



## Consultation on BC Hydro and BC Transmission Corporation's Long-Term Electricity Transmission Inquiry Evidence and Information

### Campbell River Workshop # 1 – June 15, 2009

Coast Discovery Inn & Marina  
975 Shoppers Row  
Campbell River, B.C.

Attendees	
Campbell River Indian Band/We Wai Kum First Nation	Mowachaht & Muchalaht First Nations
Ehattesat Tribe	Namgis First Nation
Gwa'Sala-Nakwaxda'xw Nation	Quatsino First Nation
Ka:'yu:'k't'n'/Che:k:t'es7et'h' Nation (Kyuquot)	Sliammon First Nation
Kwiakah First Nation	Toquaht Nation
Kwakiutl District Council	Uchuckleshat Tribe
First Nations Energy & Mining Council (FNEMC)	

### BC Hydro/BC Transmission Corporation Representatives

Name	Organization	Responsibility
Suomitra Sanatani	BC Hydro, First Nation Consultation Project Manager Long-Term Electricity Transmission Inquiry	Project Manager, First Nation Consultation Long-Term Electricity Transmission Inquiry
Vesta Filipchuk	BC Hydro, Senior Aboriginal Relations Coordinator	Coordinator/Records



Jane Newlands	BC Transmission Corporation	Presenter
Kathy Lee	BC Hydro, Energy Planning	Presenter

**Neutral Facilitator**

Name	Organization	Responsibility
Dan George	Four Directions Management Services	Neutral Facilitator

**Welcome and Introductory Remarks Dan George**

Dan George opened the session and acknowledged that the meeting was being held in the traditional territory of participating First Nations. Participants were welcomed to the Long-Term Electricity Transmission Inquiry – First Nation Consultation, which will involve three rounds of workshops. The participants held a moment of silence rather than an opening prayer and then introduced themselves and their organizations.

Dan George reviewed the agenda, and explained his role is to keep discussions on topic and make sure input is recorded accurately. He asked the participants to listen generously to one another, build on the ideas of others, ensure that they challenge ideas and not people, and look for solutions. He encouraged the participants to provide their views as the process is only as strong as the input they provide.

**Comments and Discussion All**

**Consultation Process**

Participants agreed that the workshop should be called an “Information Session” and not “Consultation”. Since this is a new process, First Nations were here to gather information and take it back to their respective Chiefs and Councils. They stated that they would like to meet face-to-face with BC Hydro and BC Transmission Corporation to discuss specific projects and issues.

Participants asked about the timelines of the Inquiry and the deadline for input into the filings. First Nations noted their input is important because they do not want transmission lines built that do not meet their needs, restrict development or encourage development in areas that require protection.



There was concern about the timeline. A participant stated that a 30-year plan should have at least a two-year consultation timeline, and that it is unfair to have First Nations scrambling to provide input in a very short timeframe. There is a need to stop the shotgun approach and talk to First Nations about co-management. At the end of the day, First Nations have to be consulted and accommodated.

### **Importance of Transparency & Trust**

The participants stressed that there is a need to build a relationship based on transparency and trust. There has been a lot of mistrust built from historical interactions. First Nations want to know how their input will be used and what happens to the information they provide after the Inquiry concludes. They noted everything must be above-board and do not want backroom deals.

### **Capacity Funding**

If BC Hydro and BC Transmission Corporation want First Nations to participate in this process, they need to provide capacity funding. The funding would be used to evaluate and comment on the implications of various plans. Participants expressed a need for more information in order for First Nations to undertake their own due diligence and understand the implications of what is being proposed. It was noted that there may be an interest in retaining experts to provide guidance.

### **Past Grievances**

A participant asked about the types of consultation and accommodation BC Hydro undertakes when it built its generation facilities on Vancouver Island (i.e. Puntledge facility). Participants were informed that historically First Nations were not consulted.

### **Rights & Title**

First Nation participants noted that they have constitutionally protected Rights and Title. There were questions about how the treaty process relates to the Inquiry. One of the participants stated, "We want some certainty around this planning process. We have hunting grounds and medicine collection areas we want to have protected but want opportunity as well. Certainty not just on the government side of the table; we want certainty too."

Participants asked about the Province's role in the Inquiry process. There is an understanding that the Province wants certainty – some First Nations are in treaty negotiations and some are not. Ever since they have been in treaty process, people are talking to them; before that, no one wanted to talk to them. First Nations see the economic opportunities but it bothers them when the Province comes in and calls it "our land".



### **Scope of Inquiry**

This Inquiry is about longer-term planning and looking at resource potential in the future. Right now the Inquiry is considering bulk transmission, not necessarily the regional transmission system. The BC Utilities Commission (Commission) is still deciding the scope of the Inquiry. First Nations were informed that this information would be provided when it is available.

### **First Nation Land Use Plans**

Participants noted that many First Nations have existing Land Use Plans and many are in the process of developing them. First Nations are looking to the energy sector as an opportunity for economic development. There is a desire to understand the relationship between this consultation process and First Nations' Land Use Plans. Many participants noted that they had heard about the lack of transmission capacity on the North Island and stated their interest in exploring how transmission capacity can be made available. Participants asked how their Land Use Plans would fit into this process and when BC Hydro might be coming to their communities to talk to them about their plans. There was strong support for First Nation Land Use Plans to be part of the long-term electricity transmission plan.

### **Accessing the Transmission Lines**

A participant asked about how IPPs (Independent Power Producers) such as wind farm developers can get access to the transmission system. Participants were informed that a wind developer could buy space on an existing line and transmit the energy that the wind farm produces. The transmission line might need more capacity, in which case an upgrade would need to be done. Developers might also be required to build a new transmission line to a point where it would interconnect with an existing transmission line. One participant indicated they were looking at a sawmill opportunity in their community, but the cost of building a new transmission line was very expensive.

A participant asked if someone built their own transmission line, could they build it directly to the United States (i.e. a submarine cable down the coast). They were told this could be done but it would be subject to provincial and federal regulation including a National Energy Board certificate.

Participants expressed an interest in getting a map that showed both the bulk transmission lines and the regional lines. They indicated this information is important in order for them to provide input into the transmission scenarios.

### **Alternative Energy**

Participants demonstrated a strong interest in alternative energies (e.g. clean and green). They noted that they need to understand how these will be integrated into the current system and why some of these energy sources are not being pursued.



One participant indicated that there were a couple of companies looking at tidal power around Alert Bay. There was an interest in knowing when BC Hydro is going to be considering this type of generation. Participants indicated that they need to know what kind of generation BC Hydro is looking for so they did not waste their time reviewing projects that may not be successful.

Another participant asked about wind energy potential on Vancouver Island. It was explained that wind can complement the existing supply. The participants were told that wind energy is intermittent; you have it when the wind is blowing and when the wind is not blowing, it is backed up by BC Hydro's system.

A participant asked if the Inquiry will be looking at defining "green" energy. Certain projects were identified by participants as not being micro-hydro.

### **First Nations Energy & Mining Council (FNEMC)**

One participant wanted to know who represents the south coast on the FNEMC? First Nations want their voice to be heard, but there is a need to respect the autonomy of each First Nation.

### **Independent Power Producer (IPP) Development**

Participants noted that First Nations have both interests and concerns about IPP development. Most of the Bands have had interaction with one or more IPPs and are seeking more information about the process and how projects interconnect to the transmission system. There was interest in learning more about the BC Hydro Power Acquisitions process and BC Transmission Corporation Interconnection process.

Some representatives expressed concern that they are signing agreements with developers in which the band would own the asset in 25 or 40 years, but if there is no commitment from BC Hydro to renew the contract, the assets would essentially be worthless. First Nations are currently putting a lot of time and effort into working with developers and want some indication/certainty that these projects are good investments.

Participants wanted to know where they can find out which IPPs have agreements with BC Hydro and whether those companies consult and accommodate First Nations' interests. Some participants knew of First Nations that had been misled by IPPs and other business groups about the number of jobs or economic benefits – e.g. promised a number of jobs but when it came time to deliver, band members weren't qualified so the jobs never materialized. Participants noted that there is a need to look ahead and provide training for future job opportunities.

In some cases, First Nation communities are working directly with IPPs in identifying energy potential in their territories. In another community, the First Nation has not let IPPs onto their territory and is in the process of pursuing their own projects. Ultimately, they want to be the owners of the projects. It was noted that there are many funding opportunities for First Nations to pursue IPP projects on their own.



Participants expressed an interest in getting a map showing IPPs in the province and the associated transmission lines.

### **Access to Information**

Participants indicated there is some confusion about who to talk to when dealing with BC Hydro and BC Transmission Corporation. It seems like BC Hydro power acquisitions is a separate group entirely. First Nations need to have a better understanding of who they should be talking to at BC Hydro and BC Transmission Corporation. They also noted the need to have a better source of information about what is happening – sometimes they hear about things happening in their territories by accident. Participants wanted to know what message BC Hydro and BC Transmission Corporation are giving to IPP proponents about the need to engage/consult with First Nations.

Some developers are approaching First Nations about ocean/tidal energy. It was asked whether this is something that BC Hydro is interested in, or whether First Nations are just wasting their time. Participants asked about the types of generation BC Hydro is interested in. In some cases, First Nations have been working with wind developers for over five years. They need to know if wind is really an option for BC Hydro. They also want to know where they can get more information on what BC Hydro's and BC Transmission Corporation's current plans are.

### **Environmental Sustainability**

Participants were concerned about some projects avoiding/bypassing the Environmental Impact Assessment process. They asked what BC Hydro and BC Transmission Corporation are doing to ensure this doesn't happen.

The Environmental Assessment process allows proponents to undertake an Environmental Impact Assessment (EA) without talking to First Nations. BC Hydro needs to ask if First Nations have been adequately consulted. First Nations are not necessarily against projects, but there need to be benefits.

A participant asked how BC Hydro is reconciling competing water uses. In particular, water for consumption vs. water for power. This might become an increasingly important issue over the next 30 years. The participant wanted to know whether there is a conflict in using the Hydro storage to back up wind vs. exports.

It was explained that BC Hydro has done water use plans for all of its facilities and this process looked at balancing the interests of water for power and water for drinking supply. These water use plans will be revisited on a facility-by-facility basis.



### **Reliability of Supply**

There was concern regarding reliability of supply in areas such as the North Island and West Coast (Port Hardy/Sayward and Port Alberni/Ucluelet). It was asked whether there is an opportunity to use local generation/IPP development as a backup, and how that would fit into BC Hydro's evaluation. Participants asked how to get to the table to have that discussion.

Participants were informed that this is possible, but the transmission system has to be designed specifically to allow this.

### **Exports**

A participant asked what the real agenda is regarding exports and how this plays into the Inquiry. There is confusion about the role exports currently play, and the import/export numbers do not seem to make sense. Participants were told BC Hydro currently sells power to Alberta and the U.S.A. In the northeast of the province, Alberta provides back-up supply to Fort Nelson. Power can be bought from and sold to the Alberta and US markets when it is economically advantageous.

Participants also expressed concern about the World Trade Organization (WTO) and North American Free Trade Agreement (NAFTA) considerations.

### **Revenue Sharing**

Participants expressed an interest in revenue sharing. First Nations want to get benefit from having transmission lines in their territories (i.e. royalties from Ministry of Forests).

### **Power Acquisition**

Participants asked how BC Hydro identifies resource potential and how they acquire new supply. They were told BC Hydro's Energy Planning group identifies resource options (energy potential). When new supply is required, BC Hydro's Power Acquisitions group issues calls for energy (e.g. Clean Energy, Biomass etc.). These calls are a competitive process and proposals are selected based on a set of criteria. Participants were informed that information on BC Hydro's energy calls is available on the BC Hydro website.

One participant indicated that BC Hydro should consider the value of end-of-line generation i.e. Ucluelet. Generation at the end of the line provides reliability. This participant noted that ten years ago, power purchase agreements used to pay a premium for generation at the end of the line. With the current power purchases, it seems like it is a one-size fits all approach to purchasing supply.

Participants were told that in the Inquiry, BC Hydro and BC Transmission Corporation are trying to look strategically at identifying potential by region as this will help in planning transmission corridors.



### **Employment Opportunities**

All participants expressed an interest in finding employment opportunities for people in their communities. They shared experiences they have had working with IPPs and other industries where they have had to hold back their support in order to secure jobs. One participant provided an example from Cook Inlet where First Nations were trained as an emergency response team for oil spills on the Alaska coastline. Participants were very interested in training opportunities like these. They stressed the need to create opportunities for their young people.

### **Aboriginal Procurement Strategy**

A participant asked if BC Hydro and BC Transmission Corporation had Aboriginal procurement strategies and apprenticeship programs. Participants were informed that BC Hydro and BC Transmission Corporation both have procurement strategies and there is an interest in providing opportunities to First Nations. It was noted that procurement information is on the BC Hydro and BC Transmission Corporation websites.

### **Additional Information Needs**

**Dan George**

The facilitator asked participants what additional information they need to be involved in this process. The information needs they identified were:

- Timelines of the Inquiry and the deadline for input into the filings.
- How the treaty process relates to the Inquiry. What is the Province's role?
- Scope of the Inquiry (from the Commission).
- The relationship between this process and First Nations' land uses plans.
- Map showing bulk transmission lines and regional lines.
- Who is the FNEMC representative for the south coast.
- Which IPPs have agreements with BC Hydro.
- Map showing IPP projects in the province and associated transmission lines.
- A list of "who's who" within BC Hydro and BC Transmission Corporation that can help with ensuring communications on various issues.



## Summary & Wrap-up

Dan George/Suromitra Sanatani

The Facilitator reviewed his notes and confirmed they would be incorporated into the meeting notes. He thanked participants for attending the workshop and asked participants to fill in the workbook and feedback forms.

Suromitra Sanatani also thanked participants for coming to the workshop and welcomed them to contact her directly if they had any questions about the consultation process. She indicated that meeting notes would be posted on a website and that a letter will be sent to participants notifying them when the notes are posted.