

From: [Trachsel, Daymon EMPR:EX](#)
To: [MacLaren, Les EMPR:EX](#)
Cc: [Schmidt, Cathy A EMPR:EX](#); [Yakiwchuk, Kyle EMPR:EX](#)
Subject: BC Hydro ASPR BN
Date: June 27, 2019 11:33:11 AM
Attachments: s.13
[BCHydro-Crown-Corporation-2018-19-Annual-Report \(Final\).pdf](#)

Hi Les.

Any concerns with BCH's BN, or can I send along to MMM via DMO? I've attached their annual report for reference.

Thanks!

Daymon.

From: Teasdale, Dawn <dawn.teasdale@bchydro.com>
Sent: June 27, 2019 11:25 AM
To: Yakiwchuk, Kyle EMPR:EX <Kyle.Yakiwchuk@gov.bc.ca>
Cc: Trachsel, Daymon EMPR:EX <Daymon.Trachsel@gov.bc.ca>; Magre, Leela <Leela.Magre@bchydro.com>
Subject: RE: Updated ASPR project schedule

Hi Kyle,

Please find attached the ASPR briefing note.

Thanks,

Dawn

From: Yakiwchuk, Kyle EMPR:EX [<mailto:Kyle.Yakiwchuk@gov.bc.ca>]
Sent: 2019, June 26 11:32 AM
To: Teasdale, Dawn
Cc: Trachsel, Daymon EMPR:EX; Magre, Leela
Subject: RE: Updated ASPR project schedule

Hi Dawn,

Thanks for getting the ASPR to us last week – much appreciated.

Do you happen to have an ETA on the accompanying BN?

-Kyle

From: Teasdale, Dawn <dawn.teasdale@bchydro.com>
Sent: June 19, 2019 11:20 AM
To: Yakiwchuk, Kyle EMPR:EX <Kyle.Yakiwchuk@gov.bc.ca>
Cc: Trachsel, Daymon EMPR:EX <Daymon.Trachsel@gov.bc.ca>; Magre, Leela <Leela.Magre@bchydro.com>
Subject: RE: Updated ASPR project schedule

Hi Kyle,

We can have the document to you and Daymon by end of day Friday. Please let me know if you have any questions.

Thanks,

Dawn

From: Yakiwchuk, Kyle EMPR:EX [<mailto:Kyle.Yakiwchuk@gov.bc.ca>]
Sent: 2019, June 19 11:17 AM
To: Teasdale, Dawn
Cc: Trachsel, Daymon EMPR:EX
Subject: RE: Updated ASPR project schedule

Hi Dawn,

In follow up, I just received word that the financials are signed off on by TBS. Please provide the compiled report as soon as possible to Daymon and cc myself. I'm out of the office until next Tuesday starting this afternoon.

Thanks again for the hard work on this report,

-Kyle

From: Yakiwchuk, Kyle EMPR:EX

Sent: June 19, 2019 10:54 AM

To: 'Teasdale, Dawn' <dawn.teasdale@bchydro.com>

Cc: Trachsel, Daymon EMPR:EX <Daymon.Trachsel@gov.bc.ca>

Subject: RE: Updated ASPR project schedule

Hi Dawn,

Thanks for this.

The front end of the document has no further edits from us – good to go. As for the financials, we're keeping on top of TBS for approvals on this one as soon as possible and will let you know as soon as we get it.

As for the timeline, we need to be more aggressive than the 26th. Once we receive the final report, we will need to send it to the Deputy Minister for review, and then to the Minister for signoff. If we're able to get the financials approved today, would it be realistic to have the report ready to go to the Deputy by end of day tomorrow? The briefing note can follow a day or two behind but the sooner we get the report up to the DM the better.

Let me know if this is workable.

-Kyle

From: Teasdale, Dawn <dawn.teasdale@bchydro.com>

Sent: June 19, 2019 9:28 AM

To: Yakiwchuk, Kyle EMPR:EX <Kyle.Yakiwchuk@gov.bc.ca>

Subject: RE: Updated ASPR project schedule

Hi Kyle,

The following work would need to be completed before we could submit the final draft for Minister approval.

- Confirmation from MEMPR that there are no further edits to the front end of the document. (please note that I have made a few small edits since the last version)
- Confirmation from MEMPR that the financials have been reviewed and approved by TBS
- Front end and financials combined into a single document – please note that this takes half of a business day
- Minister briefing note reviewed and approved by appropriate BCH team members – this process is currently underway.

So we have a bit of work to do still and some of our timing is reliant on MEMPR/TBS. I'd like to propose we aim for June 26 – will that work?

Thanks,

Dawn

From: Yakiwchuk, Kyle EMPR:EX [<mailto:Kyle.Yakiwchuk@gov.bc.ca>]

Sent: 2019, June 18 2:32 PM

To: Teasdale, Dawn

Subject: RE: Updated ASPR project schedule

Hi Dawn,

I've reviewed your latest draft and it looks like all comments have been addressed – thanks for working through those. To answer your question re: the date (2017 vs 2018/19), please use 2017 as it refers to the strategic direction from government when it was elected in 2017. This change was made to all templates/ASPRs.

This morning we discovered that there was no updated/annotated version of the BCH financials on the CABRO sharepoint, and are looking into whether or not those draft financials were TBS approved. Either they were approved or will be getting another review shortly.

If we receive word that these financials are approved, what work on your end would be needed to get the ASPR to a finalized draft for Minister approval and how long do you think it would take?

-Kyle

From: Teasdale, Dawn <dawn.teasdale@bchydro.com>

Sent: June 18, 2019 2:08 PM

To: Yakiwchuk, Kyle EMPR:EX <Kyle.Yakiwchuk@gov.bc.ca>

Subject: Updated ASPR project schedule

Hi Kyle,

Could you please let me know of upcoming deadlines for the 2018/19 ASPR? I feel like we may be running a bit behind the original project schedule and I just want to make sure our materials are ready and that our Finance team has been updated.

Thanks,

Dawn

Dawn Teasdale | Policy Advisor, Policy, Research & Strategic Communications

BC Hydro

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s.13 ; s.17

British Columbia Hydro and Power Authority

2018/19

ANNUAL SERVICE PLAN REPORT

July 2019



For more information on BC Hydro contact:

333 Dunsmuir Street
Vancouver, B.C.
V6B 5R3

Lower Mainland
604 BCHYDRO
(604 224 9376)

Outside Lower Mainland
1 800 BCHYDRO
(1 800 224 9376)

Or visit our website at
bchydro.com

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From: [Hopkins, Jim](#) FIN:EX
To: ["Wong, David"](#); ["jacqueline.rawluk@bchydro.com"](#); ["Layton, Ryan"](#); [Foster, Doug](#) FIN:EX; [Zacharuk, Christina](#) PSEC:EX; [Pauliszyn, Robert](#) PSEC:EX; [Wood, Heather](#) FIN:EX; [Mirza, Sadaf](#) FIN:EX; [Madani, David](#) FIN:EX; [de Kock, Jackson](#) FIN:EX; [Riley, Dave](#) FIN:EX; [Thoroughgood, Garth A](#) EMPR:EX; [Turner, Geoff J](#) EMPR:EX; ["nicolas.jiminez@icbc.com"](#); ["philip.leong@icbc.com"](#); [MacLaren, Les](#) EMPR:EX
Cc: [Wanamaker, Lori](#) FIN:EX; [Redchurch, Kevin](#) FIN:EX
Subject: Moody's Affirms Province with stable , triple A Rating
Date: May 7, 2019 2:19:02 PM
Attachments: [Moody's BC Press Release 2019-05-06.pdf](#)

Fyi..an affirmation from Moody 's was published yesterday... again , many thanks for your help with that assessment

Cheers Jim

MOODY'S

INVESTORS SERVICE

Rating Action: Moody's affirms British Columbia's Aaa rating with stable outlook

06 May 2019

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From: [Rawluk, Jacqueline](#)
To: [Wong, David](#); [Layton, Ryan](#); [Gibson, Kevin](#); [Hopkins, Jim FIN:EX](#); [Myers, Sam FIN:EX](#); [Redchurch, Kevin FIN:EX](#); [Latham, David FIN:EX](#); [Foster, Doug FIN:EX](#); [MacLaren, Les EMPR:EX](#); [Wieringa, Paul EMPR:EX](#)
Cc: [Seto, Renee](#)
Subject: RE: Confidential: Moody's Draft Research for your review
Date: May 10, 2019 9:02:13 AM
Attachments: [BC Hydro CO 10 May 2019.pdf](#)

Good morning,
FYI – Moody's published their BC Hydro Credit Opinion this morning, a copy of which is attached for your reference.
Thank you for your assistance with the review of the draft credit opinion this week.
Kind regards,
Jacqueline

Jacqueline Rawluk, CFA | Acting Treasurer, Treasury
P 604 623 3651
E jacqueline.rawluk@bchydro.com
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From: Rawluk, Jacqueline
Sent: Wednesday, May 08, 2019 8:22 AM
To: Wong, David; Layton, Ryan; Gibson, Kevin; Hopkins, Jim FIN:EX; Myers, Sam FIN:EX; Redchurch, Kevin FIN:EX; 'Latham, David FIN:EX'; Foster, Doug FIN:EX; MacLaren, Les EMPR:EX; Wieringa, Paul EMPR:EX
Cc: Seto, Renee
Subject: FW: Confidential: Moody's Draft Research for your review
Importance: High

Good morning all,
Moody's has provided us with their draft credit opinion of BC Hydro (attached) for our review. Moody's has indicated that the report is being provided for us to review for and "identify any factual errors and/or inadvertent disclosure of confidential information" and therefore Moody's is unlikely to be receptive to requests for edits beyond this scope.
Note that **Moody's requires our comments by the end of the day today**. Can you **please provide any feedback to me (and copy Renee Seto) as soon as possible**. We will plan to submit our **feedback to Moody's this afternoon**.
Please do not distribute this document further.
Thank you,
Jacqueline

Jacqueline Rawluk, CFA | Acting Treasurer, Treasury
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Smart about power in all we do.
From: Gavin.Macfarlane@moodys.com [mailto:Gavin.Macfarlane@moodys.com]
Sent: Wednesday, May 08, 2019 7:41 AM
To: Seto, Renee; Rawluk, Jacqueline
Cc: yulia.rakityanskaya@moodys.com
Subject: Confidential: Moody's Draft Research for your review

Dear Jacqueline,

Attached please find draft research that Moody's Investors Service (MIS) intends to publish.

We are sending you this draft to give you the opportunity to identify, with specificity, any factual errors and/or inadvertent disclosure of confidential information regarding your organization or transaction. MIS retains ultimate editorial control over the form and content of all its publications, and will only consider comments that bear on the factual accuracy or confidentiality of the information in the draft research.

Please note that this draft research is strictly confidential and constitutes the valuable intellectual property of MIS.

You may not disclose it to any other person except:

- (i) to your legal counsel acting in their capacity as such;
- (ii) to your other authorized agents acting in their capacity as such; and
- (iii) as required by law or regulation.

Please respond with any comments you have by May-08-2019 , by end of day today.

Regards,

Gavin Macfarlane
VP-Sr Credit Officer
Moody's Canada Inc.
+1.416.214.3864

Doc ID: 1171318

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MOODY'S

INVESTORS SERVICE

CREDIT OPINION

10 May 2019

British Columbia Hydro & Power Authority

Update to credit analysis

Update

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✓ Rate this Research

RATINGS

British Columbia Hydro & Power Authority

Domicile	British Columbia, Canada
Long Term Rating	Aaa
Type	Senior Unsecured - Dom Curr
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

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EMEA	44-20-7772-5454

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From: Monaghan, Alberta
To: Watkins, Brendan FIN:EX; Tan, Lijing TRAN:EX; FIN OCG Summary FIN:EX; Rana, Mohsen FIN:EX
Cc: Wong, David; Layton, Ryan; Gibson, Kevin; Zhou, Victor; MacLaren, Les EMPR:EX; Foster, Doug FIN:EX; Maniezzo, Jennifer
Subject: RE: F19 YE BC Hydro Submissions
Date: June 18, 2019 4:39:23 PM
Attachments: Financial Statements F2019 Final.pdf
Ministry of Finance - Carl Fishcher.pdf

Hi all,

I have attached a copy of BC Hydro's Board Approved, Audited Financial Statements and the Management Representation Letter. Please note that there were not any changes from the previous version sent to you. Please let me know if you have any questions.

Alberta

From: Monaghan, Alberta
Sent: 2019, May 22 11:35 AM
To: 'Brendan.Watkins@gov.bc.ca'; 'Lijing.Tan@gov.bc.ca'; 'Summary@gov.bc.ca'
Cc: Wong, David; Layton, Ryan; Gibson, Kevin; Zhou, Victor; Clarke, Gareth; 'Les.MacLaren@gov.bc.ca'; 'Doug.Foster@gov.bc.ca'
Subject: F19 YE BC Hydro Submissions

Hi all,

Attached are BC Hydro's draft Financial Statements and Supplementary Information ("Appendix C"). Although we do not expect any further changes, the Financial Statements are subject to board approval on June 6th. I will circulate a final copy once they are approved.

Please let me know if you have any questions.

Alberta

Alberta Monaghan | Senior Finance Manager, Financial Reporting & Accounting Policy

BC Hydro

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From: Tan, Lijing FIN:EX [<mailto:Lijing.Tan@gov.bc.ca>]
Sent: 2019, March 29 9:09 AM
To: Zhou, Victor; Watkins, Brendan FIN:EX; Laird, Corinna A FIN:EX
Cc: Gill, Amar FIN:EX; Rana, Mohsen FIN:EX
Subject: RE: F19 YE BC Hydro Submissions
Yes, for BCH, we will follow the proposed timeline below.

From: Zhou, Victor <Victor.Zhou@bchydro.com>
Sent: March 28, 2019 5:31 PM
To: Tan, Lijing FIN:EX <Lijing.Tan@gov.bc.ca>; Watkins, Brendan FIN:EX <Brendan.Watkins@gov.bc.ca>; Laird, Corinna A FIN:EX <Corinna.Laird@gov.bc.ca>
Cc: Gill, Amar FIN:EX <Amar.Gill@gov.bc.ca>; Rana, Mohsen FIN:EX <Mohsen.Rana@gov.bc.ca>
Subject: RE: F19 YE BC Hydro Submissions

Hello Jing,

We got Grace's email (attached) today, and we just want to double check that the amended timeline per our earlier discussion still works (see below)!

OCG		
Timeline	Party	Deliverables
18-Apr	BCH	FS without notes or cash flow
		- Unearned revenue balance; - Amount accrued for the fiscal 2019 dividend payment to the Province; - Sinking funds balance;

18-Apr	BCH	- The decommissioning obligations;
10-May	BCH	- Draft, unaudited, and non-Board approved FS with note disclosure - Draft supplementary information
22-May	BCH	- "Draft final" FS with note disclosure (will remain as draft, unaudited, and non-Board approved until the Board meeting in early June) - "Draft final" supplementary information
06-Jun	BCH	- Final FS - Final supplementary information - Signed management rep letter - Copy of Management Letter (including management responses) as provided by our external auditors)

Thank you!

VZ

Victor Zhou, CPA, CA, MPAcc | Finance Manager, Corporate Financial Reporting

BC Hydro

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M 236 888 2872

E Victor.Zhou@bchydro.com

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From: Zhou, Victor

Sent: 2019, March 26 5:36 PM

To: 'Tan, Lijing FIN:EX'; Watkins, Brendan FIN:EX; Laird, Corinna A FIN:EX

Cc: Gill, Amar FIN:EX; Rana, Mohsen FIN:EX

Subject: RE: F19 YE BC Hydro Submissions

Hello Jing,

For sure, and please do not hesitate to reach out to me if you need any information!

Thank you,

VZ

Victor Zhou, CPA, CA, MPAcc | Finance Manager, Corporate Financial Reporting

BC Hydro

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From: Tan, Lijing FIN:EX [<mailto:Lijing.Tan@gov.bc.ca>]

Sent: 2019, March 26 2:11 PM

To: Zhou, Victor; Watkins, Brendan FIN:EX; Laird, Corinna A FIN:EX

Cc: Gill, Amar FIN:EX; Rana, Mohsen FIN:EX

Subject: RE: F19 YE BC Hydro Submissions

Hi Victor,

Yes, the proposed timeline looks fine. Depending on our internal schedule, we may ask you to update us with interim draft-to-final financial statements changes prior to your final submission on June 6th.

Thanks for asking.

Jing

From: Zhou, Victor <Victor.Zhou@bchydro.com>

Sent: March 25, 2019 10:25 AM

To: Watkins, Brendan FIN:EX <Brendan.Watkins@gov.bc.ca>; Tan, Lijing FIN:EX <Lijing.Tan@gov.bc.ca>; Laird, Corinna A FIN:EX <Corinna.Laird@gov.bc.ca>

Subject: F19 YE BC Hydro Submissions

Hello team,

How are you!

I want to reach out to confirm some of the dates of our F19 YE deliverables. Kevin has forwarded me some information relating to the draft and audited FS date. The draft condense FS on April 18 should not be an issue as it is quite similar to prior year. However, for the audited FS to be on May 17, it will be challenging as our board meeting is June 4-6, so we won't be able to provide an audited statement with board approval before that. I have looked back at last year's timeline and mocked up a suggested current year timeline as below (contains more details and few more deliverables that we normally provide). Can you see if this timeline would work for your team? As always, we will give you a shout if anything significant occur along the way!

OCG		
Timeline	Party	Deliverables
18-Apr	BCH	FS without notes or cash flow
18-Apr	BCH	- Unearned revenue balance; - Amount accrued for the fiscal 2019 dividend payment to the Province; - Sinking funds balance; - The decommissioning obligations;
10-May	BCH	- Draft, unaudited, and non-Board approved FS with note disclosure - Draft supplementary information
22-May	BCH	- "Draft final" FS with note disclosure (will remain as draft, unaudited, and non-Board approved until the Board meeting in early June) - "Draft final" supplementary information
06-Jun	BCH	- Final FS - Final supplementary information - Signed management rep letter - Copy of Management Letter (including management responses) as provided by our external auditors)

Thank you!

VZ

Victor Zhou, CPA, CA, MPAcc | Finance Manager, Corporate Financial Reporting

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CONSOLIDATED FINANCIAL STATEMENTS F2019

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June 12, 2019

Ministry of Finance
PO Box 9413 Stn Prov Govt
Victoria, BC
V8W 9V1

Attention: Carl Fischer, Comptroller General

Dear Carl:

In connection with the Auditor General's examination of the financial statements of the Province of BC for the fiscal year-ended March 31, 2019, we hereby confirm to the best of our knowledge and belief the following items related to the audited consolidated financial statements of BC Hydro and Power Authority ("BC Hydro"):

Financial Balances

- 1) The balances of BC Hydro's revenue, cost of energy, expense, asset and liability accounts, as reflected in our audited consolidated statements as at the financial statement date present fairly, in all material respects, BC Hydro's balances.
- 2) BC Hydro's reported results and balances are prepared in accordance with Canadian generally accepted accounting principles, and in accordance with the stated financial and accounting policies of our audited financial statements.

Fraud and Error

- 3) BC Hydro acknowledges its responsibility for the design, implementation and operation of internal controls that are designed to ensure the accuracy and completeness of its financial statement information, and to prevent and detect fraud and error.
- 4) BC Hydro has an internal controls system that assures the integrity of data supplied to the Office of the Comptroller General and has an ongoing process to review, evaluate, and report to management on the adequacy of the controls, as well as performance and compliance to established controls.
- 5) BC Hydro acknowledges its responsibility to disclose to the Office of the Comptroller General all significant facts relating to any fraud or suspected

fraud, and any allegations known to management that may affect the province's financial statements.

Completeness of Information

- 6) There are no material transactions or agreements, directly or indirectly related to BC Hydro, that have not been properly recorded in our accounting records.
- 7) To the best of our knowledge, we are unaware of any known or probable instances of non-compliance with the requirements of governmental authorities, including their financial reporting requirements that would materially affect BC Hydro's financial statements.
- 8) To the best of our knowledge, we are unaware of any material violations or possible violations of laws or regulations that have not been appropriately accrued or disclosed.

Recognition, Measurement and Disclosure

- 9) BC Hydro has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in our accounting balances.
- 10) All related party transactions including sales, purchases, loans, transfers, leasing arrangements and guarantees, and amounts receivable from or payable to related parties have been appropriately measured and disclosed by BC Hydro, including non-monetary transactions and transactions for no consideration.
- 11) The nature of all material measurement uncertainties has been appropriately disclosed, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material.
- 12) We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.

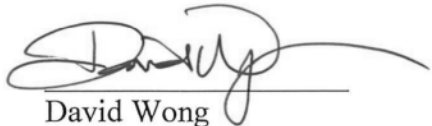
** BC Hydro comment: For point 12, we are unable to attest to this representation as we have not provided the Office of the Comptroller General with a list of all outstanding and possible claims. However, as indicated in point 14 below, all known contingent liabilities arising from legal action, where the estimated or known claim is material that have not reached the litigation stage, have been appropriately accrued or disclosed.*

- 13) All known material liabilities of BC Hydro, whether written or oral, have been disclosed and appropriately reflected in the financial statement

balances. We have no knowledge of any unrecorded liabilities that would, in our opinion, materially affect the financial results or balances of BC Hydro.

- 14) All known contingent liabilities arising from legal action, where the estimated or known claim is material that have not reached the litigation stage, have been appropriately accrued or disclosed (e.g. environmental clean-ups, Aboriginal land claims).
- 15) Guarantees under which BC Hydro is contingently liable have been disclosed and appropriately recorded.
- 16) BC Hydro has satisfactory title to all assets and there are no liens or encumbrances on those assets as at March 31. Where the value of any asset has been impaired, an appropriate provision has been made in the audited consolidated financial statements. This includes appropriate provisions for idle or obsolete assets or where site restoration costs will be necessary.
- 17) Receivables recorded in our accounting records represent valid claims arising on or before the balance sheet date and have been appropriately reduced to their estimated net realizable value.
- 18) We have complied with all aspects of contractual agreements that could have a material effect on the audited consolidated financial statements in the event of non-compliance, including all covenants, conditions or other requirements or all outstanding debts. All material contractual obligations have been disclosed.
- 19) There have been no events, including the introduction of new or amended legislation or regulations, which have occurred subsequent to BC Hydro's substantial completion date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.
- 20) There is nothing, to our knowledge, that has not been disclosed to you that would affect the expression of the Auditor General's opinion of the financial statements.

Yours truly,



David Wong
Executive Vice-President, Technology, Supply Chain and Chief Financial Officer
British Columbia Hydro and Power Authority