**Info Session Date and Location**

February 15, 2005  
Beban Park Recreation Centre  
2300 Bowen Road, Nanaimo, B.C.

**Attendees**

<table>
<thead>
<tr>
<th>Name</th>
<th>Interest/Organization</th>
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<tr>
<td>Tina Taylor</td>
<td>Interested Party</td>
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<tr>
<td>Clarence Dennis</td>
<td>Huu-Ay-Aht</td>
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<tr>
<td>Sandy Robinson</td>
<td>Interested Party</td>
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<tr>
<td>Andy Pickard</td>
<td>Interested Party</td>
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<tr>
<td>Gord Fuller</td>
<td>Interested Party</td>
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<tr>
<td>Tom Bates</td>
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<tr>
<td>Lorraine Bates</td>
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<tr>
<td>Alf Addy</td>
<td>Interested Party</td>
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<tr>
<td>Erik Anderson</td>
<td>Interested Party</td>
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<tr>
<td>Ron Arcos</td>
<td>Interested Party</td>
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<tr>
<td>Doug Catley</td>
<td>Green Party</td>
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<tr>
<td>Wayne Dunn</td>
<td>BC Hydro consultant</td>
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<tr>
<td>Kevin Gilchrist</td>
<td>Pristine Power</td>
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<tr>
<td>Walt Jones</td>
<td>BC SEA</td>
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<tr>
<td>Anne Fiddick</td>
<td>Interested Party</td>
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Note: Approximately four other participants attended but names were not provided.

**BC Hydro/IEP Representatives**

<table>
<thead>
<tr>
<th>Name</th>
<th>Organization &amp; Department</th>
<th>Role</th>
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<tbody>
<tr>
<td>Ted Olynyk</td>
<td>BC Hydro, Community Relations, Vancouver Island</td>
<td>Host/Facilitator</td>
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<tr>
<td>Mary Hemmingsen</td>
<td>BC Hydro IEP Team</td>
<td>IEP Presenter</td>
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<tr>
<td>Rohan Soulsby</td>
<td>BC Hydro IEP Team</td>
<td>IEP Presenter</td>
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<tr>
<td>Victoria Grant-Smith</td>
<td>Note Taker, Consultant</td>
<td>Note Taker/Greeter</td>
</tr>
<tr>
<td>Anne Cochran</td>
<td>Consultant</td>
<td>Workshop Facilitator for next day</td>
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<tr>
<td>Kathy Lee</td>
<td>BC Hydro IEP Team</td>
<td>Technical Resource</td>
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Discussion Highlights

- Emergency planning - how does BC Hydro plan for power disruptions.
- Green energy - i.e, solar energy is thought to be a viable resource option.
- Recommend further development of large hydro as a resource option.
- Interest in reliability and sustainability of supply.
- Expand existing Power Smart Program - i.e., geothermal heat use, extension of existing tools to include rebates, incentives, and conservation.
- Local Generation is important.
- Reduce fossil fuel use and increase use of renewable energies
- Number of small projects to create portfolio
- Research and Development (R&D) into new technologies is crucial
- Clearly distinguish between different attributes (i.e., health cost, atmosphere cost) and avoid lumping them together under the term "environmental”.
- Develop local regional capacity and self-sufficiency.
- Implement escalating tariff structures across all sectors to encourage conservation and energy efficiency.
- Offer green labelling and choices to purchase green power.

1. Welcome and Introductions

Ted Olynyk, the Vancouver Island Community Relations Manager, welcomed attendees to the information session. He introduced the BC Hydro project team and representatives from the BC Transmission Corporation (BCTC) and provided a brief outline of the workshop. The workshop forms part of the 2005 IEP which will develop a long-term plan to meet BC Hydro’s customer needs. The plan will set direction for short term and medium term planning and is a complex process involving making various trade-offs. The stakeholder engagement process is designed to assist BC Hydro in finding out the needs and preferences of the public (i.e., cost, environment and regional specific issues). The 2005 IEP builds on the 2004 IEP process and future First Nations and stakeholder IEP engagement processes will be developed from the
2005 IEP. Input from the public is welcome and can be provided at the information sessions or on BC Hydro’s website.

1. IEP Presentation

Rohan Soulsby encouraged participation throughout the 2005 Integrated Electricity Plan (IEP) development period. He gave a presentation on the IEP process, providing a brief overview of the purpose, lessons learned from 2004 IEP process, and the development and implementation of the 2005 IEP process. The outcome of the IEP process was defined as a preferred portfolio, which is a mix of resource options, which would best meet with the needs of the province.

2. Questions and Discussion

• Why is co-generation not listed for Vancouver Island on the PowerPoint presentation? There is a plant at Campbell River. These slides just show some of the resource options.

• Participants asked how BC Hydro plans to deal with electricity provisions in an emergency, like in a tsunami disaster? The Huu-Ay-Aht representative was concerned that the impact of such an emergency would leave the most vulnerable without electricity and recognized the need to integrate a plan into the IEP process. BC Hydro responded that the N-1 Planning criteria allows for the largest single component of the system to be removed without a system collapse and has emergency preparedness plans in all facilities. Included in this system are immediate restoration plans for facilities and plans for all communities to address emergency issues in case of an energy loss emergency.

Post Meeting Note: This is part of a larger issue that is being dealt with by Distribution and BCTC. This issue has not been overlooked and is of ongoing importance with regards to communities that could be affected; in this case the First Nations community in the Port Renfrew area.

R 18 Responding to the Threats of Tsunamis (Port Alberni):
Therefore be it resolved that the Association of Vancouver Island and Coastal Communities request that the provincial Utilities Commission and the British Columbia Transmission Corporation ensure that the next update to this plan identify tsunamis as a “managed risk program” with a commitment to analyze the risk, prioritize action and schedule the implementation of priorities, with full consultation with our Coastal Communities."

• Does the 2005 IEP address the needs of Vancouver Island or all of B.C.? The entire province.

• What is the definition of clean energy? B.C. Clean Energy was identified in the provincial Energy Plan and includes specific resource options. A full definition can be found on the BC Hydro website.

• What is co-generation? Natural gas and steam generation, with steam used for adjacent manufacturing or industrial processes.
• How do the various resource options listed for Vancouver Island fit in with the concept of zero net environmental impact? A participant expressed concern that all resource options have impacts, so impacts would have to be eliminated, mitigated or offset.

• Where did the information come from related to the 2004 stakeholder feedback slide? A participant expressed concern that the information did not reflect his recollection of stakeholders’ concerns, which was that environmental impact is the driving concern and not cost. An IEP team member responded by saying that the conclusion was based on information from all regions of the province.

• What support does BC Hydro offer for technology development for new resource options? BC Hydro offers information gathered from its own projects. The 2004 Resource Options Report (ROR) contains information about various resource options. BC Hydro is also discussing options with Independent Power Producers (IPPs) this year. Information from various resource options and a summary will be made publicly available. The Independent Power Producers Association of BC (IPPBC) will most likely provide further information.

• Some participants felt there was great potential for individual household solar energy production (between 75 - 80 per cent), but concerned that there is not a strong push from industry. An IEP team member responded that they recently launched a program called Net Metering for individual customers where any excess clean power (solar, etc.) generated above the use of the house, can be sold back to BC Hydro.

• How successful has the Net Metering program been? The IEP team responded that the program was only launched May 2004, so there is little data available at this time, although there are two houses in Victoria that have signed net metering agreements with BC Hydro for their solar panels. There was discussion around the potential of solar energy in British Columbia and issues of solar intensity in comparison to sun limited European countries. It was also noted that solar energy as a resource option has more potential in some areas of British Columbia than in others (e.g., cloud cover along the West Coast).

• Will there be further development of hydroelectric power in British Columbia? A participant commented that sound political decisions were made to develop hydro power to benefit British Columbia. Some participants expressed concern that hydro, as a resource option, was not being moved forward, although clearly there is a potential for development. An IEP team member indicated that large hydro is considered a resource option as part of the 2005 IEP process.

• Environmental aspects: Participants were concerned that too many resources were being spent on trying to achieve an impossible task of a ‘no net environmental impact’, when in reality any development results in impact. There was agreement from IEP representatives that no environmental impact is ambitious, but it is a bold goal BC Hydro is taking on.

• Demand and Supply graph: The graph shows that over a period of 15 years large hydro supply remains the same and the proportion of green energy does not seem to be increasing. However, climate change will most likely result in less energy being derived
from water and this needs to be considered during the planning process. An IEP team member responded that the IPP clean energy sector is the fastest growing contributor to the electricity supply. This is not shown clearly on the presentation slide. This information is clearly presented in the BC Hydro quarterly and annual report. A participant suggested that the generic slide be removed from presentation as it was misleading and the actual slide should be used instead.

3. Group Exercise

At the request of the participants, the exercise was completed as one large group. Ted Olynyk gave a brief overview of the long-term goals of BC Hydro relevant to the IEP.

Question 1:
In developing future electricity resources, what are the most important factors to you?

Participants’ comments are as follows:

- Reliability.
- Choice in rate design and rate structure.
- Break down ‘environmental impacts’ into the following attributes: cost to the atmosphere; cost to personal health; cost to forests; cost to species; cost to water; and cost to air. The term environmental impacts is very general and has serious consequences; therefore these attributes should be highlighted separately.
- Create additional tools for Power Smart, such as incentives, conservation of energy, rebates for energy efficiency.
- Power Smart should encourage production as well as conservation. Power Smart needs to educate and focus on cutting down on use and encourage individuals to go beyond changing light bulbs. BC Hydro needs to be more aggressive with Power Smart (e.g., use of geothermal heat pumps, incentive programs for older homes too become more energy efficient).
- Sustainability of long term supply resources.
- Long term and full-time employment for communities (non-specialized education requirements).
- Not to privatize BC Hydro.
- Increase the number of small projects for local power generation for more vulnerable communities: need lots of small projects for distributed generation.
• Reduction of fossil fuel at macro level.
• More renewable energy sources such as wind and small / large hydro.
• Discontinue use of dangerous projects in emergency situations.
• Evaluation of projects on a portfolio basis (number of small projects).
• Increase emphasis on research and development (R&D) on new technologies and better communication of its results.

Question 2:
Which of these factors would you be willing to pay more for?

Participants’ comments are as follows:

• Willing to sell more to U.S. to keep local costs low.
• Development of local regional generation capacity (self-sufficiency).
• Increase in R&D.
• Non hydro renewable resources.
• Stepped rates for all users, not just industry.
• Raise rates (free market solution).
• Rates that promote wise choices (time-of-use).
• Higher exports to keep rates low.
• Energy conservation programs and R&D (charge higher rates and put profits into energy efficiency and R&D).
• Green power and opportunity to purchase green power.
• Smart meters to improve demand management.
• Pay more to encourage self-generation.
• Small local capacity development (very strong support).
• Balance portfolio of storage and non-storage resource capacities.

4. Questions and Discussion

• Is there a mechanism to allow customers to purchase green power if they want? Yes. BC Hydro offers Green Power Certificates, but currently only to business customers. A participant suggested they be available to all customers.
• **Low rates and conservation:** There was concern that these two factors are contrary to each other and a participant recommended that higher rates could reduce demand increase.

• **What is BC Hydro’s current rate practice for higher users - does it go up or down?** An IEP team member indicated that at the residential level BC Hydro has postage stamp rates so cost per unit does not change. Industrial users pay the same way but have demand charges. BC Hydro is proposing stepped rates for industry. The breakdown of customers across the province is about 1/3 residential, 1/3 commercial and 1/3 large industrial uses (i.e., mines/forestry). On Vancouver Island, there is more residential and industrial than commercial.

• **Net environmental damage:** All methods of producing power have an environmental impact. The answer is to reduce demand. And one way is through price and rationing. How can you deal with the environment without cutting demand? An IEP team member indicated that this is one of BC Hydro’s goals - to work with users to reduce consumption. Power Smart is aimed at energy efficiency but will go further to actually reduce consumption.

• **Is BC Hydro being privatized?** An IEP team member indicated that the provincial government has stated they will not privatize BC Hydro. The Crown Corporation has not been privatized. A participant indicated that all new power generation has been privatized by putting new energy acquisitions out to tender. In addition, the Duke Point natural gas plant is a form of privatization.

• **Smaller communities are more vulnerable.** A participant suggested that the best way to deal with this is small independent local production. This could provide a guarantee of low cost energy and provide employment.

• **Does selling our energy to California reduce our electricity costs?** An IEP team member responded that Powerex is in the buy low, sell high position because of BC Hydro’s hydroelectric facilities being able to take advantage of market conditions; this benefit is used to decrease B.C.’s energy costs.

• **What is BC Hydro's position with regards to SeaBreeze's Knob Hill Project?** An IEP team member responded that for the Vancouver Island Call For Tender process, dependable capacity was a necessity, which Knob Hill could not deliver; it was too intermittent. Participants expressed concern that BC Hydro should have considered a number of small projects to meet capacity. An IEP team member indicated that SeaBreeze Power is encouraged to participate in future calls.

• **Base assumption that choices will cost more in the future:** Participants were concerned with Question 2 as it was based on the assumption that choices will cost more. An IEP team member indicated that this may be the case at present with the current options and information, in the long term changes in technology may alter this forecast.

• **Concern about NAFTA, and how BC Hydro may fit within NAFTA.**
5. Closing

Ted Olynyk thanked everyone for their participation in the workshop and for offering comments and input. Information relating to the 2005 IEP process can be obtained on BC Hydro’s website.

Contact Details
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