

C10-12



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Ref.: 101514

Mr. Kenneth Peterson
Chair
BC Hydro and Power Authority
18th Floor, 333 Dunsmuir Street
Vancouver, BC V6B 5R3

Email: kenneth.peterson@bchydro.com

Dear Mr. Peterson:

On behalf of Premier John Horgan and our new government, thank you for your service to the people of British Columbia. I look forward to working with you in the months and years to come to help deliver on government's priorities, and provide effective programs and services to the people of our province.

This Mandate Letter lays out the principles of this government and you are to take these into consideration when revising your Service Plan for the *Budget 2017 Update*. It is expected that BC Hydro and Power Authority (BC Hydro) will manage its programs and initiatives within its existing budget targets, unless otherwise directed.

Going forward, you are to begin the process of working with me as the Minister responsible to develop strategic actions through the 2018 Mandate Letter process for *Budget 2018*. I will provide further direction. The Ministry of Finance will provide guidance on preparation for *Budget 2018*.

Our government made three key commitments to British Columbians.

Our first commitment is to make life more affordable. We expect all public service organizations to work to contain costs, and to be conscious of the impact of every decision on the daily cost of living of families and businesses.

Our second commitment is to deliver the services that people count on. In many cases, critical programs and services are delivered by Crown Corporations, and Ministers will work with Board Chairs to ensure your organizations remain focused on maintaining and improving levels of service to citizens.

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Ministry of
Energy, Mines and
Petroleum Resources

Office of the Minister

Mailing Address:
PO Box 9052, Stn Prov Govt
Victoria, BC V8W 9E2

Telephone: 250 953-0900
Facsimile: 250 356-2965

Our third key commitment is to build a strong, sustainable, innovative economy that works for everyone. Our government believes that public sector organizations have a role to play in supporting broad-based economic growth in every region of the province.

To support true and lasting reconciliation with First Nations in British Columbia, our government will be fully adopting and implementing the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), and the Calls to Action of the Truth and Reconciliation Commission (TRC). Please ensure that going forward your organization incorporates the UNDRIP and TRC as appropriate, given the specific mandate and context of your organization.

As the Minister responsible for BC Hydro, I expect that BC Hydro will work with the Ministry of Energy, Mines and Petroleum Resources (Ministry) to:

- Participate fully in the British Columbia Utilities Commission review of Site C and impact on BC Hydro ratepayers associated with completing, suspending or terminating the project;
- Freeze BC Hydro rates and develop a refreshed plan to keep electricity rates low and predictable over the long-term while making significant investments to expand the system and maintain aging infrastructure;
- Continue to deliver your planned capital projects on time and on budget to maintain the reliability of the system;
- Conduct an immediate and comprehensive review of BC Hydro's activities, performance and organizational structure to identify potential efficiencies that could benefit ratepayers, and ensure that the organization is positioned to deliver on BC Hydro's objectives and government's priorities;
- Support the creation of a roadmap for the future of BC energy that will drive innovation, expand energy efficiency and conservation programs, generate new energy responsibly and sustainably, and create lasting good jobs across the province;
- Provide leadership in advancing government's climate action strategies, including through:
 - fuel switching and electrification initiatives in the transportation, oil and gas, and other sectors;
 - initiatives under the *Greenhouse Gas Reduction (Renewable and Low Carbon Fuel Requirements) Act*, to further reduce emissions in the transportation sector;
 - policies and programs to increase the energy efficiency of buildings;
- Provide comprehensive quarterly and annual performance reports to the Deputy Minister of Energy, Mines and Petroleum Resources on the status of BC Hydro finances and forecasts, as well as other initiatives and directions approved by the BC Hydro Board and the Minister of Energy, Mines and Petroleum Resources. This will include regular report backs on Site C progress in accordance with previous standing directions from government. As and when appropriate, also update the Deputy Minister of Energy, Mines and Petroleum Resources on other emerging trends and issues as they occur;