

Sustainability at BC Hydro

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Agenda

- About BC Hydro
- BC Hydro's Purpose
- Why Sustainability?
- Priorities





About BC Hydro

- One of the largest electric utilities in Canada
- 1.6 million customers; more than 94% of B.C.'s population
- 11,000 MW – more than 90% hydroelectric
- Rates among the lowest in North America
- Good reliability and customer satisfaction
- Good environmental and social performance
- Net income of \$98M (after transfers from the rate stabilization account) and revenue of \$3.4 billion for the year ending March 31, 2004

BC Hydro's Purpose & Values

Purpose

Reliable power, at low cost, for generations.

Values

Integrity

Teamwork

Service

Accountability

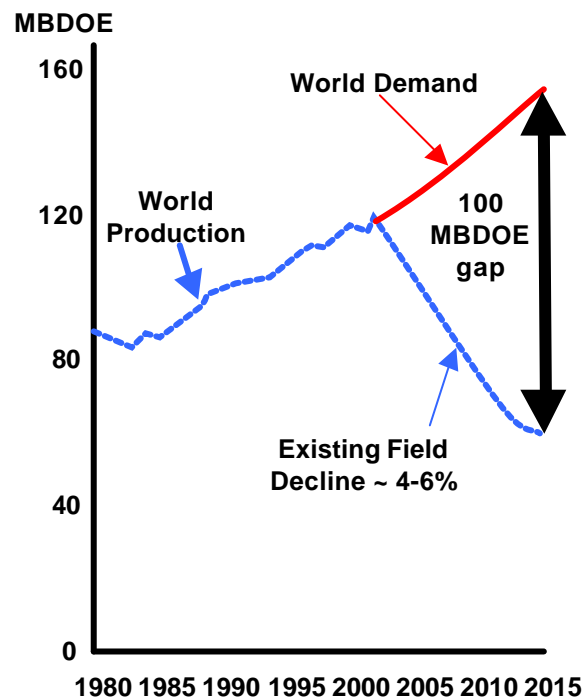


Why Sustainability?

- Good for business or the right thing to do?
- Both!
 - BC's comparative advantage
 - Oil and gas supply shortage coming
 - Environmental and social concerns
 - Low rates for customers and strong returns to our owner
 - Market opportunities
 - Attract and retain key employees
 - Customer, First Nations and stakeholder involvement

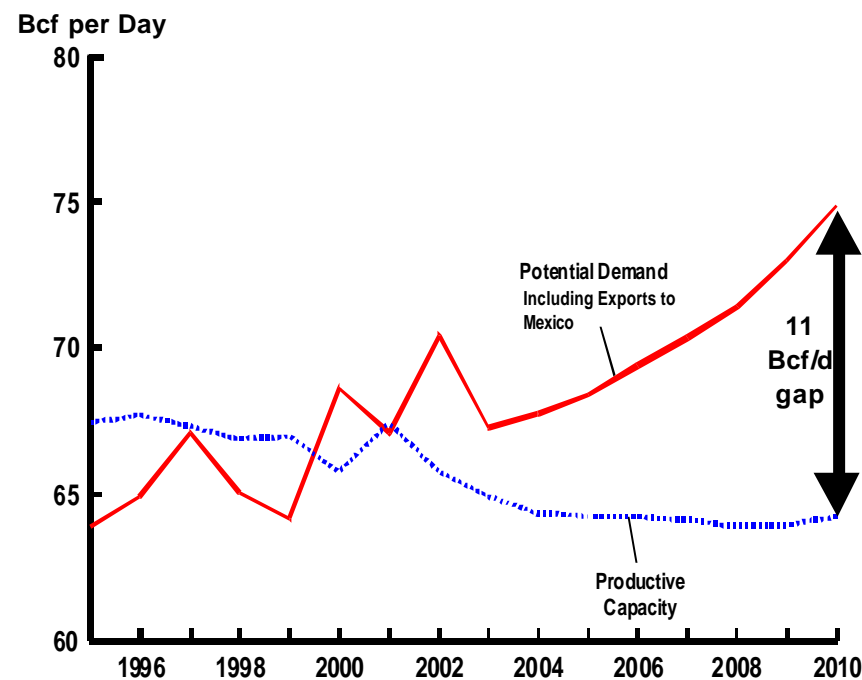


Energy Supply



World Oil Supply

ExxonMobil 2003 Economic and Energy Outlook



North American Natural Gas Supply

Cambridge Energy Research Associates

Priorities

- **POWER SMART** - an aggressive energy conservation program to encourage customer to be energy efficient
- **RESOURCE SMART** - squeeze the most from our existing generating facilities
- **CLEAN AND GREEN POWER** - work with Independent Power Producers to acquire competitively priced, environmentally and socially responsible generation



Priorities

- **WATER USE PLANS** – new operating plans for our hydroelectric facilities based on consultation with others impacted by our operations
- **FIRST NATIONS AND STAKEHOLDER ENGAGEMENT** – talking to people in the right way at the right time to ensure we make the best business decisions possible





Priorities

- **SOCIAL RESPONSIBILITY** – our primary social responsibility is to provide a long term supply of reliable and low cost electricity to our customers in a financially sound manner. Because our business depends on building and maintaining healthy relationships with stakeholders, customers, aboriginal communities and employees; we will act ethically and in a manner worthy of their respect.



Why do we do environmental audits?

Canadian Environmental Auditing Association

- **Certification of Green Power Products**
- **Compliance**
- **Continuous Improvement**



Conclusion

Canadian Environmental Auditing Association

- Provide reliable power, at low cost, for generations!