

**BC HYDRO
PEACE RIVER
SITE C HYDRO PROJECT**

**PRE-CONSULTATION
SUMMARY REPORT
MARCH 15, 2008**



EXECUTIVE SUMMARY

Prepared by:
Kirk & Co. Consulting Ltd.
Synovate Ltd.



About Kirk & Co. Consulting Ltd. and Synovate Ltd.

Kirk & Co. Consulting Ltd. is recognised as an industry leader in designing and implementing comprehensive public and stakeholder consultation programs. Utilizing generally accepted best practices in consultation, the firm designs consultation programs to maximize opportunities for input. Kirk & Co. works with polling firms to professionally manage, analyse and report on large volumes of public and stakeholder input.

Synovate Ltd. is an internationally recognised market research firm. All consultation input received by feedback form and written submission was independently verified and analysed by Synovate.

Executive Summary

Background

Site C is a potential third dam and hydroelectric generating station on the Peace River in the province's northeast region, and is one of many resource options that can help meet British Columbia's energy needs.

The provincial government's *BC Energy Plan*, released in February 2007, says that BC Hydro will begin consulting about the Site C hydroelectric project as a potential option to meet growing demand in British Columbia.

BC Hydro has developed a five-stage decision-making process for evaluating Site C. There will be opportunities to re-evaluate and decide at key points in the five-stage process whether Site C should proceed to environmental regulatory review. BC Hydro has completed the Stage 1 evaluation of Site C, and is currently in Stage 2 of project review. This stage involves comprehensive consultation with communities, stakeholders and First Nations. It also involves updating and analysing engineering, design, financial, social and environmental elements of the project. At the end of Stage 2, BC Hydro will provide recommendations to the provincial government, and the government will make a decision about whether to proceed to the next stage of project planning and development, which would be Stage 3 – regulatory review.

BC Hydro's Pre-Consultation process was designed to seek input from local, regional and provincial communities and stakeholders about **how** people want to be consulted, and about **what topics**. The input summarized in this report will be considered in designing the next phase of consultation, *Project Definition* consultation, which will begin in the spring of 2008.

A parallel pre-consultation process sought advice from First Nations on how they wish to be consulted. In addition, First Nations will be asked to identify issues and concerns that may need to be addressed through the five-stage process.

Pre-Consultation Program – December 4, 2007 – February 15, 2008

Input from the Pre-Consultation phase was collected from a variety of sources, as follows:

- Pre-Consultation Discussion Guide and Feedback Form
- Stakeholder meetings/Open House
- Online Feedback Form
- Submissions, e-mail and faxed correspondence
- Toll-free Site C information line
- Fort St. John Community Consultation Office

Stakeholder meetings were held in 12 communities around the province with stakeholder groups representing local, regional and provincial interests. A broad range of stakeholder groups were invited by e-mail and telephone to attend the stakeholder meetings.

Ten newspaper advertisements were placed in regional and community papers to advise residents of their opportunity to participate through the project's website (www.bchydro.com/sitec).

Total participation in the consultation was **686** people.

- Approximately 400 people attended 48 stakeholder meetings
- 56 people attended a public meeting and Open House in Hudson's Hope
- There were 31 submissions¹
- More than 200 people visited the Community Consultation Office in Fort St. John between January 7 and February 15, 2008

A total of 305 people returned feedback forms at stakeholder meetings, the Open House, through the Community Consultation Office, and by web, e-mail, mail and fax.

Synovate, a professional market research firm, was commissioned by Kirk & Co. Consulting Ltd. and BC Hydro to help develop the consultation feedback form, host the online feedback form, and tabulate and analyse all feedback forms and written submissions received from the Pre-Consultation phase.

Specific topics covered in the feedback form include:

- Topic areas that stakeholders would like included in Site C *Project Definition* consultation
- Importance of specific factors in evaluating Site C, such as providing dependable energy, and managing local and social infrastructure impacts
- Community benefits desired from the project
- Likelihood of participating through various methods in Site C *Project Definition* consultation
- Likelihood of reading information about the Site C *Project Definition* consultation in specific media
- Additional comments

Methodology

A total of 305 completed feedback forms were received and tabulated; 67 were received online and 238 in hard copy. In addition, 31 submissions were received and those responses were coded and analysed in conjunction with the tabulated feedback forms. A detailed summary of feedback is provided in the body of this report.

Approximately 400 people attended the 48 stakeholder meetings. Meetings were held in 12 communities around the province: Chetwynd, Dawson Creek, Fort Nelson, Fort St. John, Greater Vancouver, Hudson's Hope, Mackenzie, Nanaimo, Pouce Coupe, Prince George, Taylor, and Tumbler Ridge.

The online feedback form went "live" on December 4, 2007 and all feedback forms received up to and including the closing date of February 15, 2008 have been included in this report.²

The views represented in this report reflect the priorities and concerns of the consultation participants. They may not be representative of the view of British Columbians because participants self-selected into the Pre-Consultation process. Although results are presented in the form of percentages, there are no margins of error for this data because there is no probability sample. The sample in question is based on self-selection, for which sampling error cannot be measured.

1. Submissions include input received by fax, e-mail, phone and mail.

2. The public meeting and Open House in Hudson's Hope on February 19, 2008, was held outside of the consultation period due to scheduling difficulties. Accordingly, feedback forms and meeting notes arising from the Open House were included in this report.

Key Results

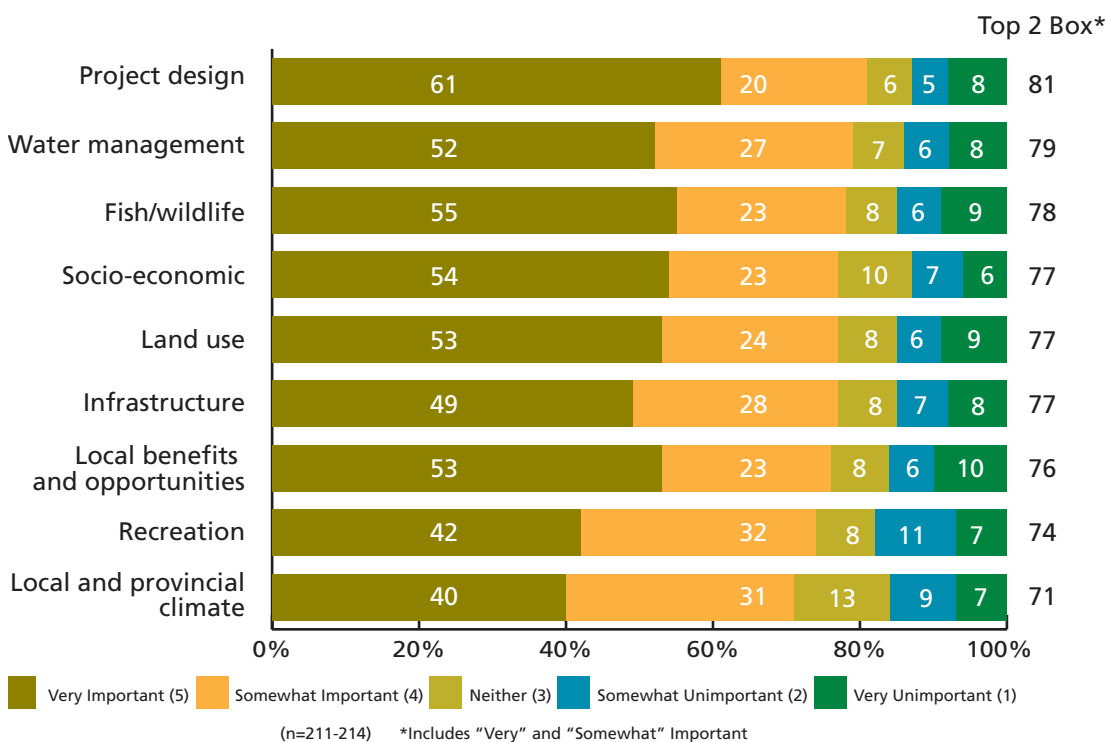
Key Results from Feedback Forms

Topic Importance

The feedback form listed the following potential topics of discussion for the next phase of the Site C consultation and asked how important each was for inclusion in *Project Definition* consultation:

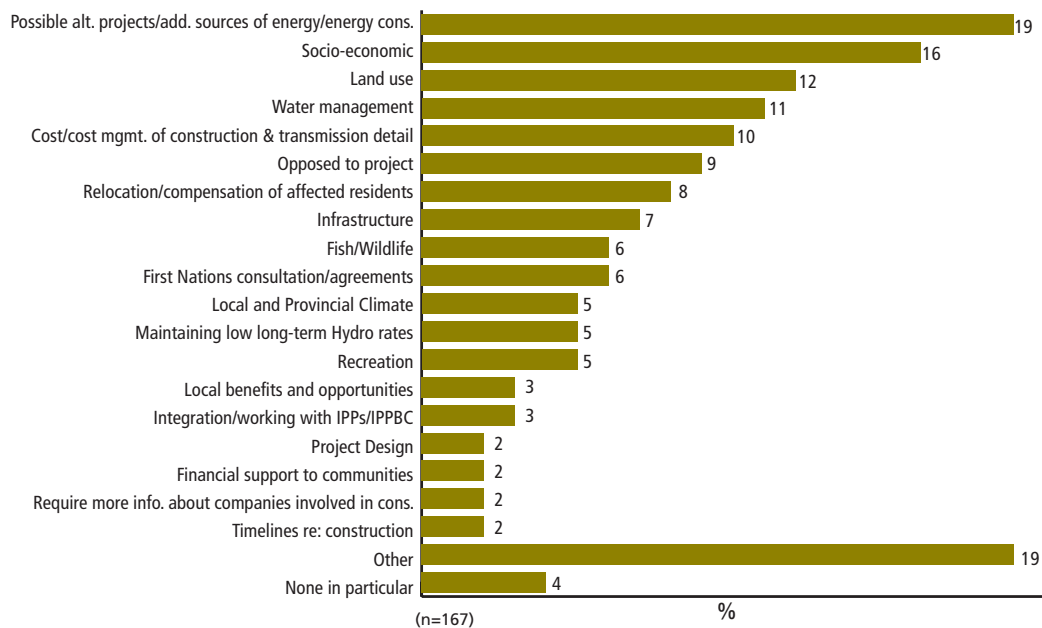
- Local benefits and opportunities
- Project design
- Socio-economic
- Recreation
- Land use
- Fish/wildlife
- Infrastructure
- Water management
- Local and provincial climate

1. Please indicate how important the following topics are for inclusion in *Project Definition* consultation in 2008.



- Participants regard all nine topics presented in the feedback form as important topics of discussion in *Project Definition* consultation (between 71%-81% regard the topics as "somewhat" or "very" important). Some topics, **project design** (81%) in particular, are considered more important than others.
- Relative to participants elsewhere, those in the Peace River region tend to place greater importance on topics related to **infrastructure** (83%), **socio-economic** (79%), **recreation** (77%), and **local and provincial climate** (75%).

2. Are there any additional topics that you would like to be consulted about during the Site C *Project Definition* consultation?



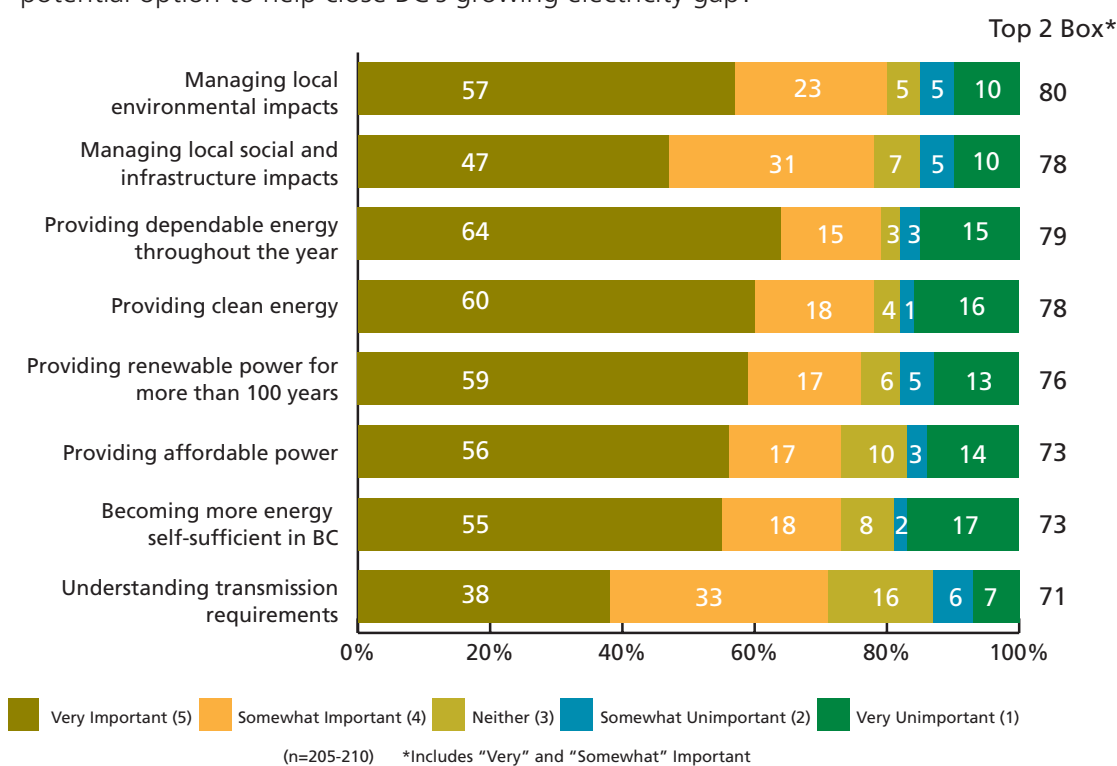
- In an open-ended question asking respondents what additional topics they would like to be consulted about during the *Project Definition* consultation phase, several additional topics were volunteered. These include possible **alternative projects, energy sources or conservation** (19%), **detailed management of construction and transmission costs** (10%), and **relocation of or compensation for affected residents** (8%).

Factors Important In Evaluating Site C

Participants were asked about the following factors:

- Managing local environmental impacts
- Managing local social and infrastructure impacts
- Providing dependable energy throughout the year
- Providing clean electricity
- Providing renewable power for more than 100 years
- Providing affordable power
- Becoming energy self-sufficient in BC
- Understanding transmission requirements

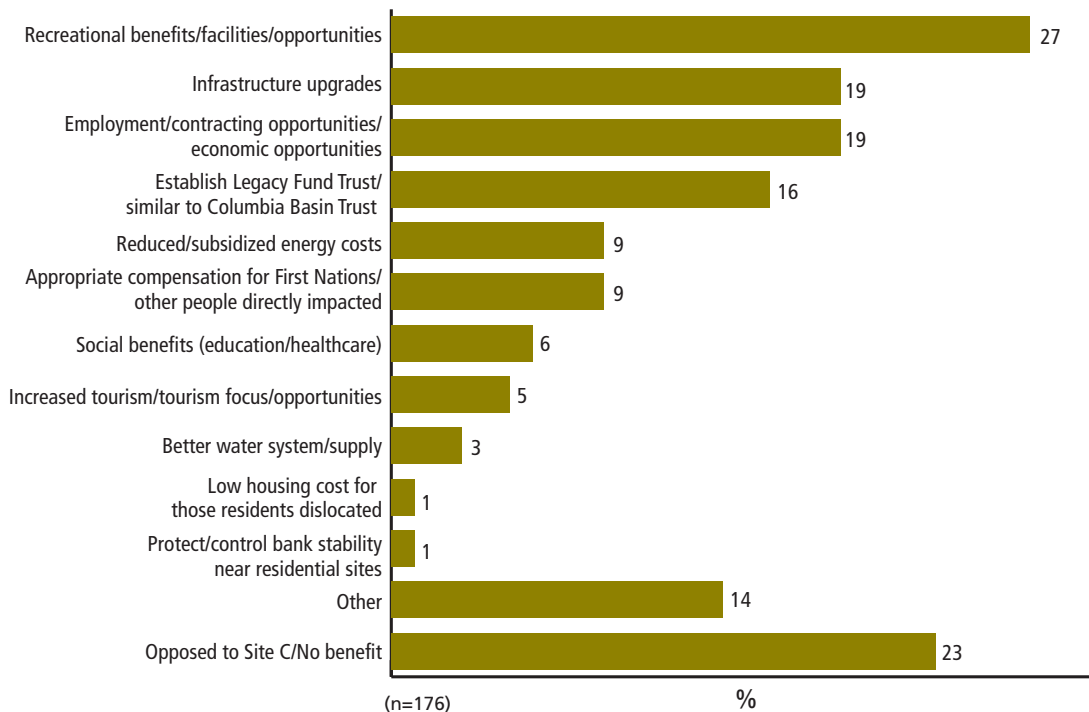
3. How important are each of the following factors to you when evaluating Site C as a potential option to help close BC's growing electricity gap?



- All eight factors specified in the feedback form are considered important to participants when evaluating Site C as a potential option for helping to close BC's growing energy gap. Between 71% and 80% rate each evaluation factor as "somewhat" or "very" important.
- Understandably, participants from the Peace region are more likely to rate managing **local environmental** (64%), and **social and infrastructure impacts** (55%) as "very" important compared to those from outside the region.

Community Benefits Desired

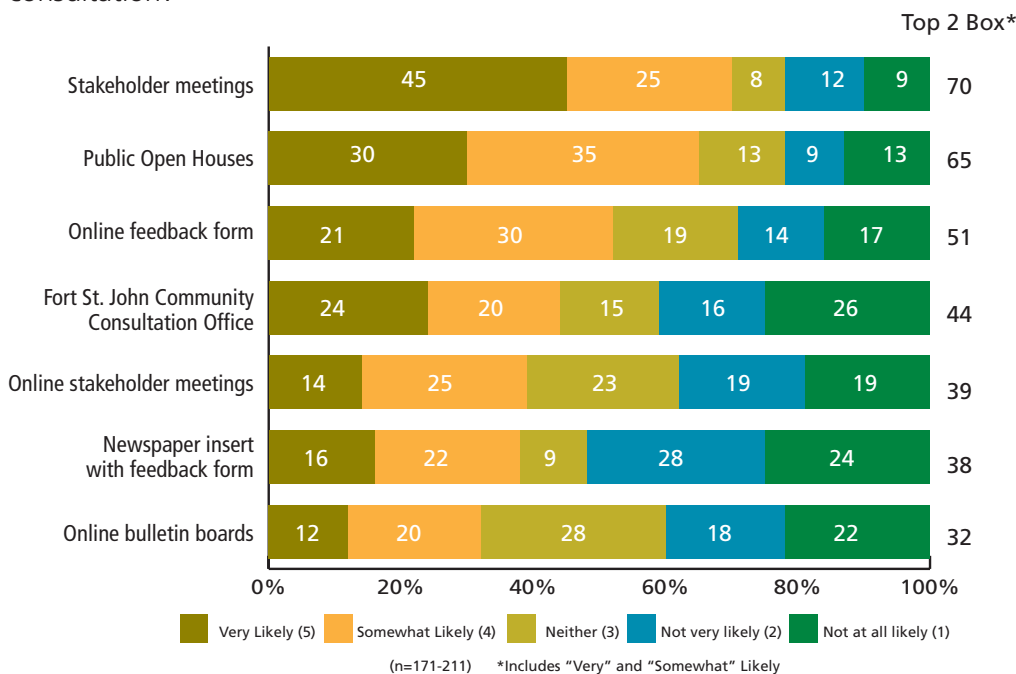
4. What community benefits would you like to see if the project proceeds?



- In an open-ended question, participants mentioned opportunities for **recreation** (27%), **employment** (19%), **upgrades to infrastructure** (19%), and a **lasting legacy similar to the Columbia Basin Trust** (16%) as community benefits they would most like to see from the development of Site C. Employment opportunities are of particular importance to participants from the Peace region.

Methods of Participation in Consultation

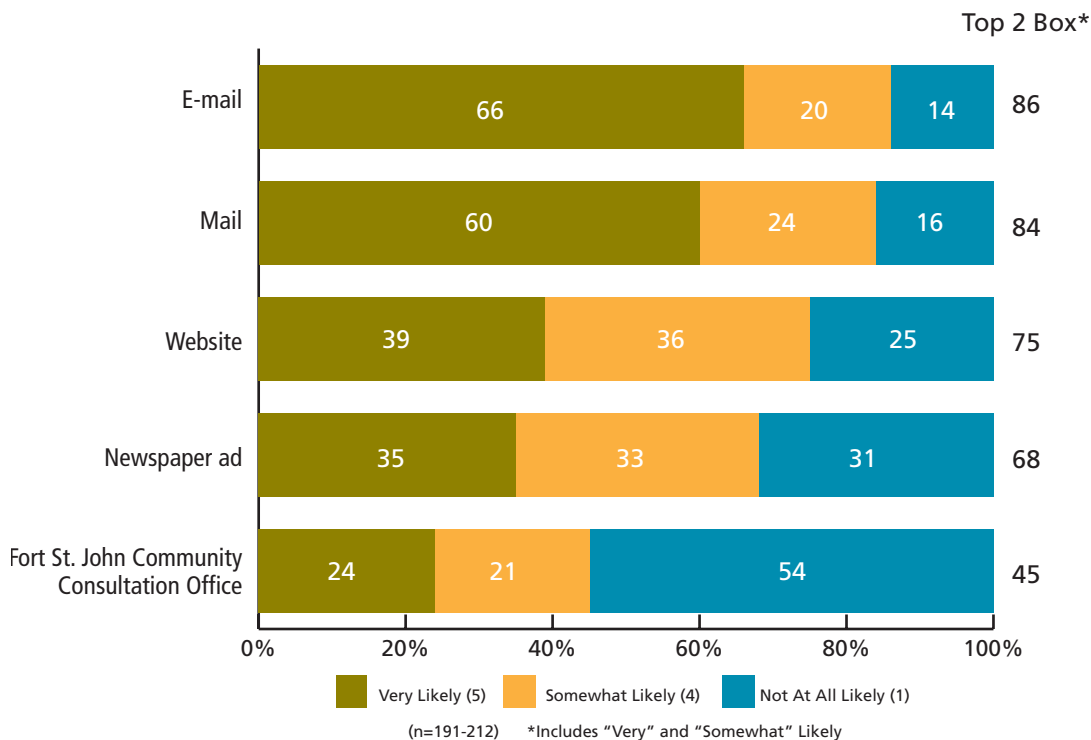
5. How likely are you to participate in the following methods of Site C *Project Definition* consultation?



- Participants are most likely to take part in the *Project Definition* consultation phase via **stakeholder meetings** (70% "somewhat" and "very likely") and **public Open Houses** (65%). **Online feedback forms** (51%) would also be likely to attract significant participation. Online bulletin boards and online stakeholder meetings, as well as feedback forms provided in newspapers, would be less likely to attract participation.
- In-person forms of participation, such as **public Open Houses** (82% "somewhat" and "very likely"), **stakeholder meetings** (79%), and the **Fort St. John Community Consultation Office** (59%) are far more likely to attract participation from residents of the Peace region than they are residents from other areas.

Likelihood of Reading Further Information

6. How likely are you to read further information about the Site C *Project Definition* consultation program if you receive it in the following way?



- Interest is highest in receiving information about the Site C *Project Definition* consultation program that is provided by **e-mail** (86% "somewhat" or "very likely") or **mail** (84%), followed by **website** (75%) or **newspaper ads** (68%). Information provided by the **Fort St. John Consultation Office** is also likely to be read by a significant number of participants in the Peace region (65%).

Additional Comments

7. Additional Comments

Base	Total ¹ (146)	Peace River Stakeholders (86)	Provincial Stakeholders (49 ²)
	%	%	%
Don't build it/use alternative energy sources/ conserve current energy supplies	32	35	19
Have honest consultation/ ensure full disclosure/keep promises	15	19	13
Build it (gen)	9	7	15
Ensure environmental concerns are addressed (land, climate, wildlife)	9	5	19
The project will bring many benefits (financial/power production)	8	9	4
Good workshop/thanks for the information	7	7	8
Continue with consultation process	6	6	8
Ensure full disclosure regarding project costs	4	3	6
Ensure integration of wind/hydrogen generation/ small hydro projects into Site C planning	3	1	8
Ensure that First Nations is involved/has issues addressed	3	1	6
Concerned about preferential treatment for First Nations	3	1	4
Create/implement a Legacy Fund	2	3	-
Ensure that the local community benefits	2	2	-
Have an independent/neutral committee or group doing the consultation/have a neutral location	1	2	-
Other	21	19	23

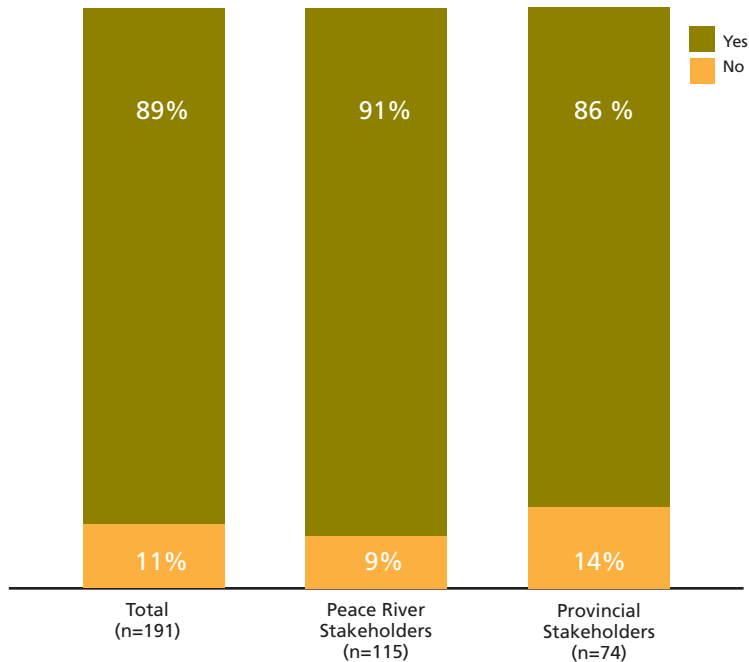
1. Total is greater than sum of Peace River and provincial stakeholders as not all participants could be identified by region.

2. Caution: small base size

- Among participants who provided open-ended feedback under an “Additional Comments” section of the feedback form, 32% stated their opposition to the Site C project or a desire to use alternative energy sources or energy conservation instead. A higher percentage of participants from the Peace region expressed this sentiment than do those from outside the Peace (35% versus 19%, respectively). Relatively fewer participants expressed support for the project, citing the financial benefits it will bring.
- Having an honest consultation process with full disclosure and ensuring environmental concerns are addressed are issues raised by 15% of those who provided additional comments.

Interest in Receiving Project Updates

Would you like to receive updates on the project, including the Pre-Consultation Summary Report?



- A large majority of participants (89%) expressed interest in receiving updates on the project, including the *Pre-Consultation Summary Report*. Interest is equally high among participants from both the Peace region and elsewhere.

Submissions

In addition to feedback form input, the project received 31 submissions by fax, e-mail, phone and mail.

- Of 31 submissions received, approximately one-third (32%) tended to be in opposition to Site C and expressed a desire for pursuing other energy alternatives. Opposition to Site C was often related to concerns about the negative social and environmental impacts of the project.
- Some of the submissions supported consultation on **water management** (23%), **socio-economic impacts** (17%), and **land uses** (17%). A desire for an **honest consultation process** (37%) and an **extension of the Pre-Consultation phase** (17%) were also raised in several submissions.

Key-Theme Summary of Comments from the Stakeholder Meetings

In addition to Synovate's analysis of the feedback form results and submissions, Kirk & Co. Consulting Ltd., a professional consultation firm, has analysed the key themes from 48 stakeholder meetings and one public meeting and Open House in Hudson's Hope.

This summary represents a review of the key themes from all of the stakeholder meetings to determine the most frequently mentioned topics in the meetings. It is important to note that the key theme summary represents a qualitative analysis of stakeholder meeting notes³, as opposed to the quantitative analysis of feedback forms noted above.

1. Local Impacts – Stakeholders raised questions and concerns regarding local impacts from the potential Site C project (a key theme at 36 meetings)

A majority of stakeholder groups asked about potential local impacts of the Site C project, noting particular concerns regarding loss of agricultural land, impacts on recreational opportunities, impacts on fish and wildlife, water management issues, and slope and stability issues, among others. Many asked about potential mitigation measures and about future environmental studies, and some had specific questions about project design, noting that it will affect the local issues mentioned above.

A number of stakeholder groups raised the possibility that a bridge downstream from the proposed dam, which is currently conceived as a construction-access bridge, might become a public bridge in the future. Participants were divided about the possibility of upgrading the construction-access bridge to a public bridge, highlighting pros and cons of a public bridge and upgraded road to Chetwynd.

While many of the groups that raised local impact issues were local and regional stakeholder groups, a number of provincial stakeholder groups were interested in local impacts as well. Some environmental groups indicated interest in participating in studies and mitigation opportunities going forward.

2. Energy Alternatives – Stakeholders expressed an interest in how and when Site C will be compared to energy alternatives (a key theme at 34 meetings)

Almost all of the stakeholder groups raised the question of how and when Site C would be compared to energy alternatives. Many were interested in other specific energy options being considered by BC Hydro, while others proposed alternatives

3. A complete set of meeting notes is available in Appendix 1.

that BC Hydro should consider, including wind, nuclear, Burrard Thermal, IPPs, conservation/net metering, other large hydro, solar and biomass, among others. Some stakeholder groups would prefer a consultation process about energy alternatives, rather than consultation focusing on Site C.

3. Consultation Process – Stakeholders indicated an interest in the consultation process and in participating in the future Project Definition phase (a key theme at 25 meetings)

When asked about **how** they wanted to be consulted, most stakeholders were interested in learning about next steps so that they could plan to participate. Others identified a need for “capacity funding”, to ensure that various stakeholder groups had the resources to participate in the future consultation. Two local stakeholder groups raised concerns that the decision-makers (ie. the provincial government) were not directly involved in the consultation process, and that the feedback form was biased in favour of Site C. Finally, three groups expressed a desire to have the consultation process conducted independently; that is, not managed by BC Hydro.

4. Local Community Benefits – Stakeholders were interested in what local community benefits might be offered to the region (a key theme at 10 meetings)

A number of local, regional and provincial stakeholder groups raised the issue of how BC Hydro could provide a legacy of benefits to the region. Some offered suggestions for what those benefits might look like, including regional skills training, legacy investments, lower electricity rates for those in the North, remote community power extensions, and enhanced recreational opportunities, among others.

5. First Nations – Stakeholders wanted to know more about how the project will address First Nations issues (a key theme at 10 meetings)

A number of stakeholder groups asked about the consultation process for First Nations, and where BC Hydro is in the process. Some noted that the project will impact First Nations land, and others questioned what mitigation might be offered to First Nations, and at what cost.

6. Cost/Economic Climate – Stakeholders wanted to know more about cost projections, and the project in relation to various economic factors (a key theme at 8 meetings)

Some stakeholder groups, particularly provincial groups, wanted more information about the project in relation to various economic factors, including interest rates, construction costs, the labour market, transmission requirements, energy costs, and how BC Hydro imports/exports power. Others wanted detailed cost projections, while some commented on the escalation of costs from the last time the project was tabled. Others were interested in how Site C compares against other energy alternatives from a cost perspective.

7. Northern Impacts vs. Southern Benefits – *A number of stakeholder groups noted that project impacts are felt in the North, while benefits flow to the South* (a key theme at 7 meetings)

The perception that the impacts of the project are felt in the North, while all of the benefits flow to the South was particularly noted by some local stakeholder groups. There is a strong feeling that those in the North need to be compensated.

8. Conservation – *Stakeholders noted the importance of conservation programs* (a key theme at 7 meetings)

While conservation was raised as part of the frequent discussions regarding alternatives to Site C (noted previously), it was also mentioned as a stand-alone topic. A number of stakeholder groups noted that promoting conservation is an important part of BC Hydro's mandate. However, some participants questioned whether BC Hydro's aggressive conservation targets are realistic.

9. Climate Change/Greenhouse Gas Emissions – *Stakeholders were interested in more information on the project's impact on climate change and GHG emissions* (a key theme at 5 meetings)

While local environmental issues were most frequently mentioned in the stakeholder meetings, a number of groups were interested in more information on the project as it relates to the macro perspective of climate change, and how the project's greenhouse gas emissions would be measured/modeled.

10. Procurement/Employment – *Stakeholders were interested in the procurement process and local employment opportunities resulting from the Site C project* (a key theme at 5 meetings)

Some stakeholder groups were interested in the procurement method planned for Site C. They wanted more information about local employment opportunities, and how they might participate in the project either from a procurement or employment point of view.

11. Historical Grievances – *Historical grievances resulting from the creation of other dams and reservoirs in the Peace region were mentioned by some stakeholders* (a key theme at 4 meetings)

Some local stakeholder groups noted historical grievances that resulted from the creation of the W.A.C. Bennett Dam and Williston Reservoir.

