substation (Surrey/Langley) upgrade

Lougheed substation rebuild

Barnard substation upgrade

Newell substation upgrade

Steveston substation upgrade

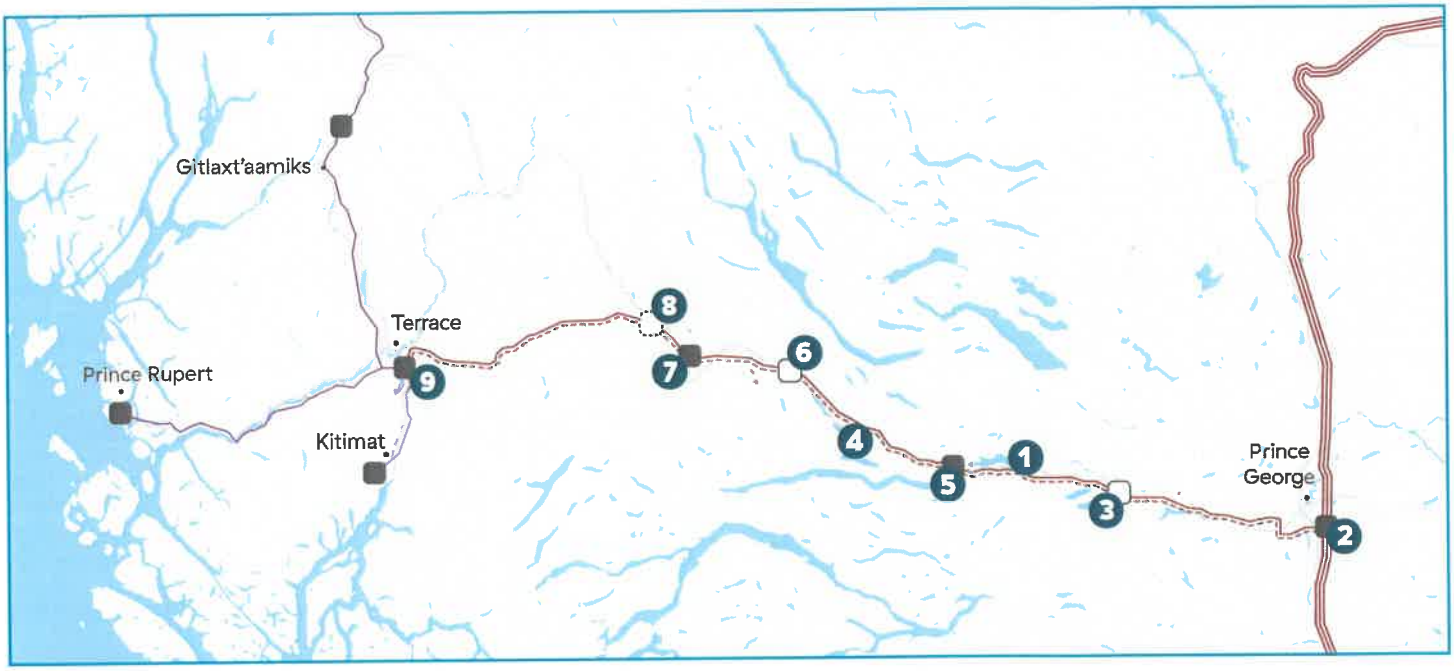
Scott Road substation rebuild

North Coast Transmission line (see next page)

UNLEASHING OUR SHARED ECONOMIC POTENTIAL: PLANS FOR NORTH COAST DEVELOPMENT

The North Coast of B.C. is experiencing growth from sectors such as ports, mining, hydrogen and liquified natural gas. In response to BC Hydro's 2023 Expression of Interest, the mining sector accounted for the largest number of individual submissions and the hydrogen sector accounted for the largest amount of proposed future demand. The diversity of industries, as well as the magnitude of the potential demand, are clear signals that new transmission infrastructure between Prince George and Terrace is needed. Providing access to clean, renewable electricity will encourage economic development while reducing and avoiding greenhouse gas emissions, which supports the CleanBC climate targets, the StrongerBC economic plan, as well as B.C. and Canada's critical minerals strategies.

In partnership with customers and First Nations, there are three transmission upgrade projects currently under planned development: Prince George to Terrace Capacitors, Prince George to Glenannan Transmission, and Glenannan to Terrace Transmission. As transmission customers in the region finalize their investment plans, additional interconnection projects will also be initiated.



Prince George to Glenannan (PGTG):

1. New 500kv line
2. Expansion of Williston substation
3. Saranovich Capacitor Station

Glenannan to Terrace Transmission

4. Two new 500kv lines

Station expansion:

5. Glenannan substation
6. Palling capacitor station
7. Telkwa substation
8. Walcott capacitor station
9. Skeena substation

Investing in our existing assets and expanding our system

Spanning the vast terrain of beautiful British Columbia, our system crosses mountain tops, and waterways across a range of climates, connecting our urban centres with some of the most remote communities and islands in the province.

Built largely in the 1960s, 1970s and 1980s, many parts of our infrastructure are in need of refurbishment and expansion in order to meet the growing population expansion and energy needs. Upgrading and maintaining aging assets so that our customers continue to receive reliable electricity is vital. Sustaining the system involves $21 billion in operations and maintenance expenditures including replacing aging power poles and lines, upgrading transformers and substations, as well as making critical investments to ensure the safety of dams and reservoirs.

EXAMPLES OF TRANSMISSION PROJECTS INCLUDE:

- **Metro South Transmission Reinforcement:** Burnaby and South Vancouver are growing, to serve the communities better BC Hydro is initiating a new 230 kilovolt transmission reinforcement project that will bring power from our 500 kilovolt Ingledow substation in Surrey.
- **Ingledow to Vancouver Island Terminal Reinforcement:** To meet the growing load on Vancouver Island, this project will replace the end-of-life 138 kilovolt submarine cables in the Strait of Georgia with new 230 kilovolt cables, along with upgrades at the Arnott substation in Delta and the Vancouver Island Terminal substation near Duncan to increase transmission capacity.
- **North Montney Region:** We're exploring the feasibility of extending our transmission infrastructure into the North Montney region. The proposed project would entail the construction of a 230 kilovolt transmission line from a BC Hydro substation in the vicinity of either the GM Shrum or the Site C Generating Stations.

HIGHLIGHTS INCLUDE:

- Upgrading our dams and generating facilities to make them safer, more reliable and more efficient.
- Advancing a wide array of sustainment programs on the transmission and distribution lines, including wood pole replacements, reconductoring, capacity upgrades, and replacing aging and end-of-life infrastructure.
  - Reinforcing or rebuilding hundreds of kilometres of transmission and distribution lines.
  - Replacing over 25,000 transformers.
  - Replacing over 100,000 power poles.

Supporting new customer connections

More electrification means more customers looking to connect to our system. The 10-Year Capital Plan outlines how we will support new customer interconnection requests and ensure the system reinforcement is in place when it is needed—on both the transmission and distribution systems. This will ensure we can support more customers, faster.

HIGHLIGHTS INCLUDE:

- We are forecasting over 180,000 new residential accounts over the next 10 years. And, we are building over 50 new distribution feeders in the next five years that can supply about 200,000 new homes.
- Over 250 kilometres of new major underground distribution infrastructure is also under construction.
- On the transmission side, we have nearly 50 projects in progress, and that number is expected to grow over the coming years as new projects enter the queue.

Balancing affordability

While investing and growing our system is important, ensuring rates remain affordable is equally as important. We currently have the second lowest residential electricity rates in North America, and the third lowest commercial and industrial rates, and we are committed to ensuring our rates remain affordable while investing in our energy future. As we move to build into our future by investing in current and new assets, BC Hydro is working to keep cumulative rate increases below inflation over time.

Working alongside government, we are taking action now to build and expand on a shared future powered with clean energy, including increasing our generation capacity, increasing capital investments in our electrical system, and making it easier for customers to reduce their carbon footprint and make the switch to electricity.

B.C. is well positioned to lead the way in the energy transition—we have a history of meeting big challenges, and this will be no different. Together, we can create a bright and inclusive energy future.

CS-4307

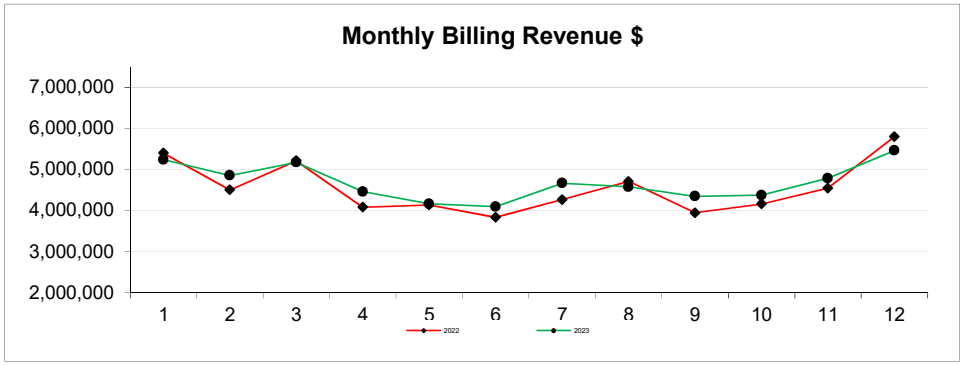
BC Hydro
Power smart

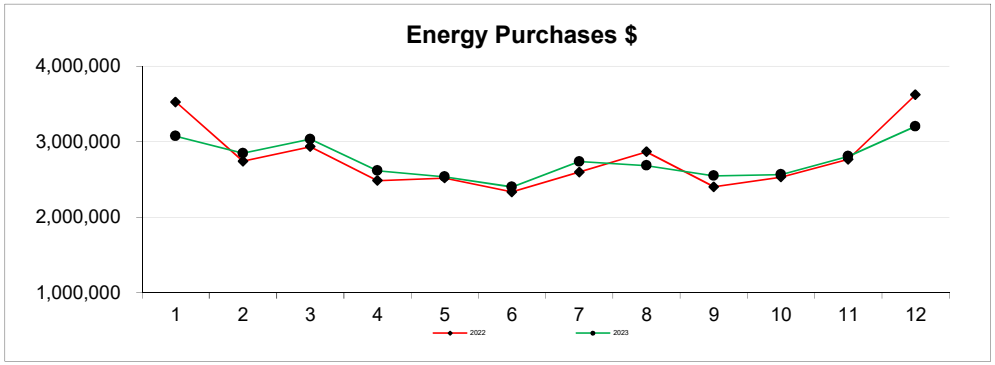
SUMMARY OF ELECTRICAL ENERGY PURCHASES AND SALES
2023

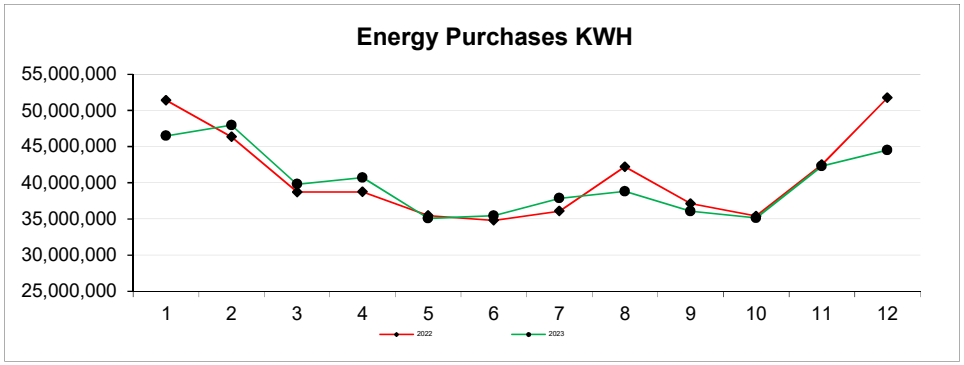
MONTH		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	GRAND	
BILLING PERIOD		**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**TOTAL**	
NUMBER OF CONNECTIONS		37,507	37,516	37,523	37,465	37,471	37,497	37,524	37,521	37,519	37,778	38,041	38,047	**37,507**	
BILLING REVENUE	**GL CODING**														
Residential (RES)	9300.3704	2,812,770	4,354,524	2,097,090	3,178,670	1,928,823	3,294,683	2,259,206	2,128,277	1,866,119	2,509,788	1,668,679	3,403,092	**31,501,720**	
RES: ADJs	9300.3704	(851,105)	(10,321)	(6,688)	(23,141)	(330,029)	(10,727)	(10,434)	(162,297)	(6,135)	(18,038)	(5,102)	(6,570)	**(1,440,587)**	
Commercial (COMM)	9300.3706	2,872,135	2,097,091	2,428,705	1,654,500	2,890,221	2,607,867	2,514,638	2,265,624	2,208,069	2,262,246	2,841,809	2,651,280	**29,294,184**	
COMM: ADJs	9300.3706	(1,139,240)	(29,965)	(17,512)	(17,867)	(667,844)	(183,857)	(74,160)	(16,425)	(30,604)	(6,135)	(387,574)	(320,897)	**(2,892,080)**	
		3,694,559	6,411,328	4,501,595	4,792,163	3,821,172	5,707,966	4,689,250	4,215,179	4,037,450	4,747,860	4,117,812	5,726,905	**56,463,238**	
Monthly Accruals															
RES: Rev Prior Month Accrual	9300.3704	(1,115,922)	(1,889,079)	(1,111,314)	(1,447,944)	(1,282,829)	(1,454,836)	(647,974)	(638,094)	(819,138)	(973,928)	(788,266)	(1,123,721)	**(1,115,922)**	
COMM: Rev Prior Month Accrual	9300.3706	(1,115,922)	(1,889,079)	(1,111,314)	(1,447,944)	(1,282,829)	(1,454,836)	(647,974)	(638,094)	(819,138)	(973,928)	(788,266)	(1,123,721)	**(1,115,922)**	
RES: Rec Current Month Accrual	9300.3704	1,889,079	1,111,314	1,447,944	1,282,829	1,454,836	647,974	638,094	819,138	973,928	788,266	1,123,721	992,133	**992,133**	
COMM: Rec Current Month Accrual	9300.3706	1,889,079	1,111,314	1,447,944	1,282,829	1,454,836	647,974	638,094	819,138	973,928	788,266	1,123,721	992,133	**992,133**	
Net Accrual Adjustment		1,546,313	(1,555,529)	673,259	(330,230)	344,014	(1,613,723)	(19,760)	362,087	309,580	(371,323)	670,910	(263,175)	**(247,577)**	
TOTAL BILLING REVENUE EARNED		**5,240,872**	**4,855,800**	**5,174,854**	**4,461,933**	**4,165,186**	**4,094,243**	**4,669,490**	**4,577,265**	**4,347,029**	**4,376,537**	**4,788,722**	**5,463,729**	**56,215,661**	
BC HYDRO - PURCHASE OF POWER															
Billed Demand (kVA)	9300.6805	715,810	749,546	736,537	678,999	683,686	683,596	682,970	702,678	712,708	686,162	684,310	714,753	**8,431,755**	
Billed Energy (kWh)	9300.6805	2,337,813	2,412,714	2,000,463	2,075,739	1,792,965	1,810,482	1,935,029	1,983,745	1,930,447	1,802,340	2,170,782	2,284,015	**24,536,533**	2,998,767
Reverse Prior Month Accrual	9300.6805	(508,937)	(527,043)	(210,817)	(506,852)	(367,298)	(426,944)	(332,544)	(451,379)	(447,737)	(352,421)	(429,052)	(380,679)	**(508,937)**	
Record Current Month Accrual	9300.6805	527,043	210,817	506,852	367,298	426,944	332,544	451,379	447,737	352,421	429,052	380,679	584,259	**584,259**	
TOTAL PURCHASE OF POWER		**3,071,728**	**2,846,034**	**3,033,035**	**2,615,185**	**2,536,297**	**2,399,678**	**2,736,835**	**2,682,782**	**2,547,838**	**2,565,133**	**2,806,719**	**3,202,347**	**33,043,610**	
GROSS MARGIN		**2,169,144**	**2,009,766**	**2,141,819**	**1,846,749**	**1,628,889**	**1,694,566**	**1,932,654**	**1,894,484**	**1,799,191**	**1,811,404**	**1,982,003**	**2,261,382**	**23,172,051**	
GROSS MARGIN %		**41%**	**41%**	**41%**	**41%**	**39%**	**41%**	**41%**	**41%**	**41%**	**41%**	**41%**	**41%**	**41%**	
PURCHASE OF POWER DETAILS															
Demand (kVA)															
Metered Peak Demand LLH		84,239	83,134	74,973	70,050	66,319	59,741	67,436	74,176	70,810	61,820	78,655	77,726		
Metered Peak Demand HLH		85,898	89,905	87,910	73,440	76,097	71,768	77,645	81,577	65,349	71,903	75,872	82,830		
50% Contract Demand		53,500	53,500	53,500	53,500	53,500	53,500	53,500	53,500	53,500	53,500	53,500	53,500		
75% of Previous High Demand		79,782	79,782	79,293	79,293	79,293	79,293	79,293	79,293	79,293	79,293	79,293	79,293		
Billing Demand		85,898	89,905	87,910	79,293	79,293	79,293	79,293	81,577	79,293	79,293	79,293	82,830		
Energy (kWh)															
Total Metered Energy		46,486,891	47,978,444	39,803,608	40,718,923	35,084,437	35,433,972	37,866,894	38,820,471	36,064,858	35,138,589	42,307,865	44,514,231		
Billing Period Energy		46,486,891	47,978,444	39,803,608	40,718,923	35,084,437	35,433,972	37,866,894	38,820,471	36,064,858	35,138,589	42,307,865	44,514,231	**480,219,183**	
Billed Period Energy - % Change		-10%	3%	-17%	2%	-14%	1%	7%	3%	-7%	-3%	20%	5%		
Billed Demand Rate per kVA		8.3333	8.3371	8.3783	8.5632	8.6223	8.6211	8.6132	8.6137	8.9883	8.6535	8.6301	8.6292		
Billed Energy Rate per kWh		0.05029	0.05029	0.05026	0.05098	0.05110	0.05109	0.05110	0.05110	0.05353	0.05129	0.05131	0.05131		
INTERNAL ENERGY SALES															
St Lights and Traf Signals	9300.3708	24,929	24,929	24,929	24,929	24,929	24,929	24,929	24,929	24,929	24,929	24,929	24,929	**299,148**	
Internal City Utility Charges	9300.3899	64,689	113,880	110,943	95,762	119,930	107,426	107,736	94,394	99,069	95,440	110,961	115,775	**1,236,005**	
Climate Action Levy	9300.3710	126,156	218,925	153,743	163,603	152,302	194,907	160,742	143,928	137,675	162,314	140,609	174,686	**1,929,592**	
Mean Temperature (Celsius)		5.4	4.2	7.4	8.5	19.1	16.2	19.0	18.4	19.3	10.7	9.6	7.0		
Heating + Cooling Degree Days		391.0	387.2	319.3	274.6	100.1	63.6	41.2	50.1	84.5	226.3	330.0	341.0		

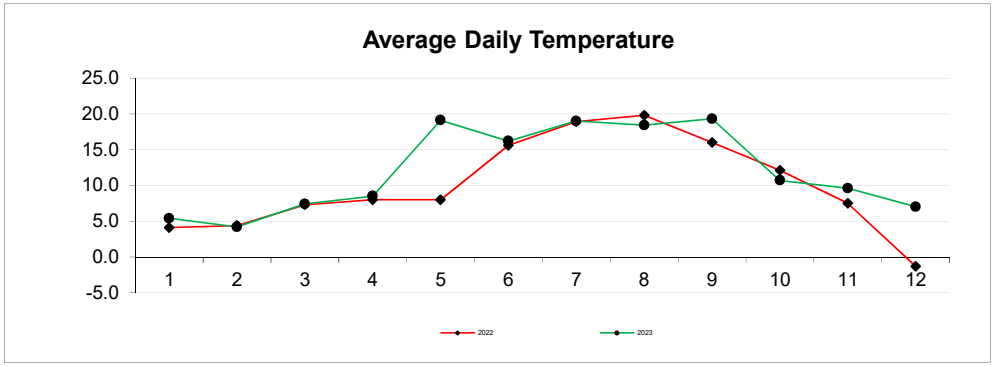
GL RECONCILIATION

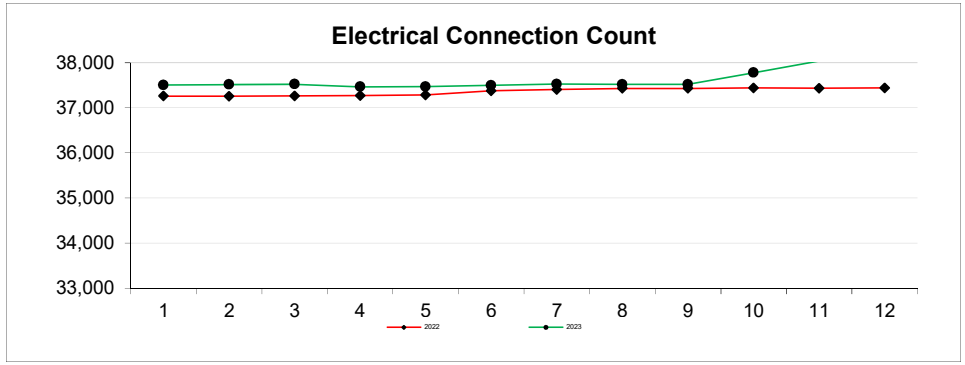
RES	28,942,413	
RES: Rec Current Month Accrual	992,133	
RES Subtotal		**29,934,547**
COMM	25,288,981	
COMM: Rec Current Month Accrual	992,133	
COMM Subtotal		**26,281,114**
TOTAL		**56,215,661**
CHECK		-

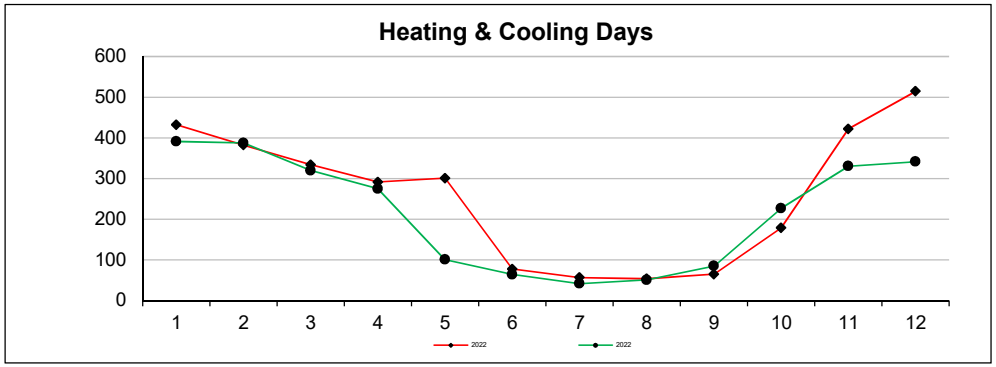

Monthly Billing Revenue $
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1 2 3 4 5 6 7 8 9 10 11 12
2022
2023


Energy Purchases $
4,000,000
3,000,000
2,000,000
1,000,000
1 2 3 4 5 6 7 8 9 10 11 12
2022
2023


Energy Purchases KWH
55,000,000
50,000,000
45,000,000
40,000,000
35,000,000
30,000,000
25,000,000
1 2 3 4 5 6 7 8 9 10 11 12
2022
2023


Average Daily Temperature
25.0
20.0
15.0
10.0
5.0
0.0
-5.0
1 2 3 4 5 6 7 8 9 10 11 12
2022
2023


Electrical Connection Count
38,000
37,000
36,000
35,000
34,000
33,000
1 2 3 4 5 6 7 8 9 10 11 12
2022
2023


Heating & Cooling Days
600
500
400
300
200
100
0
1 2 3 4 5 6 7 8 9 10 11 12
2022
2022