



Treasury Board Submission – Request for Decision

Minister: Honourable Rich Coleman

Ministry: Energy and Mines

Date: November 16, 2011

Ministry Document #: TB 02-11/12

Title: Northwest Transmission Line - Iskut Extension Negotiation Mandate

s.12

Background / Context:

The Northwest Transmission Line (NTL) is a 344- kilometre, (km), 287 kV, publicly-owned transmission line from Skeena Substation near Terrace to Bob Quinn Lake (Bob



Quinn). Initially reported at a budget of \$404 million, and in BC Hydro's Service Plan at a -10%/+30% planning estimate range of \$364-525 million, NTL will be at the higher end of the range based on the construction and equipment contracts that have now been let.

NTL will support development of mines and clean energy projects in the region, leading to the creation of high-paying jobs for regional residents and First Nations. The NTL has environmental approval, First Nations support and has all major permits. BC Hydro recently selected the team of Valard Construction and Burns and McDonnell to build the project. Preliminary work has started and will continue through winter 2011/12. Major facility construction will begin in spring 2012 to meet a spring 2015 in-service date.

The Government of Canada (Canada) allocated \$130M from its Green Infrastructure Fund towards construction of the NTL. The Province and Canada signed the BC-Canada Contribution Agreement (CA) on June 30, 2010. The agreement includes a condition subsequent to run a distribution line from the NTL's terminus at Bob Quinn to electrify Iskut no later than September 30, 2015. Failure to do so would be considered a breach of contract and entitle Canada to recoup its funding.

Pages 3 through 6 redacted for the following reasons:

s. 12



s.12

Contact: Les MacLaren, ADM
250-952-0204

Honourable Rich Coleman
Minister of Energy and Mines

Date Signed

Map Attachment -- NTL / Iskut Extension - Potential Mines

Pages 8 through 10 redacted for the following reasons:

s. 12



Treasury Board Submission – Request for Decision

Minister: Honourable Rich Coleman

Ministry: Energy and Mines

Date: January 9, 2012

Ministry Document #: TB 02-11/12

Title: Northwest Transmission Line - Iskut Extension Negotiation Mandate

s.12

Background / Context:

The Northwest Transmission Line (NTL) is a 344- kilometre, (km), 287 kV, publicly-owned transmission line from Skeena Substation near Terrace to Bob Quinn Lake (Bob



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The Government of Canada (Canada) allocated \$130M from its Green Infrastructure Fund towards construction of the NTL. The Province and Canada signed the BC-Canada Contribution Agreement (CA) on June 30, 2010. The agreement includes a condition subsequent to run a distribution line from the NTL's terminus at Bob Quinn to electrify Iskut no later than September 30, 2015. Failure to do so would be considered a breach of contract and entitle Canada to recoup its funding.

Pages 13 through 16 redacted for the following reasons:

s. 12



s.12

Contact: Les MacLaren, ADM
250-952-0204

Honourable Rich Coleman
Minister of Energy and Mines

Date Signed

s.12



Treasury Board Submission – Request for Decision

Minister: Honourable Rich Coleman

Ministry: Energy and Mines

Date: January 16, 2012

Ministry Document #: TB 02-11/12

Title: Northwest Transmission Line - Iskut Extension Negotiation Mandate

Issue:

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Background / Context:

The Northwest Transmission Line (NTL) is a 344- kilometre, (km), 287 kV, publicly-owned transmission line from Skeena Substation near Terrace to Bob Quinn Lake (Bob



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Pages 20 through 23 redacted for the following reasons:

s. 12



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Contact: Les MacLaren, ADM
250-952-0204

Honourable Rich Coleman
Minister of Energy and Mines

Date Signed

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Treasury Board Submission – Request for Decision

Minister: Honourable Rich Coleman

Ministry: Energy and Mines

Date: January 16, 2012

Ministry Document #: TB 02-11/12

Title: Northwest Transmission Line - Iskut Extension Negotiation Mandate

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Background / Context:

The Northwest Transmission Line (NTL) is a 344- kilometre, (km), 287 kV, publicly-owned transmission line from Skeena Substation near Terrace to Bob Quinn Lake (Bob



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The Government of Canada (Canada) allocated \$130M from its Green Infrastructure Fund towards construction of the NTL. The Province and Canada signed the BC-Canada Contribution Agreement (CA) on June 30, 2010. The agreement includes a condition subsequent to run a distribution line from the NTL's terminus at Bob Quinn to electrify Iskut no later than September 30, 2015. Failure to do so would be considered a breach of contract and entitle Canada to recoup its funding.

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Pages 27 through 31 redacted for the following reasons:

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s.12

Contact: Les MacLaren, ADM
250-952-0204

Honourable Rich Coleman
Minister of Energy and Mines

Date Signed

s.12



Treasury Board Submission – Request for Decision

Minister: Honourable Rich Coleman

Ministry: Energy and Mines

Date: February 3, 2012

Ministry Document #: TB 02-11/12

Title: Northwest Transmission Line - Iskut Extension Negotiation Mandate

Issue:

s.12

Background / Context:

The Northwest Transmission Line (NTL) is a 344 kilometre (km), 287 kV, publicly-owned transmission line from Skeena Substation near Terrace to Bob Quinn Lake (Bob Quinn).



NTL will support development of mines and clean energy projects in the region, leading to the creation of high-paying jobs for regional residents and First Nations. The NTL has environmental approval, First Nations support and has all major permits. BC Hydro has selected the team of Valard Construction and Burns and McDonnell to build the project. Preliminary work started in the fall of 2011. Major facility construction will begin in spring 2012 to meet a spring 2015 in-service date.

The Government of Canada (Canada) allocated \$130M from its Green Infrastructure Fund towards construction of the NTL. The Province and Canada signed the BC-Canada Contribution Agreement (CA) on June 30, 2010. The agreement includes a condition subsequent to run a distribution line from the NTL's terminus at Bob Quinn to electrify Iskut no later than September 30, 2015. Failure to do so would be considered a breach of contract and entitle Canada to recoup its funding. The Ministry has also secured a \$180M (NPV) avoided cost contribution from AltaGas towards the NTL costs. AltaGas is constructing three hydro projects northwest of Bob Quinn.

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Pages 35 through 39 redacted for the following reasons:

s. 12



s.12

Contact: Les MacLaren, ADM
250-952-0204

Honourable Rich Coleman
Minister of Energy and Mines

Date Signed

Attachments

Pages 41 through 48 redacted for the following reasons:

s. 12

Iskut Extension Decision

Issue

s.12

CONFIDENTIAL ADVICE TO CABINET FOR DECISION

Page 50 redacted for the following reason:

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Iskut Extension Decision

s.12

CONFIDENTIAL ADVICE TO CABINET FOR DECISION

Pages 52 through 53 redacted for the following reasons:

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Iskut Extension Decision

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Page 55 redacted for the following reason:

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Iskut Extension Decision

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CONFIDENTIAL ADVICE TO CABINET FOR DECISION

Pages 57 through 58 redacted for the following reasons:

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Iskut Extension Decision

s.12

Pages 60 through 61 redacted for the following reasons:

s. 12

Treasury Board Submission – Request for Decision

Minister: Honourable Rich Coleman

Ministry: Energy and Mines

Date: March 1, 2012

Ministry Document #: TB 02-11/12

Title: Northwest Transmission Line - Iskut Extension Negotiation Mandate

s.12

Background / Context:

The Northwest Transmission Line (NTL) is a 344 kilometre (km), 287 kV, publicly-owned transmission line from Skeena Substation near Terrace to Bob Quinn Lake (Bob Quinn).

NTL will support development of mines and clean energy projects in the region, leading to the creation of high-paying jobs for regional residents and First Nations. The NTL has environmental approval, First Nations support and has all major permits. BC Hydro has selected the team of Valard Construction and Burns and McDonnell to build the

project. Preliminary work started in the fall of 2011. Major facility construction will begin in spring 2012 to meet a spring 2014 in-service date.

The Government of Canada (Canada) allocated \$130M from its Green Infrastructure Fund towards construction of the NTL. The Province and Canada signed the BC-Canada Contribution Agreement (CA) on June 30, 2010. The agreement includes a condition subsequent to electrify Iskut no later than September 30, 2015. Failure to do so would be considered a breach of contract and entitle Canada to recoup its funding. The Ministry has also secured a \$180M (NPV) avoided cost contribution from AltaGas towards the NTL costs. AltaGas is constructing three hydro projects northwest of Bob Quinn.

s.12

Pages 64 through 67 redacted for the following reasons:

s. 12

s.12

Contact: Les MacLaren, ADM
250-952-0204

Honourable Rich Coleman
Minister of Energy and Mines

Date Signed

Attachments

**MINISTRY OF ENERGY AND MINES
MINISTER RESPONSIBLE FOR HOUSING
ELECTRICITY AND ALTERNATIVE ENERGY DIVISION
ESTIMATES BRIEFING NOTE 2012/13**

ISSUE: Northwest Transmission Line Iskut Extension

KEY MESSAGES:

- The Northwest Transmission Line (NTL) will encourage industrial and clean energy development in the northwest part of British Columbia while supporting the Province's goal of mitigating greenhouse gas emissions.
- The terms of the Contribution Agreement with Canada require British Columbia to electrify Iskut. The proposed Iskut Extension will extend publicly owned, high-voltage transmission infrastructure north to support regional economic development.
- There are ongoing discussions on transmission voltage capacity of the proposed Iskut Extension to meet existing and future loads.

BACKGROUND:

- The NTL is 287 kilovolt (kV) line that runs 335 km from Skeena Substation (near Terrace) to Bob Quinn Lake. The \$561 million project will:
 - electrify the Highway 37 corridor;
 - provide a secure interconnection point for clean generation projects (potential for 2,000 megawatt (MW));
 - support industrial developments in the area (potential GDP impact of up to \$10 billion in 2025 according to an industry study); and
 - reduce greenhouse gas emissions by connecting off-grid communities.

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Page 70 redacted for the following reason:

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Iskut Extension Decision

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Pages 72 through 73 redacted for the following reasons:

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Assumptions email

From: Barillaro, Scott W MEM:EX
Sent: Monday, February 20, 2012 8:26 AM
To: MacMillan, Bill
Cc: Heminsley, Chris
Subject: Re: Assumptions

Follow Up Flag: Follow up
Flag Status: Flagged

s.12

WSB

Sent from my iPhone

On 2012-02-20, at 8:22 AM, "MacMillan, Bill" <Bill.MacMillan@bchydro.com> wrote:

s.12

> Chris, I s.22 and will check back with you later this morning.
> Bill MacMillan
> t. 604-699-7308 | c. s.17
>
> ----- Original Message -----
> From: Barillaro, Scott W MEM:EX [mailto:Scott.Barillaro@gov.bc.ca]
> Sent: Monday, February 20, 2012 05:28 AM
> To: Heminsley, Chris; MacMillan, Bill
> Cc: Buchanan, Jack MEM:EX <Jack.Buchanan@gov.bc.ca>
> Subject: Assumptions
>
> Hi all. Just wanted to send a quick note on Chris's questions related to assumptions so we're all on the same page.

s.12

I will roll the numbers up in to a revised submission and we'll go from there.

>
> WSB
>
>
> Sent from my iPad

Assumptions email

>
> This email and its attachments is intended solely for the personal use of the individual or entity named above. Any use of this communication by an unintended recipient is strictly prohibited. If you have received this email in error, any publication, use, reproduction, disclosure or dissemination of its contents is strictly prohibited. Please immediately delete this message and its attachments from your computer and servers. We would also appreciate if you would contact us by a collect call or return email to notify us of this error. Thank you for your cooperation.
> -BCHydroDisclaimerID5.2.8.1541

Assumptions email 2
From: MacMillan, Bill [Bill.MacMillan@bchydro.com]
Sent: Monday, February 20, 2012 8:23 AM
To: Barillaro, Scott W MEM:EX; Heminsley, Chris
Subject: Re: Assumptions

Follow Up Flag: Follow up
Flag Status: Flagged

s.12

Chris, I s.22 and will check back with you later this
morning.
Bill MacMillan
t. 604-699-7308 | c. s.17

----- Original Message -----

From: Barillaro, Scott W MEM:EX [mailto:Scott.Barillaro@gov.bc.ca]
Sent: Monday, February 20, 2012 05:28 AM
To: Heminsley, Chris; MacMillan, Bill
Cc: Buchanan, Jack MEM:EX <Jack.Buchanan@gov.bc.ca>
Subject: Assumptions

Hi all. Just wanted to send a quick note on Chris's questions related to
assumptions so we're all on the same page.

s.12

I will roll the numbers up in to a revised submission and we'll go
from there.

WSB

Sent from my iPad

This email and its attachments is intended solely for the personal use of the
individual or entity named above. Any use of this communication by an
unintended recipient is strictly prohibited. If you have received this email
in error, any publication, use, reproduction, disclosure or dissemination of
its contents is strictly prohibited. Please immediately delete this message
and its attachments from your computer and servers. We would also appreciate
if you would contact us by a collect call or return email to notify us of this
error. Thank you for your cooperation.
-BCHydroDisclaimerID5.2.8.1541

Date: August 21, 2012

**MINISTRY OF ENERGY, MINES AND NATURAL GAS
BRIEFING NOTE FOR DECISION**

I PREPARED FOR: Rich Coleman, Minister of Energy, Mines and Natural Gas
Pat Bell, Minister of Jobs, Tourism and Skills Training
Terry Lake, Minister of Environment

II ISSUE: Iskut Extension Construction Options

III BACKGROUND:

The Northwest Transmission Line (NTL) is a 287 kilovolt (kV) line that runs 344 kilometres (km) from Skeena Substation (north of Terrace) to Bob Quinn Lake. The project will cost \$561 million (M). The NTL will support industrial (predominantly mining) and clean energy development north of Terrace.

Pages 78 through 80 redacted for the following reasons:

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PREPARED BY:

Scott Barillaro, Director
Sean Darling, Director

REVIEWED BY:

Les MacLaren, ADM, EAED
Tim McEwan, Associate DM, MIO
Steve Carr, DM, EMNG



I

Treasury Board Submission – Request for Decision

Minister: Honourable Rich Coleman

Ministry: Minister of Energy, Mines and Natural Gas

Date: XX/11/2012

Ministry Document #: XXXXX

Title: Mandate Update for Iskut Extension

Issue:

s.12

Pages 83 through 86 redacted for the following reasons:

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Contact: Les MacLaren
250-XXX-XXXX

Honourable Rich Coleman

Date Signed

Page 88 redacted for the following reason:

s.12

TREASURY BOARD STAFF BRIEFING NOTE

REQUEST NO.: 12-12/13

T.B. MEETING DATE: DECEMBER 6, 2012

TITLE: MANDATE UPDATE FOR ISKUT EXTENSION

ISSUE SUMMARY:

s.12

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Previous reviews of the proposal

- On March 29, 2012, Treasury Board approved the construction of a 287 kV Iskut Extension of the Northwest Transmission Line (NTL) and a negotiating mandate for an avoided-cost contribution from Imperial Metals to secure at least \$43 million towards the project capital costs, subject to a number of conditions.

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RECOMMENDATION:

-

CONTEXT:

- The federal government has committed \$130M to the Northwest Transmission Line (NTL) contingent on electrifying Iskut no later than September 30, 2015.

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Page 91 redacted for the following reason:

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RECOMMENDATION AND RATIONALE:

TBS Contact: Marion Bernard

Date: November 30, 2012

Draft sub. 1st received: Nov 7, 2012 Final draft received: Nov 30, 2012 Signed sub. received:

TB briefing note provided to the Ministry:

Draft sent:

Final sent:

Min. DM fact sign-off:

Page 93 redacted for the following reason:

s.12

Drafted by: Scott Barillaro, TIB
Approved by: Les MacLaren, ADM, EAED

To: Honourable Rich Coleman
Minister of Energy and Mines

Re: Northwest Transmission Line: Iskut Extension Negotiation Mandate

Enclosed for your review are the following documents:

- A submission entitled, "Mandate Update for Iskut Extension" for review by the Chair of Treasury Board;

s.12

Please sign and forward the Submission and Appendix to Treasury Board Staff if they meet your requirements. Alternatively, please inform Ministry staff if you require any changes to the documents prior to your approval.

Steve Carr
Deputy Minister

Enclosures



Treasury Board Submission – Request for Decision

Minister: Honourable Rich Coleman

Ministry: Minister of Energy, Mines and Natural Gas

Date: 10/12/2012

Ministry Document #: 12-12/13

Title: Mandate Update for Iskut Extension

Issue:

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Pages 96 through 100 redacted for the following reasons:

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Contact: Les MacLaren, ADM
250-952-0204

Honourable Rich Coleman

Date Signed

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Page 102 redacted for the following reason:

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TREASURY BOARD STAFF BRIEFING NOTE

REQUEST NO.: 12-12/13

T.B. MINOR MEETING DATE: DECEMBER 10, 2012

TITLE: MANDATE UPDATE FOR ISKUT EXTENSION

ISSUE SUMMARY:

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- On March 29, 2012, Treasury Board approved the construction of a 287 kV Iskut Extension of the Northwest Transmission Line (NTL) and a negotiating mandate for an avoided-cost contribution from Imperial Metals to secure at least \$43 million towards the project capital costs, subject to a number of conditions.

Pages 104 through 105 redacted for the following reasons:

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RECOMMENDATION AND RATIONALE:

TBS Contact: Marion Bernard

Date: December 6, 2012

Draft sub. 1st received: Nov 7, 2012 **Final draft received:** Nov 30, 2012 **Signed sub. received:** Dec 4, 2012

TB briefing note provided to the Ministry:

Draft sent: Dec 3, 2012

Final sent: Dec 6, 2012

Min. DM fact sign-off:

Pages 107 through 108 redacted for the following reasons:

s.12

TREASURY BOARD STAFF BRIEFING NOTE

REQUEST NO.: TB 02-11/12

T.B. MINOR MEETING DATE: MARCH 29, 2012

TITLE: NORTHWEST TRANSMISSION LINE – ISKUT EXTENSION NEGOTIATION MANDATE

ISSUE SUMMARY:

Page 110 redacted for the following reason:

s.12

CONTEXT:

Ministry proposal

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- The Government of Canada allocated \$130 M from its GIF towards construction of the NTL. The agreement includes a condition to run a distribution line to Iskut within one year of the NTL line entering service in order to receive the \$130 M from Canada. The NTL completion date in the agreement is September 30, 2014.
- BC Hydro currently supplies power to Iskut through diesel generation and estimates the net present value of its current operations is \$27.5 M over the projected lifetime of a distribution line (40 years).

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Pages 112 through 115 redacted for the following reasons:

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TBS Contact: Lynne Holt Date: March 19, 2012

Draft sub. 1st received:	Final draft received: Nov. 16/11	Signed sub. received: March 15, 2012
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TB briefing note provided to the Ministry:

Draft sent: "No" or Date	Final sent: "No" or Date	Min. DM fact sign-off: "No" or Date
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TB Minor Meeting Date: March 29, 2012
251695

Confidential

Honourable Rich Coleman
Minister of Energy and Mines
and Minister Responsible for Housing
Room 128 Parliament Buildings
Victoria BC V8V 1X4

Dear Colleague:

Re: Northwest Transmission Line – Iskut Extension Negotiation Mandate

I am writing to advise you that Treasury Board approved the Ministry of Energy and Mines' request to for the construction of a 287 kilovolt (kV) Iskut Extension of the Northwest Transmission Line (NTL) and a negotiating mandate for an avoided-cost contribution from Imperial Metals to secure at least \$43 million towards the project capital costs with the following conditions:

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-2-

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Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Falcon', with a large, stylized flourish extending from the end.

Kevin Falcon
Chair

cc: Steve Carr, Deputy Minister
Ministry of Energy and Mines

Neilane Mayhew, Assistant Deputy Minister and Executive Financial Officer
Ministry of Energy and Mines

Page 119 redacted for the following reason:

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