

## FREQUENTLY ASKED QUESTIONS

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### 1. What is Powell River Energy's history in Canada and British Columbia?

Powell River Energy Inc. (PREI) is a proud Canadian company committed to the region of Powell River and British Columbia for the long-term.

We have safely operated the Powell River and Lois Lake hydroelectric facilities for more than 20 years, delivering important benefits to the region through employment, local contracting and procurement, power system reliability and stability, community contributions, taxes, Provincial water royalties and other government fees.

### 2. What local benefits does PREI deliver?

PREI contributes approximately \$10 million annually to the region, half of which directly supports the local and provincial economies through taxes, water use royalties and other government fees. In addition, PREI provides:

- Stable and quality long-term employment for 15 local employees
- Support for local businesses and services through contracting and procurement
- Electrical grid benefits that contribute to the regional power grid's reliability and stability

### 3. What is the purpose of PREI's CER Application?

PREI recently applied to the Canadian Energy Regulator (CER) for a license to continue to export the surplus power it produces from British Columbia to the United States. It is common for Canadian power producers and utilities, including BC Hydro's subsidiary Powerex, to hold export licenses. PREI has had the ability to export power for over 25 years and currently does so.

The export license will help PREI maintain the economic viability of its hydroelectric facilities, enabling us, over the long term, to continue to invest in and contribute to the local economy.

### 4. Why is PREI applying for an export permit now?

PREI's facilities were originally built nearly 100 years ago to power the local pulp mill in Powell River. With the permanent closure of the mill in 2021, PREI has limited options to sell its energy directly in British Columbia as [provincial regulations prohibit the sale of power directly to customers](#), including to residents in the Powell River region.

Energy sales in the export market will provide PREI with the predictable revenues needed to ensure the long-term viability of its hydroelectric facilities. This will help preserve local jobs and support continued investments in the region.

## **5. How will a new license change how you operate your facilities?**

Obtaining a new export license will not change how we operate our facilities. The Powell River and Lois Lake hydroelectric facilities will continue to be operated the same way, and upper/lower lake levels will not change.

This process will not affect our commitment to work with the local community, including Indigenous Partners, nor will it impact our contributions to the local economy.

The power produced by PREI in the Powell River region will continue to provide many benefits to the region and local customers, including the future development of the paper mill in Powell River.

## **6. Does the CER Application impact plans for the redevelopment of the paper mill in Powell River?**

PREI's application does not impact any planned or future development activities at the paper mill site in Powell River, nor does it prevent the mill site from accessing BC Hydro's electricity system.

We remain open to discussing future opportunities in support of local development if mutually beneficial and consistent with provincial rules and regulations.

## **7. Does PREI have other options?**

Current [provincial regulations](#) limit PREI's options to sell its renewable energy. A new export license provides long-term options to support the continued safe operations and viability of PREI, while preserving our ability to work with local partners as future opportunities arise with BC Hydro, Indigenous communities, or prospective customers.

## **8. What are PREI's long-term plans in the region?**

Our goal is to continue to safely, responsibly, and reliably operate our facilities. As a partner in the region for the last 20 years, with the ability to export power, we will continue to preserve quality local jobs, support continued investments, and actively contribute to the local economy for years to come.

## **9. What is your commitment to safety and the environment?**

We are committed to safely operating our facilities in a manner that respects the environment and the communities that host us, in alignment with all regulatory requirements.



Our commitment to public safety is an integral part of our operations, and we regularly meet with residential and recreational stakeholders who live on or otherwise enjoy access to Powell River/Lake and Lois Lake.

You can find more information on our [website](#), including real-time and historical water levels.

***Do you have a question for us? Email us at [bc.info@evolugen.com](mailto:bc.info@evolugen.com).***