

6911 Southpoint Drive (B03)
Burnaby, BC
V3N 4X8

July 30, 2024

[REDACTED]

[REDACTED]

[REDACTED]

RE: CEAP IR 61 – [REDACTED] Project - Interconnection Feasibility Study Result

This letter summarizes the result of Interconnection Feasibility Study for the proposed [REDACTED] Project submitted under Attachment M-2: Transmission Service and Interconnection Service Procedures for Competitive Electricity Acquisition Process (CEAP) of the Open Access Transmission Tariff (OATT). This letter provides a non-binding good faith estimate of the cost and time to construct the facilities required to interconnect your project, through the Fortis BC system, to BC Hydro's Transmission System, being the Network Upgrades, based on the findings of the Interconnection Feasibility study. For clarity, this letter does not provide any information on the modifications and/or upgrades required for your proposed project to connect to Fortis BC system.

Open Access Transmission Tariff

The OATT defines Network Upgrades as additions, modifications, and upgrades to BC Hydro's Transmission System required at or beyond the Point of Interconnection to accommodate the interconnection of the Generating Facility to the BC Hydro's Transmission System. Pursuant to the OATT, BC Hydro will design, procure, construct, install, and own the Network Upgrades. While BC Hydro will pay the costs for the Network Upgrades, the Interconnection Customer provides security for such costs.

Cost Estimate

Based on the Interconnection Feasibility Study, the non-binding good faith estimated cost (typical accuracy range of +100%/-35%) for Network Upgrades required to interconnect your project, through the Fortis BC system, is \$200,000.

Scope of Work Identified:

BC Hydro expects that we will need to implement minor telecommunication upgrades to BC Hydro's Transmission System such as establishing a communication between your project and the point-of-interconnection between Fortis and BC Hydro's Transmission System in order to accept generation from your proposed project should it be successful in the 2024 Call for Power.

Exclusions:

- Modifications and/or upgrades to Fortis BC system
- GST

Key Assumptions:

- At this time, no perceived impact to BC Hydro's Transmission System as a result of modifications or additions to Fortis BC System. Please note BC Hydro cannot fully assess this impact until Fortis BC completes a System Impact Study for your proposed project.

Key Risks:

- Additional Network Upgrades may be triggered if modifications or upgrades to Fortis BC System has negative impacts to BC Hydro's Transmission System.
- No defined supply chain strategy, construction costs may increase depending on delivery method.
- Project schedule may be longer than expected, leading to increase loading costs.
- Costs may be affected by market conditions and escalation.

Please note that the Revenue Metering requirements and associated costs required to interconnect your project have not been determined at this stage and, therefore, not included in the above estimate. Revenue Metering costs that are attributable to the Interconnection Customer are to be paid in cash. For more details on Revenue Metering requirements and responsibilities, please refer to:

<https://www.bchydro.com/content/dam/BCHydro/customer-portal/documents/distribution/standards/ds-rmr-complex-revenue-metering.pdf>.

Schedule

The schedule for the construction of Network Upgrades will be dependent on the timeline that Fortis BC will require in order to complete the necessary modifications or upgrades to its system. BC Hydro anticipates that it will need three months after Fortis BC has completed its modifications or upgrades in order to conduct the Network Upgrades to BC Hydro's Transmission system.

Timely actions required from you to minimize risks to the schedule:

- Submission of additional technical data / information / documents and financial commitments required for the rest of BC Hydro interconnection process
- Timely completion of Fortis BC interconnection process and other processes that would be required for your project to interconnect to and wheel the power through Fortis BC system.

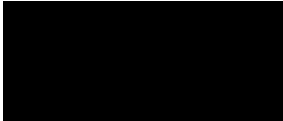
Please note that changes to your interconnection request, delays in data submission, or financial commitments may also impact the target in-service date.

Next Steps

In September 2024, we will issue a final invoice for the Feasibility Study costs. This invoice will reflect the total amount due, taking into account the \$15,000 Feasibility Study deposit you have already paid and any remaining amount on the non-refundable \$15,000 Interconnection request deposit that we did not spend in reviewing and validating your interconnection request.

If you have any questions, please contact the BC Hydro CEAP Team at ceap2024@bchydro.com.

Sincerely,



Senior Manager, Transmission Interconnections

BC Hydro