

Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: April 30, 2019 2:01 PM
To: Cuddy, Andrew EMPR:EX
Subject: Re: For Review: Quote for Business in Van mining story

s.13

Sent from my iPad

On Apr 30, 2019, at 1:42 PM, Cuddy, Andrew EMPR:EX <Andrew.Cuddy@gov.bc.ca> wrote:

Hi Minister,

Business in Vancouver has requested a quote from you for a story they are doing about competitiveness concerns in the mining sector. Please see below for your review/approval:

“Because mining is a foundational economic driver in BC, our government put together the BC Mining Jobs Task Force last year. We are acting to implement the recommendations they made to support BC’s mining competitiveness and innovation. This includes making proven mining tax credits permanent as well as eliminating the PST on industry’s hydroelectricity. Doing so will secure more investment in BC’s mining industry and create good, sustainable jobs for British Columbians.”

Thank you,

Andrew Cuddy

Ministerial Assistant to the Honourable Michelle Mungall
Minister of Energy, Mines and Petroleum Resources

From: Mungall, Michelle EMPR:EX
Sent: April 30, 2019 11:33 AM
To: Hammond, Danika S EMPR:EX
Subject: FW: FYI: FINAL IB & Tweet- Harrop II

Please add the below to our CO meeting. This is a huge outreach opportunity that has been missed.

On Mar 25, 2019, at 6:16 PM, Sanderson, Melissa EMPR:EX <Melissa.Sanderson@gov.bc.ca> wrote:

The Harrop II makes its debut on the Kootenay River

NELSON – A new cable ferry is now in service in the West Kootenays, connecting the local ferry dependent community of Harrop Procter.

The former ferry service held a maximum of 48 passengers and 21 vehicles, and the new ferry can take 98 passengers and up to 24 vehicles. The Harrop ferry runs across the Kootenay River, on Highway 3A, 24.5 kilometres northeast of Nelson and 8 kilometres west of Balfour.

The Harrop II is the third vessel to be delivered under a contract with Waterbridge Steel of Nakusp. In 2016, the company was awarded a \$27.9-million contract to design and build four new cable ferries to serve the province's inland routes. The final vessel, the Arrow Park III, is scheduled to be in service by the end of 2019. The Glade II was added to the fleet in 2018 and the Adams Lake II went into service in spring 2017.

These new ferries are larger and able to carry more vehicles than the ferries they replace, with capacity increased to handle commercial vehicles at full highway loads. While the ferries are docked during off-peak hours, power will be supplied by on-board batteries. This will reduce noise at the terminal and lower the vessels' greenhouse gas emissions.

For the ministry's inland ferry fleet, the future is electric. Electric propulsion has excellent potential for inland ferries where crossing distances are short. The Province is taking incremental steps in this direction as the technology develops to support reliable ferry service delivery. The ministry aims to achieve full electrification of the inland ferry fleet by 2040.

A photo of Harrop II is available at: (Flickr link)

Learn More:

- The Harrop cable ferry carried more than 290,000 vehicles and more than 419,000 passengers last fiscal year.
- There are 14 inland-ferry routes in B.C. that are operated for the Province of B.C. under contract.
- Five of the routes are served by cable ferries, five are reaction ferries (propelled by river current), three use free-running ferries and one is served by a tug and barge.
- Last fiscal year, the province's inland ferries carried approximately 1.5 million vehicles and almost 2.4 million passengers.

Media contact: Media Relations
Government Communications and Public Engagement
Ministry of Transportation and Infrastructure
250 356-8241

Tweet #1:

The Harrop II is set to make a big splash in the West Kootenays, replacing the existing smaller cable ferry serving the community of Harrop Procter. (Link to IB). #cableferries #inlandferries @TranBC #kootenays

Follow-up Tweet:

DYK? There are 14 inland-ferry routes in B.C. that carry 1.5 million vehicles and almost 2.4 million passengers.
#cableferries #inlandferries @TranBC #kootenays

<Harrop II - landscape.jpeg>

<IB_Harrop II.docx>

Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: April 27, 2019 2:46 PM
To: Nikolejsin, Dave EMPR:EX; MacLaren, Les EMPR:EX
Subject: Re:s.12;s TB sub

Thanks Dave, That's all good. I've read the draft, so maybe note any changes at round table
Cheers

Sent from my iPhone

On Apr 26, 2019, at 5:59 PM, Nikolejsin, Dave EMPR:EX <Dave.Nikolejsin@gov.bc.ca> wrote:
s.12;s.13

I'll send to you ASAP when I see it.

Dave Nikolejsin
Deputy Minister
Energy, Mines and Petroleum Resources

Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: April 25, 2019 10:53 AM
To: Cuddy, Andrew EMPR:EX
Subject: Re: For Your Review: Quote in tomorrow's Heat Pump NR

Good

Sent from my iPhone

On Apr 25, 2019, at 10:08 AM, Cuddy, Andrew EMPR:EX <Andrew.Cuddy@gov.bc.ca> wrote:

Hi Minister,

GCPE has sent us draft of the NR for tomorrow's heat-pump announcement in Langford with the Premier.

Highlighted below is your quote for approval. GCPE-HQ is asking for it back as soon as possible (the announcement is scheduled for tomorrow at 10am).

Thank you,

Andrew Cuddy

Ministerial Assistant to the Honourable Michelle Mungall
Minister of Energy, Mines and Petroleum Resources

CleanBC efficiency rebates make saving energy more affordable

VICTORIA – British Columbians making energy-saving improvements to their homes can save thousands of dollars with new CleanBC efficiency rebates.

"CleanBC efficiency rebates will save people money, create good jobs, and help put B.C. on the path to a cleaner, better future," said Premier John Horgan. "Helping people keep their homes cooler in the summer and warmer in the winter makes sense, and the efficiency they're investing in will help B.C. reduce climate pollution."

The higher rebates are part of a significant expansion of incentives under CleanBC's Better Buildings program, which makes it easier and more affordable for British Columbians to choose energy-saving products and save money on home and business renovations.

Provincial incentives to help people switch to high efficiency electric heat pumps for space heating have increased by \$1,000, bringing the total rebate to \$3,000, with additional incentives available in some municipalities. Similar incentives to upgrade doors and windows also increased by \$1,000, bringing the total rebate for those upgrades to \$2,000.

"We're boosting heat pumps and other smart technologies because energy-efficient buildings are a key part of our cleaner future," said Michelle Mungall, Minister of Energy, Mines and Petroleum Resources.

“This program will help us get to our CleanBC goal of reducing climate pollution, making B.C. cleaner and creating good jobs that support families and sustain our communities.”

The Province launched CleanBC in December 2018 to reduce carbon pollution and make life better for people. The plan included commitments to raise standards for new construction and encourage energy-saving improvements in existing homes and workplaces.

CleanBC is a shared priority between government and the BC Green Party caucus, and supports a commitment in the Confidence and Supply Agreement to implement climate action to meet B.C.’s targets.

Premier Horgan announced the CleanBC rebates at RedBlue Heating and Refrigeration, a Victoria-based business specializing in the installation of heating, ventilation, and air conditioning (HVAC) solutions in residential and commercial settings.

“We’re seeing a lot of interest in the CleanBC rebate program from both home and business owners,” said Jordan Owen, co-owner of RedBlue. “We have already hired additional workers and expanded our operations to manage the number of people who want to improve the comfort and quality of their living and working spaces.”

The Province’s CleanBC plan provides up to \$14,100 for a home and up to \$220,000 for a commercial business to switch to high-efficiency heating equipment and to make building envelope improvements while saving energy and reducing greenhouse gases.

Financial incentives are available for a variety of measures, including replacing fossil fuel (i.e. oil, propane or natural gas) heating systems with an electric air-source heat pump, improving insulation, upgrading to a high-efficiency natural gas furnace or installing improved windows and doors that minimize heat loss. For example:

- people who apply for an incentive can receive up to \$3,000 (with additional incentives available in some municipalities) for replacing a fossil fuel (oil, propane or natural gas) heating system with an electric air-source heat pump (\$1,000 more than before)
- homeowners planning to upgrade their windows and doors to more energy efficient models may access up to \$2,000 in incentives (\$1,000 more than before)
- homeowners can also apply for up to \$700 in incentives for highest efficiency natural gas furnaces
- commercial building owners can receive up to \$20,000 to complete energy studies that identify cost-effective improvements to their building and up to \$200,000 for the improvements themselves

Program details, including specifics on how to apply for rebates, are available at <http://BetterHomesBC.ca>.

Quick Facts:

- The Better Buildings program (formerly called “EfficiencyBC”) is available to households and businesses across the province and includes low income targeted offers.
- Every dollar spent on energy efficiency programs generates between four and eight dollars of Gross Domestic Product.

- Energy efficiency in Canada improved by 25% between 1990 and 2014. This improvement helped avoid more than 85 million tonnes of carbon pollution, and saved Canadians more than \$38 billion.
- Program partners currently include the Government of Canada, BC Hydro, FortisBC, BC Housing, and 10 local governments, including the City of Vancouver, City of North Vancouver, City of Campbell River, City of Kamloops, City of Victoria, City of Saanich, Capital Regional District, Comox Valley Regional District, Whistler Resort Municipality and City of Richmond, with more partners coming soon.

Learn More:

Visit <http://BetterHomesBC.ca> for program details.

Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: April 24, 2019 3:31 PM
To: Cuddy, Andrew EMPR:EX
Subject: Re: For your Review: Draft Form for 2nd Reading Speeches

Fantastic

Sent from my iPhone

On Apr 24, 2019, at 10:29 AM, Cuddy, Andrew EMPR:EX <Andrew.Cuddy@gov.bc.ca> wrote:

Hi Minister,

Below is draft of the form for your 2nd reading speeches moving forward.

I made a few changes from the form we've been using for your speaking engagements at events:

- Removed "First Nations Territory"
- Removed "Participants/audience members to acknowledge"
- Removed "Audience demographic, occupations, interests"
- Added "Stakeholder validators and endorsements of the Bill"
- Added "Key facts that support the Bill"
- Added "Detailed summary of the Bill (on a separate page)"

Please let me know if there are any other changes you would like and I'll send the final version to GCPE.

Thank you,

Andrew Cuddy

Ministerial Assistant to the Honourable Michelle Mungall
Minister of Energy, Mines and Petroleum Resources

2nd Reading Speech Prep

Latest industry relevant news	<ul style="list-style-type: none">•
"3 Fun Facts" These are positive statistics relevant to the industry; personal story from a constituent, letter writer, prominent British Columbian or other human; historic story of person, place or	<ol style="list-style-type: none">1.2.3.

industry; a cool tidbit, anything that connects to people/acts as a hook.	
Relevant ministry activities worth mentioning	•
Our message box on the Bill in the format: Connect, Contrast, Solution	<p>Connect:</p> <p>Contrast:</p> <p>Solution:</p>
General government message box	We are building a better BC. We are making life more affordable, delivering services people can count on and building an economy that works for everyone.
Stakeholder validators and endorsements of the Bill	•
Key facts that support the Bill	•
Detailed summary of the Bill (on a separate page)	•

Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: April 23, 2019 3:23 PM
To: Hammond, Danika S EMPR:EX
Subject: Re: quote for housing announcement

Good

Sent from my iPhone

On Apr 23, 2019, at 1:58 PM, Hammond, Danika S EMPR:EX <Danika.Hammond@gov.bc.ca> wrote:

“Our government knows that families and seniors are struggling just to keep up with the cost of living and finding affordable housing remains a big challenge,” said Michelle Mungall, MLA for Nelson-Creston, on behalf of Selina Robinson, Minister of Municipal Affairs and Housing. “These new rental homes will help ease the burden on families and help make life better for people in Nelson.”

Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: April 18, 2019 12:33 PM
To: Hammond, Danika S EMPR:EX
Subject: Re: Communications package for Kootenay Lake Event - needs quote approval

s.13

"Kootenay Lake Ferry connects communities, and it's time for an upgrade to this important crossing," said ... "With a new ferry replacing the MV Balfour and improved terminals, we can celebrate the positive impact this will have throughout the region, particularly on our local economies."

Sent from my iPhone

On Apr 18, 2019, at 11:37 AM, Hammond, Danika S EMPR:EX <Danika.Hammond@gov.bc.ca> wrote:

Hello Minister

All materials for this event will be added to your weekend binder.

Please edit or approve the following quote -

"We understand the importance of this ferry crossing for local communities and the region. That's why we're moving forward with the procurement of a new vessel to replace the MV Balfour and modernizing the terminals to provide a safer and more enjoyable experience for local users and tourists."

Michelle Mungall, MLA for Nelson–Creston, on behalf of the Honourable Claire Trevena, Minister of Transportation and Infrastructure for B.C.

Also below is the guest list for your convenience. If you have any changes please let us know and then invites can be sent out.

[cid:image003.png@01D4F5DB.2154B730]

Thanks

Danika

From: Stone, Lynne TRAN:EX
Sent: Thursday, April 18, 2019 11:22 AM
To: Mungall.MLA, Michelle LASS:EX; Hammond, Danika S EMPR:EX
Subject: FW: Communications package for Kootenay Lake Event - needs quote approval

Please find attached the comms package for the kootenay lake event.

What we will need from your office is:

*Approval of the guest list (and let us know when can the invites go out)

*Quote approval

QUOTE for approval:

“We understand the importance of this ferry crossing for local communities and the region. That’s why we’re moving forward with the procurement of a new vessel to replace the MV Balfour and modernizing the terminals to provide a safer and more enjoyable experience for local users and tourists.”

Michelle Mungall, MLA for Nelson–Creston, on behalf of the Honourable Claire Trevena, Minister of Transportation and Infrastructure for B.C.

Thanks,
Lynne

Lynne Stone
Executive Assistant to Hon. Claire Trevena
Minister of Transportation and Infrastructure
Phone: 778-676-3562

<01 - NR - Kootenay Lake Ferry Service - EN - MGR A.DOCX>

<18-148 Bow no Light Support 2019-04-09 FOR PODIUM.jpg>

<Copy of Guest List - Kootenay Lake Ferry Event.xls>

<EP_Kootenay Lake Ferry Service.docx>

<QA_KM_Kootenay Lake Ferry Event.doc>

<SN_Kootenay Lake Ferry Service.docx>

<image003.png>

Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: April 16, 2019 5:14 AM
To: Nikolejsin, Dave EMPR:EX
Cc: Sanderson, Melissa EMPR:EX
Subject: Re: Rio Tinto Aluminum

This is very serious. I will check-in with Chris personally. I will say it gives me great comfort that he's in charge. He's always on top of things with the right focus.

Sent from my iPhone

On Apr 15, 2019, at 6:17 PM, Nikolejsin, Dave EMPR:EX <Dave.Nikolejsin@gov.bc.ca> wrote:

FYI

Dave Nikolejsin
Deputy Minister
Energy, Mines and Petroleum Resources

Begin forwarded message:

From: "O'Riley, Christopher" <Chris.Oriley@bchydro.com>
Date: April 15, 2019 at 5:30:56 PM PDT
To: Dave Nikolejsin <Dave.Nikolejsin@gov.bc.ca>, Les MacLaren <Les.MacLaren@gov.bc.ca>
Subject: Fwd: Rio Tinto Aluminum

Just spoke to Alf Barrios about RT's request f^{s.21}
s.21

The situation sounds quite serious.^{s.17}

Alf mentioned he was going to call the Premier.

Sent from my iPhone

Begin forwarded message:

From: <Chris.Oriley@bchydro.com>
Date: April 15, 2019 at 5:26:33 PM PDT
To: Mark Poweska <Mark.Poweska@bchydro.com>, Janet Fraser <Janet.Fraser@bchydro.com>, David Wong <David.Wong@bchydro.com>
Cc: Heather Matthews <Heather.Matthews@bchydro.com>, Rohan Soulsby <Rohan.Soulsby@bchydro.com>
Subject: Rio Tinto Aluminum

I spoke with RTA's CEO in Montreal^{s.21}

s.21

s.13; s.17

Let's prepare initial options and any potential roadblocks and set a meeting to discuss ASAP.

Thanks.

Chris

Sent from my iPhone

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Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: April 15, 2019 12:52 PM
To: Langille, Laurie LASS:EX; Bendig, Tessa LASS:EX
Subject: Fwd: Hansard TV Media Request

Please add to fb:

Very proud to speak about my bill to restore BC Utilities Commission's oversight of BC Hydro. A lot of technical aspects to the bill, but the key is that we don't want another IPP scheme that's costing people \$16.2 Billion of excess over the next 20 years. On a side note, when I misstated this number and was heckled by a B.C. Liberal who said "numbers are hard" for me, I acknowledged his jealousy of me being able to nurse a baby all night, still come to work and develop and speak to Legislation. He also got some numbers wrong in his speech, but I let him off the hook for those.

Sent from my iPhone

Begin forwarded message:

From: "Duncan, Kate EMPR:EX" <Kate.Duncan@gov.bc.ca>
Date: April 15, 2019 at 12:17:13 PM PDT
To: "Mungall, Michelle EMPR:EX" <Michelle.J.Mungall@gov.bc.ca>
Subject: FW: Hansard TV Media Request

Hell Minister,

I have requested that the first clip get cut down, but for the meanwhile here is the second reading of Bill 19 and the closing statement.

Thanks

Kate Duncan

Administrative Coordinator to the Honourable Michelle Mungall
Minister of Energy Mines and Petroleum Resources
T: 778-974-5975
E: kate.duncan@gov.bc.ca

From: HansardTV <HansardTV@leg.bc.ca>
Sent: April 12, 2019 12:03 PM
To: Pommelet, Lisa EMPR:EX <Lisa.Pommelet@gov.bc.ca>
Subject: RE: Hansard TV Media Request
Importance: High

Hi Lisa,

I'm sending you webclips but if you need an MP4 I can send that too. With webclips we cannot edit together different times in to one clip. That's just webclips. With an MP4 we can put multiple clips together for a final file.

Let me know what you would like ok?

Have a great weekend!

Gerry

Bill 19 Second Reading,

Here is the hyperlink: <http://bit.ly/2UvEoRg>

Bill 19 Closing

Here is the hyperlink: <http://bit.ly/2UA68nE>

*Hansard Broadcasting Services,
Rm. 170, Parliament Buildings,
Victoria, BC V8V 1X4
(250) 952-7940*

To view BC Legislative Live Webcasts with Chrome, Firefox, Edge and Safari browsers, and Apple iOS and Android, no Flash add-on is required. For Internet Explorer you must have Adobe Flash add-on installed and enabled.

Flash add-on can be found here:

<https://get.adobe.com/flashplayer>

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From: Lisa.Pommelet@gov.bc.ca [<mailto:Lisa.Pommelet@gov.bc.ca>]

Sent: Friday, April 12, 2019 9:41 AM

To: HansardTV <HansardTV@leg.bc.ca>; Hansard Services <HansardServices@leg.bc.ca>

Subject: Hansard TV Media Request

Requested by: Michelle Mungall

Subject: Second reading and closing

Date of Broadcast: April 11, 2019

Time of Broadcast Segment: 1540-1635

Contact Name: Lisa Pommelet

Contact E-mail: Lisa.Pommelet@gov.bc.ca

Contact Phone: 778-974-5980

Format(s): WebClip

Additional Comments: Webclip for second reading and closing statement of Bill 19.

Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: April 15, 2019 8:43 AM
To: Hammond, Danika S EMPR:EX
Subject: Re: letter to Grand Chief Phillip re Orphan Sites

Edit below

Sent from my iPhone

On Apr 12, 2019, at 1:11 PM, Hammond, Danika S EMPR:EX <Danika.Hammond@gov.bc.ca> wrote:

Hello Minister

When you have a moment can you look at the following piece of correspondence? There is no rush today.

Attached is a letter from Grand Chief Stewart Phillip regarding orphan gas and oil wells and below is the draft response with some of my edits. If you want to make any changes please do so and send it back to me.

Thanks – Danika

-
-
-

Dear Grand Chief Phillip and s.22

Thank you for taking the time to write to my colleague Minister Heyman and I to share your concerns on March 18, 2019 regarding British Columbia's inactive and orphan oil and gas wells.

In your letter you wrote about the thousands of inactive oil and gas wells in the province and the risks these sites pose to the environment and to the well-being of our communities. We share your concerns and that is why we have already taken measures to address this issue and are continuously looking for more ways to improve the situation.

The BC Auditor General's report, "The BC Oil and Gas Commission's Management of Non-operating Oil and Gas Sites," made a number of recommendations to reduce the financial and environmental liability associated with orphan and inactive oil and gas sites. The BC Oil and Gas Commission (Commission) has accepted all of the recommendations and is working to implement them.

You also specifically raised the need to continue closing gaps in the legislative and regulatory framework. In May 2018, the Government enacted the *Energy, Mines and Petroleum Resources Statutes Amendment Act* (Bill 15), enabling improvements to the regulatory framework for the restoration of oil and gas sites. These amendments are supporting the implementation of the Auditor General's recommendations by allowing the Commission to

improve the funding model for orphan site restoration, and to accelerate the restoration of sites no longer in use.

On April 1, 2019, the existing orphan tax was eliminated and replaced by a new liability levy. This will ensure that the Commission has adequate funds to restore orphan sites in a timely manner at no direct cost to taxpayers. The Commission is also developing a Comprehensive Liability Management Plan, including regulations that will require the timely clean-up of dormant well sites that are held by existing operators.

It is important that First Nations are at the table when it comes to addressing orphan oil and gas wells. In this regard the Commission will continue partnering with First Nations from northeast British Columbia to restore former oil and gas sites, and to integrate learnings from these pilot programs into the new restoration framework. The Commission will also continue to consult with First Nations on the development of the new dormant well site regulations.

These actions, and others associated with implementing the recommendations, will reduce the financial and environmental liabilities associated with oil and gas sites. Further details on actions the Commission is taking can be found in the Commission's information bulletin regarding the Auditor General's report, which is available at <https://www.bcogc.ca/node/15385/download>.

The Government and the Commission are committed to monitoring the effectiveness of the new initiatives and to making continuous improvements to ensure responsible development of oil and gas resources in British Columbia.

Once again, I thank you for writing and sharing your concerns.

Sincerely,

Michelle Mungall
Minister

<2019March18 OpenLetterReOrphanSites.pdf>

Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: April 10, 2019 8:37 PM
To: Cuddy, Andrew EMPR:EX
Subject: Re: Speaking Notes for Second Reading

This is excellent. Thanks!

Sent from my iPhone

On Apr 10, 2019, at 7:57 PM, Cuddy, Andrew EMPR:EX <Andrew.Cuddy@gov.bc.ca> wrote:

Attached is the speaking notes 'form' for 2nd reading tomorrow on the Energy Statues Amendment Act. I also added a page on the back summarizing details of what's in the bill.

Andrew

From: Mungall, Michelle EMPR:EX
Sent: April 9, 2019 5:52 PM
To: Cuddy, Andrew EMPR:EX <Andrew.Cuddy@gov.bc.ca>
Subject: FW: Speaking Notes for Second Reading

From: Duncan, Kate EMPR:EX
Sent: April 3, 2019 2:42 PM
To: Mungall, Michelle EMPR:EX <Michelle.J.Mungall@gov.bc.ca>
Subject: Speaking Notes for Second Reading

Hello Minister,

With the possibility of the second reading of Bill 19 happening tomorrow, I am emailing you the current draft of the speaking notes. I have also scheduled time at 5pm for you to read over and edit these notes.

Thanks

HOUSE LEADER: "I call second reading of Bill XX."

SPEAKER: Calls on Minister Mungall

MINISTER: Makes Opening Statement.

- Move Bill 19 be read a second time now.
- Honourable Speaker, I am pleased to present the
Energy Statutes Amendment Act, 2019

- Bill 19 will amend the Clean Energy Act, the Hydro and Power Authority Act and the Utilities Commission Act.
- The primary focus of this Bill is to implement recommendations flowing from Phase 1 of the comprehensive review of BC Hydro.
- Some additional provisions have been included in this Bill to clarify the BC Utilities Commission's authority to grant exemptions to classes of persons, and to make several housekeeping changes to the Utilities Commission Act.

Overview of Phase 1

- A comprehensive review of BC Hydro was launched by government last summer.
- The first phase of this review has been completed. A public report on the results of this phase was issued on February 14, 2019.

- The first phase of the review focussed on keeping BC Hydro's rates affordable and ensuring sound financial and regulatory oversight of BC Hydro, while protecting taxpayers from the consequences of past policy decisions.
- Now we're acting on the review to make BC Hydro work for people, and to enhance the BC Utilities Commission's – or BCUC's - oversight of BC Hydro.

Affordable Rates

- As I noted earlier, one of the key drivers for the review was to keep BC Hydro rates affordable.

Rate Rebalancing

- This Bill supports that goal by restricting the BCUC's ability to rebalance a public utility's rates unless applied for by a public utility.
- Under rate rebalancing, rates of various customer classes – such as residential, commercial or industrial customers- are either increased or decreased until they closely reflect the costs to serve that group of customers.

- Without a restriction on rate rebalancing, the BCUC would likely take action to rebalance BC Hydro's rates, as BC Hydro collects about 9 percent less revenue from the residential rate class than it costs to serve that rate class.
- If rebalancing occurs, residential customers will see higher rate increases. Higher residential rates would make it even harder for low-income families to manage their electricity costs and are completely incompatible with our overriding goal of making life more affordable for people.

- We have also eliminated PST on electricity sales for commercial and industrial customers, so they will see lower bills starting April 1, 2019.

Enhanced Independent Oversight

- The review also identified several areas to restore BCUC oversight of BC Hydro, so that the BCUC can effectively safeguard the interests of BC Hydro's customers.

IRP

- One of these areas is BCUC review and approval of BC Hydro's Integrated Resource Plan – or IRP.

- BC Hydro's IRP is its 20-year projection of electricity demand and its plans for meeting that demand.
- Currently under the Clean Energy Act, BC Hydro is required to submit an IRP to government for approval every five years.
- This is different from normal regulatory practices under which a utility would submit its plans to meet future energy demand to the energy regulator (in our case the BCUC), not government.

- The current legislation has effectively shut the BCUC out of the IRP process, significantly limiting its insight into BC Hydro's current electricity supply and demand forecasts and hampering effective review of BC Hydro applications on capital projects and energy purchase contract renewals.
- The proposed amendments included in this Bill will re-instate the BCUC's authority to review and approve BC Hydro's IRP.

Protecting Taxpayers

- The Bill also includes several provisions that are designed to protect taxpayers from past policy decisions.

Powerex

- This includes changes relating to Powerex.
- Powerex is BC Hydro's marketing subsidiary.
- Currently Powerex's trading activities are exempt from BCUC oversight by regulation.

- We believe it is appropriate to permanently exempt Powerex from BCUC oversight through changes to the Utilities Commission Act.
- Powerex operates in competitive wholesale energy markets outside of B.C. where it is subject to regulation by the Federal Energy Regulatory Commission for its U.S. activities.

- Falling under BCUC oversight would unnecessarily duplicate much of the Federal Energy Regulatory Commission's oversight, and could impede Powerex's ability to compete in rapidly moving competitive markets.
- This could reduce energy export sales, put pressure on rates or have a negative impact on BC Hydro's net income and the province's fiscal plan.

Feed-in Tariff program

- The Bill would also eliminate provisions from the Clean Energy Act that allow Cabinet to direct BC Hydro to establish a Feed-in Tariff Program.
- Under a Feed-in Tariff Program, BC Hydro would offer to enter into energy supply contracts on eligible renewable electricity projects using new and/or untested technologies, at a set price.

- Cabinet has never exercised this authority, and this program is no longer needed.
- BC Hydro is expected to be in an energy surplus for the foreseeable future, negating the need for energy acquisitions under a Feed-in Tariff Program.

Expenditures for Export

- Another area where this Bill enhances BCUC oversight is in relation to expenditures for export.
- “Expenditures for export” are defined in the Clean Energy Act as BC Hydro expenditures to produce or acquire power that is surplus to BC Hydro’s domestic needs.
- The Clean Energy Act specifies that the BCUC must not allow BC Hydro to recover these expenditures from ratepayers.

- The measures were put in place back in 2010 when export prices for electricity were high and the export market presented opportunities for profit for BC Hydro.
- It was expected that BC Hydro would implement clean power calls specifically to gather energy for sale in the export market.
- However, things have changed - export prices for electricity have dropped and the concept of expenditures for export has become dated.

- BC Hydro's current portfolio of Independent Power Producer – or IPP - resources was acquired to meet domestic need; not for export.
- However, retaining the provisions could compel the BCUC to try to determine what proportion, if any, of BC Hydro's surplus resources should be deemed "expenditures for export", and excluded from BC Hydro's rates.

- The net effect could be \$100s of millions of IPP costs that would then flow to taxpayers through reduced net income for BC Hydro.
- Eliminating this concept entirely from the Clean Energy Act would permanently remove the risk of significant impacts to BC Hydro's net income and the Province's fiscal plan.

Conclusion

- Our government believes this Bill, in conjunction with other measures we are taking as a result of the review, will keep BC Hydro rates affordable while reinstating effective regulatory oversight of the Crown utility and protecting taxpayers from the impacts of past policy decisions.

Following this statement, other members may rise to speak to the Bill.

SPEAKER: Calls on Minister Mungall to close the debate.

MINISTER: Makes Closing Statement

- I thank members for their comments.
- Optional: Provide a high-level response to member comments.
- I move Second Reading of Bill 19.

SPEAKER: Acknowledges Minister Mungall when the motion is approved.

MINISTER:

- I move that the Bill be referred to a Committee of the Whole House to be considered at the next sitting of the House after today.

-END-

Kate Duncan

Administrative Coordinator to the Honourable Michelle Mungall
Minister of Energy Mines and Petroleum Resources

T: 778-974-5975

E: kate.duncan@gov.bc.ca

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<Speaking Engagement Prep - 2nd Reading of Energy Statutes Act.docx>

Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: April 10, 2019 9:41 AM
To: Hammond, Danika S EMPR:EX
Subject: Re: s.22

s.22

Sent from my iPhone

On Apr 10, 2019, at 9:34 AM, Hammond, Danika S EMPR:EX <Danika.Hammond@gov.bc.ca> wrote:

Good morning Minister

s.22

I have spoken with Melissa, Laurie and Tessa about this and although the timing is not ideal, it doesn't look like the week will be very busy. I can also help ensure things run smoothly by working remotely on the Tuesday and Thursday. s.22

Please let me know if you have any thoughts, if this plan is alright or if you need me to be in the constituency that week.

Thanks

Danika

Danika Hammond
Executive Assistant to the
Honourable Michelle Mungall
Minister of Energy, Mines and Petroleum Resources
t 250.208.7363

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Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: April 9, 2019 1:52 PM
To: Cuddy, Andrew EMPR:EX
Subject: RE: FOR REVIEW: NR for ZEV Bill

Quite a few edits below. I have not edited Heyman's or Dan's quotes.

From: Cuddy, Andrew EMPR:EX
Sent: April 9, 2019 1:16 PM
To: Mungall, Michelle EMPR:EX <Michelle.J.Mungall@gov.bc.ca>
Subject: FOR REVIEW: NR for ZEV Bill

Legislation to guide B.C.'s move to clean electric vehicles, reduce climate pollution

VICTORIA – New legislation will help reduce climate pollution by phasing out gas-powered light duty vehicles, and making zero-emission vehicles more available and affordable for British Columbians.

If passed, the Zero Emission Vehicles Act (ZEVA) will require the sale of all new light-duty cars and trucks to be zero-emission vehicles by 2040.

"British Columbians are eager to make the switch to zero emission vehicles, but price and availability can be barriers," said Michelle Mungall, Minister of Energy, Mines and Petroleum Resources. "To reduce those barriers, we have introduced a rebate program as part of CleanBC, and now we are brining in legislation that will improve availability."

The legislation will require all new light-duty vehicles to be zero emissions vehicles by 2040. This target will be met using a phased-in approach, with 10% of new light-duty vehicle sales by 2025, 30% by 2030, and 100% by 2040. The annual automaker requirements will start for model year 2020.

"We know that British Columbians want clean-energy vehicles to be more affordable and more accessible. The legislation will make it easier for everyone in our province to choose a clean-energy vehicle as their next purchase, supporting our long-term work to build a cleaner future, while dramatically reducing transportation and maintenance costs for British Columbians," said George Heyman, Minister of Environment and Climate Change Strategy. "The legislation is a practical step in our efforts to fight climate change, putting our province on a path that powers our future with clean and renewable energy."

"British Columbians are excited about electric cars and the chance to cut both their fuel costs and pollution. It's a win-win for commuters, but British Columbians have had a tough time finding electric cars on dealership lots and often had to go on long waiting lists," said Dan Woynillowicz, policy director, Clean Energy Canada. "This legislation will help ensure supply keeps up with demand, making it easier for people to go electric while helping B.C. cut carbon pollution and combat climate change. If you want an electric car, you should be able to drive one home from the lot, same as any car – that's what this policy is about."

The Zero Emission Vehicles Act is based on the legislation already in place in Quebec and California and was informed by consultation with British Columbians, manufacturers and key stakeholders.

CleanBC invests \$905 million over three years for programs - making B.C. the leader in Canada in tackling climate change and protecting the province's clean air, land and water.

Quick Facts:

- The legislation applies to new vehicles for retail sale or lease, with annual requirements to start for model year 2020.
- CleanBC's CEVforBC program offers point-of-sales incentives of:
 - up to \$5,000 for the purchase or lease of a new battery electric or plug-in hybrid electric vehicle; and
 - up to \$6,000 for a hydrogen fuel-cell vehicle.
- B.C. already has the highest per capita adoption of zero-emission vehicles in Canada with over 17,000 ZEVs on the road, averaging 4% of new light-duty vehicle sales in 2018, and one of the largest public charging and hydrogen fuelling networks.
- British Columbians who purchase electric vehicles typically save about 75% on their fuel and maintenance costs, which adds up to about \$1,500 per year.

Learn More:

Electric Vehicles Available in B.C.: <http://ow.ly/Igqm30onBuz>

CEVforBC vehicle point-of-sale incentive program: <https://www.cevforbc.ca/>

Contact:

Kent Karemaker

Media Relations

Ministry of Energy, Mines and Petroleum Resources

250 952-0628

Andrew Cuddy

Ministerial Assistant to the Honourable Michelle Mungall

Minister of Energy, Mines and Petroleum Resources

Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: April 2, 2019 10:30 AM
To: d.donaldson@leg.bc.ca
Subject: Fwd: Attached response letter: Perry Ridge Water Users Association (246460)
Attachments: 246460 Letter to Perry Ridge Water Users Final SIGNED.pdf; ATT00001.htm

Sent from my iPhone

Begin forwarded message:

From: "Dresser, Darlene FLNR:EX" <Darlene.Dresser@gov.bc.ca>
Date: April 1, 2019 at 4:19:29 PM PDT
To: 's.22
Cc: "Donaldson, Doug FLNR:EX" <Doug.Donaldson@gov.bc.ca>, "Conroy, Katrine MCF:EX" <Katrine.Conroy@gov.bc.ca>, "Heyman, George ENV:EX" <George.Heyman@gov.bc.ca>, "Mungall, Michelle EMPR:EX" <Michelle.J.Mungall@gov.bc.ca>, "Edwards, Joanne HLTH:EX" <Joanne.Edwards@gov.bc.ca>, "Miller, Val FLNR:EX" <Val.Miller@gov.bc.ca>, "Range Branch, Forests FLNR:EX" <Forests.RangeBranch@gov.bc.ca>, "Torrans, Edi FLNR:EX" <Edi.Torrans@gov.bc.ca>
Subject: Attached response letter: Perry Ridge Water Users Association (246460)

Good afternoon,

No paper copy will be sent.

Darlene A. Dresser
Branch Services Officer, Range Branch - Kamloops
Ministry of Forests, Lands, Natural Resource Operations and Rural Development
Phone: (250) 371-3827 Fax: (250) 828-4987
[Mailto:darlene.dresser@gov.bc.ca](mailto:darlene.dresser@gov.bc.ca)

Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: April 1, 2019 3:02 PM
To: Haslam, David GCPE:EX
Subject: Re: Rob Shaw

Oops, hit send before done... or later today?

Sent from my iPhone

On Apr 1, 2019, at 2:51 PM, Haslam, David GCPE:EX <David.Haslam@gov.bc.ca> wrote:

Minister – Rob Shaw said he wants a quick interview following QP on the Legislation. It will be high level and not technical in nature. He forwarded the following questions to me in response to the NR. I'll be sending the answers that follow shortly. All from the QA doc.

I don't understand if the "feed-in tariff program" and the "expenditures for export" — are those the same thing as banning the purchase of power from new IPPs?

Since we just did a big story about that report a few weeks ago, and IPPs are big, it would be great to get some english-language clarity on that for laymen like myself... so I don't screw it up. Are these the main ways BC Hydro has contracted with IPPs or bought their power in the past? Are there other ways BC Hydro does it that still remain?

I also don't know what "rate rebalancing" means even with the backgrounder.

How does that work, when was it last done, what was the outcome of it and why is it being banned?

When it says BCUC might have in the near term rebalanced BC Hydro rates what does it mean?

Feed-in Tariff Program:

- Under a Feed-In Tariff Program government could order BC Hydro to implement a program to acquire electricity generated by new or untested technologies from private power producers at a fixed price without the oversight of the BCUC.
- BC Hydro is expected to be in an energy surplus for the foreseeable future. Proceeding with a Feed-In Tariff program now, or in the foreseeable future, would place pressure on BC Hydro's rates, and its net income, by driving the acquisition of energy BC Hydro does not need, and which it may be required to sell for a loss on export markets.
- Government has never exercised its authority under the CEA to establish a Feed-in Tariff Program
- In the past, power has been purchased from IPPs through calls for power.

Expenditures for Export:

- "Expenditures for export" are defined in the CEA as BC Hydro expenditures on infrastructure and energy purchases associated with producing power that is surplus to BC Hydro's domestic needs, and that could be sold at a profit on the export market.
- The measures were put in place back in 2010 when export prices for electricity were high and the export market presented opportunities for profit, however things have changed. Export prices for electricity have dropped and the concept of expenditures for export has become dated.

- In the meantime, due to the policy decisions made by the previous government, BC Hydro is in an energy surplus that is expected to last until the mid-2030s. Practically speaking, it is extremely difficult to pinpoint how much of BC Hydro expenditures over the past 8-10 years are related to increased growth in domestic demand that did not materialize, and how much can truly be considered “expenditures for export.”
- While the CEA specifies that expenditures for export cannot be recovered from BC Hydro’s ratepayers, it does not provide a formula or criteria to guide the calculation of these amounts. Depending on the methodology and assumptions used, this could reduce BC Hydro’s net income significantly, and impact the province’s fiscal plan.
- Repealing the expenditures for export provisions in the CEA is consistent with the current direction issued when the BC Hydro review results were released in February, which prohibits the BCUC from exercising its duties related to expenditures for export.
- The concept of “expenditures for export” is unique to B.C.. No other Canadian jurisdictions apply this concept to a public utility.

Rate Rebalancing:

- Government is continuing to prohibit the BCUC from re-balancing rates to keep rates affordable for people.
- BC Hydro currently collects less revenue from the residential rate class than it costs to serve that rate class, and it collects more revenue from the commercial rate class than it costs to serve them.
- Without this prohibition the BCUC may take action to rebalance rates between BC Hydro’s residential, commercial and industrial customer classes. If this were to happen annual rate increases for residential customers for fiscal 2020 (effective April 1, 2019) could be up to 2.2% higher than currently forecast, while commercial customers would see lower rates, and industrial rates would remain approximately the same.
- Higher residential rates would make it even harder for low-income families to manage their electricity costs and are completely incompatible with government’s overriding goal of making life more affordable for people.
- Over 200,000 business and industrial customers are benefitting from the removal of the Provincial Sales Tax on their BC Hydro bills effective April 1, 2019, which will result in a net bill decrease this year.
- To ensure that all public utilities are treated similarly in this regard and that rates are reasonable for residential customers anywhere in the province, the legislative change would apply to all public utilities, and not just BC Hydro. It would be up to a public utility to request a rebalancing of rates.

From: Mungall, Michelle EMPR:EX
Sent: April 1, 2019 3:01 PM
To: Haslam, David GCPE:EX
Subject: Re: Rob Shaw

I went out the other door and didn't see him. Tomorrow before qp?

Sent from my iPhone

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