



Retiree pension and benefits newsletter

June 2024

Your 2023 annual pension statement

Annual pension statements as at December 31, 2023 will be mailed to pensioners by the end of June, 2024. The statement provides general information about the Plan’s financial position and administration. If you’re a pensioner, your statement also includes information about the pension election you made as well as your spousal and pension beneficiary designation.

If you need to update your spousal or beneficiary information, please contact the BC Hydro Benefits and Pension Centre (see contact information on page 4).

What’s inside?

- The pension plan’s financial health
- Retiree benefits
- Health & wellness
- Contact information

Key facts about the pension plan

	At December 31, 2022	At December 31, 2023
Total number of active plan members	7,654	8,053
Total number of pensioners	5,990	6,094
Market value of plan assets	\$4.5 billion	\$4.8 billion
Pension benefits paid (January to December)	\$204.2 million	\$206.3 million

Power Pioneers

Join the Power Pioneers and stay connected with online Newsletters, in-person events and social activities. Participate in fun projects and fundraising for BC Children’s Hospital, the Annual Giving Campaign in partnership with BC Hydro, and our Branch Volunteer Hours program supporting our local communities. The next Power Pioneers Jamboree will be the Alaska Northern Lights Jamboree Cruise from September 15 to September 22, 2024.

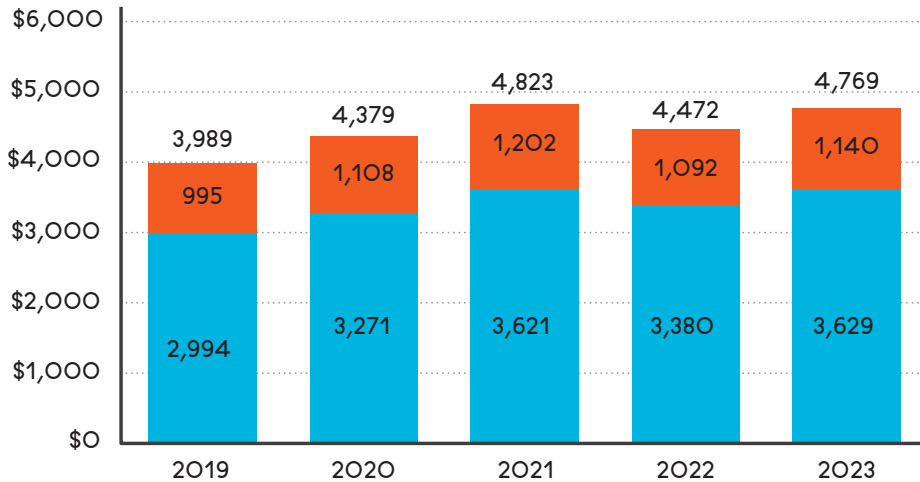
Visit powerpioneers.com today and look for the JOIN UP link on the homepage to get your membership, full access to everything available online, and to connect with a local Branch.

For more information call Lorilee Koltai at **604 623 3768** or lorilee.koltai@bchydro.com or Ros LeBlanc at **778 564 9222** or rosppm19@shaw.ca.

The pension plan's financial health

We review the pension plan's financial health on an ongoing basis to ensure there's enough money in the pension fund to pay pension benefits for all of our employees and retirees. This includes an actuarial valuation at least every three years and regular reviews of plan assets and liabilities.

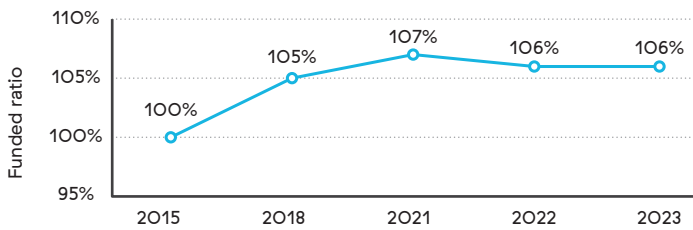
Market value of assets
Shown \$ in millions at December 31



This graph shows the total market value of plan assets over the last five years. Fluctuations in the fund are normal and don't have significant long-term impacts on the fund.

■ Balance of Fund Account
■ Index Reserve Account

Funded ratio—basic benefits
At December 31



* 2022 and 2023 are projections

When we compare the plan's assets and liabilities, we determine the plan's "funded ratio."

This graph shows the going concern funded ratio of the BC Hydro Pension Plan over the past three actuarial valuations and estimates for 2022 and 2023 based on a projection of the December 31, 2021 valuation. This ratio will change over time based on plan experience in areas such as membership, earnings, how long members and retirees live, investment performance and economic conditions.

Investment returns, along with contributions, fund the benefits paid from the pension plan. Long-term returns are what matter most since fluctuations are expected from year to year. The plan's long-term returns are shown below, and these continue to meet investment targets.

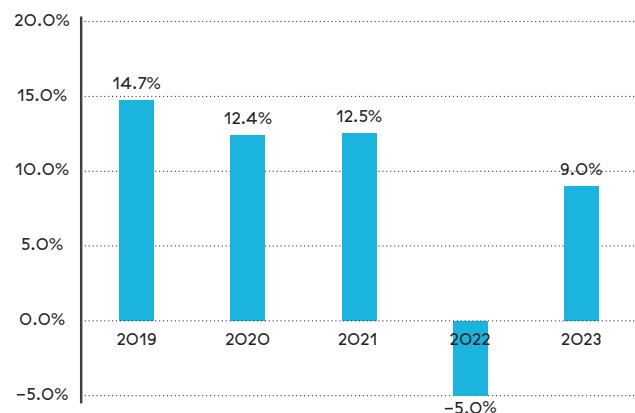
Interest rates and inflation have risen over the past few years, impacting the value of the plan's investments.

Some investments have benefited, such as floating-rate mortgages that are receiving higher interest payments and infrastructure investments that have inflation-adjusted revenues. Other investments have been adversely affected by high interest rates and inflation, such as real estate.

Long-term returns	
5-year annualized (2019–2023)	8.5%
10-year annualized (2014–2023)	7.7%

The plan has a well-diversified investment portfolio that is intended to perform well in various economic environments and this has helped it to meet its investment targets.

Annual returns
At December 31



Retiree extended health care— Extra Plan premium rate increase

If you were eligible for retiree benefits at time of retirement, you had the option of choosing between the extended health care (EHC) Basic Plan or Extra Plan. There is no cost to members for the Basic Plan. Members of the Extra Plan pay a monthly premium and receive additional coverage over the Basic Plan.

Did you know?

You can claim the premiums paid for the Extra Plan as a medical expense on line 330 of your personal income tax return. Your total premiums paid for the 2024 tax year will appear on your 2024 T4A statement.

For all eligible members, regardless of whether you're in the Basic Plan or Extra Plan, BC Hydro pays the cost of EHC claims based on the level of coverage available under the Basic Plan (to a lifetime maximum of \$25,000). The cost of claims in excess of \$25,000 under the Extra Plan is paid for by the members of the Extra Plan. BC Hydro's benefit consultants review the claims experience and inflationary increases annually to determine the cost of the Extra Plan, and premiums rates are set accordingly.

The cost of the additional coverage under the Extra Plan over the Basic Plan has been reviewed and an increase of 2% is required for the Extra Plan premium rate effective July 1, 2024. The new monthly and annual premium rates are summarized in the table below.

	Current		July 1, 2024	
	Monthly	Annual	Monthly	Annual
Single	\$79.50	\$954	\$81	\$972
Couple	\$146.75	\$1,761	\$149.75	\$1,797
Family	\$213.25	\$2,559	\$217.50	\$2,610

Did you know?

You have the option of cancelling the Extra Plan and changing to the Basic Plan at any time. However, once the Extra Plan is cancelled, the decision can't be reversed. Please contact BC Hydro (Retiree Line) to request the change form (see contact information on page 4).

Submitting claims to Sun Life

Submit your eligible extended health or dental spending account claims to Sun Life online or by mail.

ONLINE

Sign in to mysunlife.ca or use the my Sun Life Mobile app and select "Submit a claim". Easy-to-use screens guide you through a series of steps. Keep your original receipts for 12 months as Sun Life may ask you for original receipts.

BY MAIL

Complete the Retiree Extended Health Claim Form or Dental Health Spending Account Claim Form and mail it along with your original receipt(s) to Sun Life. You can find the claim forms online at mysunlife.ca or request one by calling Sun Life.

Canadian Dental Care Plan (CDCP)

The new **Canadian Dental Care Plan (CDCP)** is a federally delivered public plan for eligible Canadian residents who do not have access to dental coverage. Current eligibility requirements state that having access to dental coverage includes health spending accounts available through your pension benefits from a previous employer or a family member's pension benefits. The BC Hydro retiree benefits dental health spending account (HSA) is considered dental coverage for this purpose. Therefore, BC Hydro retirees and their eligible dependents with access to the retiree benefits dental HSA would not be eligible for the CDCP. Note that CDCP eligibility is based on the dental coverage available to you and not whether you've chosen the coverage or not. Therefore, choosing to opt out of the BC Hydro dental HSA plan would not change your eligibility for the CDCP based on current rules.

While there are no immediate changes planned for the retiree benefits plan, BC Hydro will review changes to government-sponsored plans, like the introduction of the CDCP, and assess the impact these changes may have on the retiree benefit plan design.



Health & Wellness

Social Connections

There are four key benefits to being very intentional about creating new friendships and expanding your social network as you age. The first is that our social connections can help us stay vibrant, healthy, and always learning. Think of the ways we learn from being with other people. The second key benefit is our friends help us find resources. Think of the decisions you've made and how you found resources, products, or services because a friend recommended them. Third, our friends are like a protective lining in life. When times are tough, they help us out. We turn to our friends when we need support. The fourth key benefit reminds us that our friends are a key part of how we feel we belong. It might be an activity-based group, a community group or even a set of friends you've known for many years. You're feeling

part of something larger and share a sense of contribution.

Is it possible to grow friendships as we're ageing? Yes, of course it is. Just like at other stages of life, we grow our social connections through shared experiences. Shared experiences can be anything: trips, classes, a common cause we're working on. All of these ways contribute to stronger social connections.

Our friends are key to having a successful ageing journey. We sometimes have loss or health setbacks, but our friends bring us through. By being self-aware of how you make new friends and how you maintain and build on the friendships you already have, you're navigating for your most healthy and connected ageing journey.

Contact information

- Report the death of a BC Hydro pensioner or spouse
- General information about the pension plan
- Submit or change a Power of Attorney

BC Hydro Benefits and Pension Centre
1 888 353 9123 (Mon–Fri 7 a.m. to 4 p.m.)
Employee.Benefits@bchydro.com

- Change of address or banking information
- Information about pension payments or adjust tax deductions
- Questions about your T4A

RBC Investor Services
1 800 668 1320 (Mon–Fri 5 a.m. to 5 p.m.)
benefpay@rbc.com

- Questions about your coverage under the Retiree Extended Health plan
- Questions about your dental HSA claim
- Information on emergency medical travel coverage

Sun Life
1 800 361 6212 (Mon–Fri 5 a.m. to 5 p.m.)
mysunlife.ca Policy 150533

- Out-of-country or out-of-province emergency travel assistance under the Extended Health Care plan (phone numbers are also listed on the back of your Sun Life card)

Global Excel Management
1 800 511 4610 (from US and Canada)
1 519 514 0351 (from anywhere else)

- General information about retiree benefits
- Making changes to your Extended Health Care coverage

BC Hydro (Retiree Line)
604 694 8600 or 1 800 663 1339
(Select menu options 3 → 2 → 2)
Pension.RetireeBenefits@bchydro.com