Ministry of Energy and Mines and Minister Responsible for Core Review

2015/16 Annual Service Plan Report

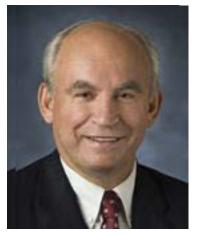


For more information on the Ministry of Energy and Mines contact:

Deputy Minister's Office PO BOX 9319 STN PROV GOVT VICTORIA, BC V8W 9N3

or visit our website at http://www.gov.bc.ca/ener/

Minister's Message and Accountability Statement



British Columbia has abundant natural resources to drive its economic prosperity. The Ministry of Energy and Mines plays a critical role in supporting responsible industrial development. This annual report highlights the Ministry's efforts during 2015/16 to support mining and mineral exploration, as well as electricity generation, distrubition and conservation in British Columbia.

British Columbia's electricity system provides affordable, clean and reliable power, helping to foster our province's economic growth. To ensure key sectors in the BC Jobs Plan continue to have the clean, renewable electricity they need to prosper and grow BC Hydro is investing, on average, \$2.4 billion per year to expand, upgrade and maintain the province's electricity generation, transmission and

distribution infrastructure.

Minerals and coal are important provincial natural resources. Mining and mineral exploration provide significant employment opportunities for British Columbians. On February 5, 2016, Government announced action to help keep thousands of B.C.'s metal and coal mines workers on the job by allowing mining companies to temporarily defer a portion of their hydro bills – supporting families and communities during the current slowdown in the sector due to low commodity prices. Under the five-year term of the program, which is being delivered by BC Hydro, companies operating metal and coal mines in B.C. will be able to defer a portion of their BC Hydro electricity payments and repay different amounts as commodity prices recover.

Proposed new major mines (e.g., coal and metal), major expansions/upgrades to existing mines, and some large-scale exploration/development projects require approval under the *Mines Act*. Major mines require approvals/authorizations from many ministries/agencies. The Major Mine Permitting Office, launched in spring 2015, has improved the governance and co-ordination of major mine authorizations across government. The Major Mine Permitting Office brings clear accountability to both industry and government to ensure timely, high-quality decisions are made with respect to permitting major mine projects.

The Ministry of Energy and Mines 2015/16 Annual Service Plan Report compares the Ministry's actual results to the expected results identified in the 2015/16 - 2017/18 Service Plan. I am accountable for those results as reported.

Honourable Bill Bennett

11 Kemet

Minister of Energy and Mines and Minister Responsible for Core Review

June 20, 2016

Table of Contents

| Minister's Message and Accountability Statement | 3 |
|--|----|
| Purpose of the Ministry | |
| Strategic Direction and Context | 5 |
| Report on Performance | 6 |
| Goals, Objectives, Strategies and Performance Results | 6 |
| Financial Report | 14 |
| Appendix A: Contact Information and Hyperlinks | 15 |
| Appendix B: List of Crowns, Agencies, Boards and Commissions | 16 |
| Appendix C – Minister's Mandate and Actions Summary | 16 |

Purpose of the Ministry

The Ministry of Energy and Mines¹ is responsible for British Columbia's electricity, alternative energy, energy efficiency, mining and mineral exploration sectors. These sectors are made up of diverse interests that explore for and produce coal and other valuable minerals and that develop electricity, clean or renewable energy sources, including biomass, biogas, geothermal, hydro, solar, ocean, wind and low-carbon transportation fuels. The Ministry is also responsible for the Columbia River Treaty. Through teamwork and positive working relationships with its clients and stakeholders, the Ministry facilitates thriving, safe, environmentally responsible and competitive energy and mining sectors in order to create jobs and economic growth in communities across the province. In fulfulling its mandate, the Ministry consults with other ministries and levels of government, energy developers and marketers, mineral exploration and mining companies, First Nations, communities, environmental and industry organizations, and the public. The Ministry is responsible for the following Crown Corporations: British Columbia Hydro and Power Authority (BC Hydro), Columbia Power Corporation (CPC) and Columbia Basin Trust (CBT).

Strategic Direction and Context

The Minister's Mandate Letter from the Premier, dated June 10, 2014, included a number of key deliverables relating to electricity policy, rates and infrastructure, as well as mines, mineral exploration and development. Appendix C provides a report out on the specific deliverables in the Letter. The Ministry supports the direction in the Taxpayer Accountability Principles to reinvigorate the Government's commitment to an accountable and cost consciousness culture. Following the August 2014 tailings storage facility (TSF) breach at the Mount Polley mine, the Ministry continued its work to restore public confidence in B.C's TSF regulatory framework. A Code Review Committee was appointed in June 2015 to determine how best to implement the recommendations of the independent technical panel that investigated the Mount Polley breach, and the Code Review is now well underway. The Ministry continued to work with BC Hydro to deliver the Site C project on time and on budget. Construction commenced July 2015, with major procurement results, such as worker accommodation, main civil works, and turbines and generators, being in line with the project budget. Key risk parameters, such as interest rates and worker availability, are more favourable than assumed in the project budget.

During 2015/16, the Ministry focused on increasing efficiency standards, reducing the carbon intensity of transportation fuels, expanding electric vehicle infrastructure, and coordination with utilities on programs to reduce energy use. The Ministry also worked with BC Hydro to ensure that British Columbians continued to receive benefits from the low-cost electricity generated through the Province's heritage assets through capital investments, system expansion, conservation and efficiency programs, and adherence to the 10-year BC Hydro Rates Plan. Construction of the Site C hydroelectric dam commenced in July 2015.

During 2015/16, the Ministry's Major Mine Permitting Office (MMPO) was established. Key staff were hired, and a multi-ministry governing Board was put in place. As of March 2016, MMPO was managing over 15 active projects through the coordinated permitting process. To enhance efficiency, the Southeast Coal Pilot Project was amalgamated with MMPO in March 2016, and a centralized project management centre was created.

_

¹ http://www.bclaws.ca/Recon/document/ID/freeside/00 96298 01

Report on Performance

Minister Bennett's June 10, 2014 Mandate Letter contained direction from the Premier to meet thirteen objectives relating to electricity policy, rates and infrastructure, as well as mines, mineral exploration and development. Appendix C provides a report on how each of these objectives was met.

The Ministry's 2015/16 goals supported the Taxpayer Accountability Principles by focusing on outcomes for citizens and effective communication. The recently created MMPO exemplifies the principles of service, efficiency and accountability to government and industry. The Ministry's responses to the tailings storage facility breach at the Mount Polley mine demonstrated integrity, transparency and ethics. During 2015/16, Minister Bennett and the Deputy Minister met regularly with BC Hydro's Chair and CEO to discuss Ministry objectives and BC Hydro's strategic priorities, and to ensure the alignment of BC Hydro's activities with the spirit and intent of the Taxpayer Accountability Principles. Similar meetings occurred with CPC and CBT.

The Ministry has completed a review of the Columbia River Treaty in the lead up to discussions with the United States on the future of the Treaty. This review involved, and continues, consultation with Columbia Basin residents and First Nations who were impacted by the creation of the Treaty dams. This review supported the principle of respect, Ministry Mandate Letter Item 2, and was a 2015 Premier's Award Winner.

Goals, Objectives, Strategies and Performance Results

The Ministry's Goals directly supported the *BC Jobs Plan*, the Minister's June 10, 2014 Mandate Letter, and Government's strategic priorities. Goal 1 focused on job creation and economic growth and Mandate Letter item 11 to support the development on new mines and major mine expansions. Goal 2 supported the strategic priorities of a strong economy and a secure tomorrow as well as Mandate Letter item 6 to build infrastructure while keeping rates affordable. Goal 3 supported safe communities under the strategic priority of a secure tomorrow and Mandate Letter item 7 for renewable energy opportunities in British Columbia.

Goal 1: A globally competitive mining sector that creates jobs and grows the economy.

Objective 1.1: New mineral resource projects that support the creation of family-supporting jobs in B.C.

- Support the development of roads and other infrastructure required for industrial activity, including new mines and mine expansions.
- Continue to develop a coordinated, transparent and predictable permitting and approval process for all industrial projects, including natural resource development projects.

- Continuously improve geological and resource assessments for geothermal, coal, minerals and aggregate through collaboration with industry, associations, and academic and research institutes.
- Work closely with the Ministry of Jobs, Tourism and Skills Training to ensure that skills gaps in the workforces of the mineral exploration and mining sectors are identified and filled.
- Establish a Major Mine Permitting Office to ensure a coordinated and efficient government wide approach to major mine permits and amendments.

Performance Measures 1 and 2: Number of new and expanded mines.

| Performance Measure | 2013/2014 Actual | 2014/15 Actual | 2015/16 Target | 2015/16 Actual | 2016/17 Target† | 2017/18 Target |
|--|---------------------|-------------------|-------------------|-------------------|--------------------|-------------------|
| Number of new mines in operation since release of <i>Jobs Plan*</i> | 3 | 5 | 8 | 6 | N/A | N/A |
| Number of expansions to existing mines since release of <i>Jobs Plan</i> | 7 | 7 | 9 | 8 | N/A | N/A |

Data Source: Ministry of Energy and Mines, internal tracking system. *Canada Starts Here: The BC Jobs Plan was released September 22, 2011. † This performance measure has been revised in the 2016/17 Service Plan because the BC Jobs Plan sets targets only until the end of 2015/16. The 2016/17 measures are "Number of new mines permitted each year", and "Number of expansions to existing mines permitted each year."

Discussion

The annual targets are cumulative and build on the commitments in the *BC Jobs Plan* for new and expanded mines. While low commodity prices resulted in fewer mines opening than targeted, in addition to the six mines that have opened, two more new mines (Brucejack and Silvertip) were permitted/under construction as of the end of 2015. The Quintette, Roman and Kitsault projects have also been permitted since the *Jobs Plan* was released.

Objective 1.2: B.C. is positioned as an attractive jurisdiction for investment in the mining sector and related businesses.

- Further establish B.C. as a recognized centre of excellence for mining expertise, innovation and technology in collaboration with industry, post-secondary institutions, the federal government and provincial agency partners.
- Improve the competitiveness of B.C.'s mining sector by providing leadership, information, investing in infrastructure, and developing new policies, regulations and programs.
- Conduct geoscience research and technical assessments to promote industry investment.

- Continue to work with the Ministry of Forests, Lands and Natural Resource Operations to sustain an average 60-day turnaround time for processing Notice of Work permit applications for mineral and coal exploration activities.
- Continue to work with the federal government to develop a single, effective environmental review process, maintaining the highest standards while eliminating costly and time-consuming duplication.
- Contribute to trade missions and marketing initiatives led by the Ministry of International Trade to attract investment in B.C. mineral projects and business opportunities.

Performance Measure 3: Average turnaround time for Notices of Work issued by the Ministry.

| Performance Measure | BC Jobs Plan Benchmark | 2014/15 Actual | 2015/16 Target | 2015/16 Actual | 2016/17 Target | 2017/18 Target |
|-------------------------------------|------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Turnaround time for Notices of Work | 60 Days | 40 days | Under 60 days | 41 days | Under 60 days | Under 60 days |

Data Source: Ministry of Energy and Mines

Discussion

The Ministry's regional offices accept permit applications under the Mines Act for exploration and small-scale mining activities called "Notices of Work." This performance measure and its targets support commitments from the BC Jobs Plan. Processing times are also a measure of competitiveness. The target is to maintain an average 60-day turnaround time for Notices of Work as committed to in the Jobs Plan. This includes all sand and gravel, placer, industrial mineral and rock quarries, as well as mineral and coal exploration. Tracking Notice of Work turnaround time helps the Ministry assess its progress in streamlining its authorization processes, and in providing efficient, predictable and transparent permit application review services. The Notice of Work turnaround time of 41 days exceeded 2015/16 target.

Objective 1.3: Optimal revenue from the development of B.C.'s mineral resources.

- Provide the government services needed to respond to increasing economic activity, in particular
 delivering sound, timely decisions on exploration and mining, and related water, Crown land and
 other permits, authorizations and tenures.
- Optimize the mineral tax system to enhance B.C. mining competitiveness while generating revenues to the Crown from the production of its resources.

Objective 1.4: Efficient and effective mining policy, legislation and regulation in the public interest of British Columbians.

Strategies

- In cooperation with other levels of government, continue to review legislation and regulations to ensure B.C. remains competitive, while enhancing the integrity of environmental, health and safety standards.
- In consultation with other ministries and stakeholders, develop and implement new acts and regulations that support the responsible development and use of mineral resources.
- Goal 2: Affordable, reliable and diverse sources of energy, serving British Columbians, their communities, and sustaining competitive businesses and industries.
- Objective 2.1: Electricity policy, programs, legislation and regulation that serve the public interest of British Columbians.

Strategies

- Prepare for and enter into negotiations with Canada and the United States on changes to the Columbia River Treaty.
- Develop and implement policies to keep electricity rates affordable for B.C. families and respond to B.C.'s other energy objectives.
- Develop and implement policies to ensure reliable electricity supply through mandatory reliability standards and participation in the Western Electricity Coordinating Council.
- Implement BC Hydro's 10-year rates plan and Integrated Resource Plan.
- Work with Clean Energy BC and First Nations to promote opportunities in clean energy projects.
- Objective 2.2: British Columbia's economic and environmental priorities are served through sustainable energy use and development across all sectors of the economy.

- Work with Clean Energy BC and First Nations to promote opportunities in clean energy projects.
- Work with all public and private stakeholders to continue development and implementation of
 policies, programs, regulations, codes and standards to advance energy efficiency and
 conservation.

- Support energy utilities with the planning and implementation of coordinated, cost effective demand side management measures.
- Work with BC Hydro to develop the Site C Clean Energy Project and with Columbia Power/BC Hydro to cost-effectively redevelop BC Hydro assets in the Columbia Basin.
- Participate in and support long-term clean energy planning initiatives at the regional and national level, including the Pacific Coast Collaborative, Pacific NorthWest Economic Region, and Canadian Energy Strategy.

Performance Measure 4: Ranking of BC Hydro residential monthly bills compared to North American jurisdictions.

| Performance | 2013/2014 | 2014/15 | 2015/16 | 2015/16 | 2016/17 | 2017/18 |
|---|------------------------|------------------------|---------------------------|------------------------|------------------------|------------------------|
| Measure | Actual | Actual | Target | Actual | Target | Target |
| Ranking of BC Hydro residential monthly bills (625 kWh use) | 3 rd lowest | 3 rd lowest | 3 rd lowest | 3 rd lowest | 3 rd lowest | 3 rd lowest |

Data Source: BC Hydro annual filings with the BC Utilities Commission.

Discussion

This measure provides a comparison of BC Hydro's monthly bills and average prices for residential customers with other North American utilities including those in Alberta, Quebec, Ontario, Manitoba, Washington, Oregon and California in Canadian funds as of April 1, 2015, and therefore includes BC Hydro's 4% rate increase that was effective on that date. BC Hydro's monthly bills and average prices were among the lowest when compared with these utilities, with low rates providing a competitive advantage to customers in BC Hydro's service area. According to the information BC Hydro filed with the BC Utilities Commission on November 4, 2015, BC Hydro residential rates (625 kWh) were the third lowest in North America. The 2016 report has not been issued yet. The measure has been updated in the 2016/17 Service Plan where 1,000 kWh use replaced 625 kWh use, as 1,000 kWh is closer to the residential average.

Performance Measure 5:

Cumulative energy savings achieved each year through utility and provincial conservation policies, programs and regulations.

| Performance | 2013/14 | 2014/15 | 2015/16 | 2015/16 | 2016/17 | 2017/18 |
|---|------------|------------|------------|------------|------------|------------|
| Measure | Actual | Actual | Target | Actual | Target | Target |
| Cumulative energy savings achieved each year through energy utility and provincial conservation policies, programs, and regulations since 2007/08 | 22,847,647 | 22,847,647 | 28,007,870 | 32,425,929 | 36,950,404 | 41,273,664 |

Data Source: Utilities' annual reports and internal tracking by the Ministry of Energy and Mines. ¹Measured in Gigajoules to include both gas and electricity savings. The savings from energy utilities are from BC Hydro, FortisBC Electric and FortisBC Gas. Data on conservation rates is from BC Hydro and FortisBC Electric. FortisBC stats are based on calendar year due to reporting differences.

Discussion

This measure reports cumulative energy savings achieved through utility demand-side management programs, conservation rates, and regulated codes and standards, starting in 2007/08. It is an indicator of the energy efficiency and conservation policies of *The BC Energy Plan* of 2007 and the *Clean Energy Act* objectives for BC Hydro to offset at least 66% of demand growth with efficiency and conservation measures. It also includes natural gas savings resulting from FortisBC Gas efficiency and conservation initiatives. Targets are set based on planned utility and Government spending.² The target was exceeded because it was set conservatively, ahead of utility planning timelines.

Goal 3: Safe, environmentally and socially responsible electricity, alternative energy and mineral resource development and use.

Objective 3.1: Practices that protect workers, the public and the environment.

Strategies

 Work with industry and other natural resource sector agencies to improve environmental and safety regulation compliance at mine sites through inspections and audits.

• Continue to support the annual British Columbia Mine Reclamation Awards to recognize outstanding achievements in mine reclamation in this province.

² BC Hydro's energy savings are drawn from its demand side management (DSM) plan and align with recommendations from the 2013 Integrated Resource Plan approved by the Government on November 26, 2013. These savings targets have been reduced primarily due to electricity market conditions. The targets are based on recent annual savings achievements, and meet the Clean Energy Act objectives.

- Support mine rescue competitions and the annual Mines Safety Awards.
- Work with BC Hydro to upgrade the Province's heritage generation, transmission and distribution assets.
- Work with BC Hydro, Clean Energy BC, and First Nations to explore opportunities for clean and renewable energy development.

Performance Measure 6: Mine Inspections by Ministry Staff.

| Performance Measure | Benchmark 2009-2013 average | 2013 Actual | 2014 Actual | 2015 Target | 2015 Actual | 2016 Target | 2017 Target |
|------------------------|-----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Mine Inspections | 775 | 904 | 1,228 | 1,200 | 1,168 | 1,250 | 1,300 |

Data Source: Internal tracking by the Ministry of Energy and Mines.

Discussion

The Ministry's inspectors of mines conduct inspections of mine sites to ensure compliance with the *Mines Act*, the Health, Safety and Reclamation Code for Mines in British Columbia, and individual permit conditions. Inspections can be multi-faceted or specifically focused, i.e., on health and safety, permitting, reclamation, electrical, mechanical or geotechnical. The benchmark in the table above represents the five-year average calculated with inspection figures from 2009 to 2013 inclusive. The results are noted in calendar years to comply with the requirements of the *Mines Act*. Inspection numbers for a given calendar year are finalized in the Annual Report of the Chief Inspector of Mines for that year and are thus subject to change until that report is released.

The Ministry substantially met its 2015 target. In addition to the reported inspections, Ministry staff were on site at Mount Polley frequently in 2015 as the mine worked to resume operations. This increased site presence, along with an extensive audit of Mount Polley operations, is not reflected in the inspection count. Furthermore, throughout 2015, several Ministry inspectors worked full time on the Chief Inspector's investigation into the Mount Polley breach.

Objective 3.2: The Ministry, stakeholders, First Nations and industry are engaged and working cooperatively for the responsible development and use of B.C.'s energy and mineral resources.

- Foster working relationships among industry, the public, First Nations and landowners by clarifying and simplifying resource exploration and development management processes, enhancing dispute resolution methods, and offering more support and information.
- Continue to collaborate with other ministries, agencies and Crown corporations to provide information to promote greater public understanding of the exploration and development of resources.

- Support the development and continuous improvement of Strategic Engagement Agreements with First Nations to make consultation processes more predictable.
- Support the development of Revenue Sharing Agreements that provide First Nations communities with economic benefits based on energy and mining activities in their traditional territories.
- Continue to support the annual Mining and Sustainability Award to recognize the diverse companies, communities, First Nations, non-governmental organizations, government agencies and individuals committed to advancing and promoting sustainable development in B.C. mining.

Financial Report

Financial Report Summary Table

| | Estimated | Other Authorizations ¹ | Total Estimated | Actual | Variance ³ | | |
|-------------------------------------|---|-----------------------------------|--------------------|--------|-----------------------|--|--|
| | Operating Expenses (\$000) | | | | | | |
| Mines and Mineral Resources | 17,114 | 7,464 | 24,578 | 23,502 | (1,076) | | |
| Electricity and Alternative Energy | 2,965 | 1,416 | 4,381 | 4,183 | (198) | | |
| Executive and upport Services | 5,445 | 896 | 6,341 | 7,615 | 1,274 | | |
| Innovative Clean Energy Fund | 2,301 | 13,416 | 15,717 | 15,717 | 0 | | |
| Sub-Total | 27,825 | 23,192 | 51,017 | 51,017 | 0 | | |
| Adjustment of Prior Year Accural | 0 | 0 | 0 | (44) | (44) | | |
| Total | 27,825 | 23,192 | 51,017 | 50,973 | (44) | | |
| Ministry C | Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000) | | | | | | |
| Executive and Support Services | 556 | 0 | 556 | 497 | (59) | | |
| Total | 556 | 0 | 556 | 497 | (59) | | |

¹ "Other Authorizations" include Supplementary Estimates, Statutory Appropriations and Contingencies. Amounts in this column are not related to the "estimated amount" under sections 5(1) and 6(1) of the *Balanced Budget and Ministerial Accountability Act* for ministerial accountability for operating expenses under the Act.

² The Adjustment of Prior Year Accrual of \$0.044 million is a reversal of accruals in the previous year.

³ "Variance" represents "Actual" minus "Total Estimated". If the Actual is greater than the Total Estimated, the Variance will be displayed as a positive number.

Appendix A: Contact Information and Hyperlinks

Contact Information

Deputy Minister's Office

Eighth Floor, 1810 Blanshard Street PO Box 9319 Stn Prov Govt Victoria, B.C. V8W 9N3

Ministry website: www.gov.bc.ca/ener

Mines and Minerals Resources Regional Offices

Northwest

PO Box 5000 Second Floor, 3726 Alfred Avenue Smithers, B.C. V0J 2N0

Phone: 250-847-7383

email: MMD-Smithers@gov.bc.ca

South Central

2nd Floor, 441 Columbia Street Kamloops, B.C. V2C 2T3 Phone: 250-371-3912

email: MMD-Kamloops@gov.bc.ca

Southwest

PO Box 9320 Stn Prov Govt Sixth Floor, 1810 Blanshard Street Victoria, B.C. V8W 9N3

Phone: 250-387-4825 email: SouthwestMinesDivision@gov.bc.ca

Mineral Claims Inspectors

Kamloops

2nd Floor, 441 Columbia Street Kamloops, B.C. V2C 2T3 Phone: 250-371-3786

Central/Northeast

350 - 1011 - 4th Avenue Prince George, B.C. V2L 3H9

Phone: 250-565-4240

email: MMD-PrinceGeorge@gov.bc.ca

Southeast

1902 Theatre Road Cranbrook, B.C. V1C 7G1 Phone: 250-420-2161

email: MMD-Cranbrook@gov.bc.ca

Mineral Titles Branch

303-865 Hornby Street Vancouver B.C. V6Z 2G3 Phone: 1-866-616-4999

Smithers

PO Box 1389

Houston, B.C. V0J 1Z0 Phone: 250-845-3584

Appendix B: List of Crowns, Agencies, Boards and Commissions

The Ministry is responsible for the following Crown Corporations: BC Hydro https://www.bchydro.com/index.html
Columbia Power Corporation http://columbiapower.org/
and the Columbia Basin Trust. http://www.cbt.org/

Appendix C – Minister's Mandate and Actions Summary

In the Premier's annual Mandate Letter to the Minister dated June 10, 2014, the Minister of Energy and Mines and Minister Responsible for Core Review received direction on strategic priorities for the 2015/16 fiscal year. These priorities and the ministry's resulting actions are summarized below:

| Mandate Letter Direction | Ministry's Action |
|--|--|
| 1. Balance your ministerial budget in order to control spending and ensure an overall balanced budget for the Province | Ministry met its fiscal 2015/16 budget, including approved contingencies. |
| of British Columbia. | |
| 2. Work with the Ministry of Intergovernmental Affairs to ensure the | 1. Developed Joint Work Agreement with federal government; |
| Canadian negotiating position on the | 2. Developed detailed negotiation mandate; |
| Columbia River Treaty is reflective of | 3. Completed evaluation of U.S. benefits from the |
| British Columbia's position on any re- | Treaty; |
| negotiation of the treaty. | 4. Consulted First Nations on any potential changes to the Treaty; and |
| | 5. Continued outreach with key U.S. agencies and stakeholders. |
| 3. Work with the Ministry of Aboriginal | As of the end of March 2016, 22 Economic and |
| Relations and Reconciliation to continue | Community Development Agreements and one |
| to conclude mineral tax sharing | Revenue Sharing Agreement had been signed with First Nations. |
| agreements to encourage mine development across the province. | riist Nations. |
| 4. Continue to develop the Site C dam | Cabinet made a final investment decision in |
| project through the environmental | December 2014. Worked with the Ministries of |
| assessment review process. | Forests, Lands and Natural Resource Operations and Aboriginal Relations and Reconciliation on Treaty 8 |
| | consultation process for the permits necessary to commence construction in June 2015. Worked with |
| | Justice and BC Hydro on Judicial Review |
| | applications challenging environmental certification. |
| | Worked with BC Hydro on advancing Interim |
| | Benefit Agreements and with the Ministry of Aboriginal Relations and Reconciliation Government |
| | to Government Agreement with the Saulteau. |
| 5. Complete the Northwest Transmission | The Northwest Transmission Line was completed |

| 6. Implement the 10-year electricity plan that will continue to find efficiencies at BC Hydro, build required infrastructure and keep rates affordable for British Columbians, reporting these outcomes to | June 7, 2014. AltaGas' Forrest Kerr and Volcano Creek Projects in commercial operation. Responsibility for constructing the Iskut Extension was transferred to Imperial Metals, which constructed the Extension to BC Hydro's standards. Iskut was linked to the grid on December 18, 2014. BC Hydro's 10-year Rates Plan announced November 26, 2013, and Directions 6 and 7 were issued to the BC Utilities Commission. The BC Utilities Commission has approved BC Hydro's rate increases for 2014 and 2015. |
|---|---|
| Cabinet. 7. Work with the Clean Energy sector to ensure that there remain cost-effective opportunities for renewable energy companies to provide power in British Columbia. | Standing Offer Program consultations proceeded with respect to increasing First Nations participation. BC Hydro hosted a series of First Nations and stakeholders meetings in Terrace, Kamloops, Nanaimo, Vancouver, and Prince George in 2014. Over 80 First Nations and 100 stakeholders participated in these meetings and provided feedback. BC Hydro planned another round of engagement for 2015. |
| 8. Work with the Ministry of Education to improve mine apprenticeship opportunities for B.C. students 9. Work with the Ministry of Finance to extend the New Mine Allowance and other credits to 2020 as committed in Strong Economy, Secure Tomorrow. | Worked with the Ministry of Education on current apprenticeship programs and "BC's Skills for Jobs Blueprint" as they related to mining jobs. The New Mine Allowance was extended for four years in Budget 2015, meaning it will be available to new mines and those with major expansions that start production by Dec. 31, 2019. Budget 2015 also extended for one year the B.C. mining flow-through share tax credit, which provides incentive for mineral exploration. |
| 10. Work with Geoscience BC to establish long-term, predictable funding to foster oil, gas and mineral exploration and development in B.C. | \$5 million provided to Geoscience BC in spring 2015. |
| 11. Support the development of new mines and major mine expansions by working with industry and the natural resource ministries to ensure that B.C.'s mines permitting process is the best in Canada. | Improvements to major mine permitting coordination and accountability in progress with establishment of Major Mine Permitting Office in spring 2015. |
| 12. Receive and review the recommendations of the British Columbia Utilities Commission independent review panel before making recommendations for reform to cabinet on how to restore a strong and | Report and government response released February 4, 2015. The Ministry worked with the British Columbia Utilities Commission, the Board Resource Development Office, and the Ministry of Finance on implementation. |

| independent BCUC. | |
|--------------------------------------|---|
| 13. Complete the Core Review process | Core Review is complete consistent with the |
| by December 31, 2014 | published schedule. The Core Review financial |
| | target was met. |