



July 30, 2020

Brad Sperling
Peace River Regional District
Box 810
Dawson Creek, B.C.
V1G 4H8

Attn: Dear Chair Sperling,

CleanBC is the government's economic development, energy and climate strategy for reducing greenhouse gas emissions by 60% by 2040. Electrification of industry is critical to meeting those climate action targets and BC Hydro has an important role to play in supporting sustainable economic growth in the province.

In support of CleanBC, we're exploring the feasibility of extending our transmission infrastructure into the North Montney region. The North Montney region is seeing considerable development due to its large natural gas reserves and other large industrial operations are also considering locating in this region. While a number of industrial operations have expressed interest in electricity service from BC Hydro, the absence of transmission infrastructure in this region is a barrier to electrification.

North Montney Region Electrification

We have initiated the North Montney Region Electrification study to assess what is required to bring transmission infrastructure to the region. The proposed project would involve the construction of a 100-200 km long 230 kilovolt transmission line from either the GM Shrum Substation or South Bank (Site C) Substation. Both transmission corridor options would end at a proposed new substation in the vicinity of the Wonowon community (see map below). The exact transmission line route and substation location will be determined based on multiple factors, such as consultation with Indigenous Nations, geotechnical and environmental considerations, engagement with stakeholders and potential customer locations.

The North Montney Region Electrification was one of the projects identified for potential federal funding in the Memorandum of Understanding (MOU) announced in August 2019 between the B.C. and federal governments. The purpose of the MOU is to help advance the development of infrastructure projects to enable electrification of the natural gas sector. By using clean, renewable electricity instead of fossil fuels, we estimate this could avoid over one million tonnes per year of greenhouse gas emissions in the region—roughly equivalent to taking 200,000 cars off the road—and avoid increases in local air contaminants, such as sulphur oxides and nitrogen oxide.

Next Steps

We're identifying and engaging with potential industrial customers. In the fall, we're considering a formal process to gather information about their electricity needs and assess their degree of interest in connecting to our transmission system. This information will feed into the study, along with design and environmental considerations for the transmission corridors and substation locations. For more information about this study, visit bchydro.com/northmontney.

Later this year we expect to have information to share with the public. During this challenging time of COVID-19, we're looking at responsible ways to consult the public that complies with the order of the Provincial Health Officer.

If you have any questions, please email me at projects@bchydro.com or call 1 866 647 3334.

Johnson Lee

CC: David George, Project Manager
Andrea Loewie, Business Development Manager
Bob Gammer, Community Relations



* Construction will not begin until a final investment decision is supported by BC Hydro's Board of Directors.