

MAY 2010

NON-TREATY STORAGE AGREEMENT FACT SHEET

BACKGROUND

The Non-Treaty Storage Agreement (NTSA) is a commercial agreement between BC Hydro and Bonneville Power Administration (BPA) covering the management of Kinbasket and Arrow reservoirs and powerplant operations in both countries.

The NTSA provides for further coordination of water storage and power benefits for reservoir and powerplant operations on the Columbia River, beyond that covered by the Columbia River Treaty.



Arrow Reservoir

The NTSA was first signed by BC Hydro and BPA in 1984 to address the initial filling of Revelstoke Reservoir; the agreement was then expanded in 1990 to increase the power benefits and meet other needs in the two countries. The release provisions of the NTSA expired in June 2004, while storage refill provisions remained in effect for an additional seven years. The NTSA storage is currently about 90 per cent full and will be completely refilled by the end of June 2011.

RENEGOTIATION OF LONG-TERM AGREEMENT

Although short-term operating agreements have been signed from time to time to provide further coordination benefits for Canada and the United States, there is potential for both parties to negotiate a new long-term agreement to achieve additional benefits.

BC Hydro's objectives for a renegotiated agreement will be to:

- maximize power and non-power benefits;
- improve control of Kinbasket/Arrow reservoir levels; and
- support the system capability to meet existing Columbia Water Use Planning objectives.

While negotiations between BC Hydro and BPA on a replacement agreement have not started, preparation is now being undertaken in anticipation of possible commencement later in 2010.

PUBLIC AND FIRST NATIONS CONSULTATION



Mica Generating Station

Prior to committing to a long-term agreement, BC Hydro will consult with First Nations and interested stakeholder groups. This approach will be consistent with commitments made under the Columbia Water Use Plan and by senior BC Hydro management.

A Stakeholder Forum will be established to provide feedback related to social and environmental effects as they relate to operating options that will be considered for a new long-term NTSA.

Membership in the Stakeholder Forum will be as inclusive as possible to ensure that a cross-section of affected interests is represented and that there will be meaningful participation.

BC Hydro is committed to meeting legal requirements respecting consultation with First Nations on Aboriginal rights and title. BC Hydro will offer First Nations potentially affected by operations under the NTSA the opportunity to hold individual or joint discussions with BC Hydro and an opportunity to participate in the Stakeholder Forum engagement process.

For more information, or to get involved, please contact a BC Hydro Community Relations Representative:

DIANE TAMMEN

Community Relations Manager
Southern Interior
Phone: 250-489-6862
Email: Diane.Tammen@bchydro.com

JENNIFER WALKER-LARSEN

Stakeholder Engagement Advisor
Revelstoke
Phone: 250-814-6645
Email: Jennifer.Walker-Larsen@bchydro.com