

Risks and Uncertainties

Global, regional and local factors affect the viability of a portfolio of resource options. For example, a gas portfolio could prove to be expensive if gas prices increase and if the Kyoto Agreement or other Greenhouse Gas (GHG) regulations impose high GHG emission charges. The portfolios that most effectively meet the demand for electricity under the greatest range of conditions are called the most “robust” portfolios. A robust portfolio of electricity resources helps ensure that customer needs are met reliably and at low costs and low risk.

To assess the risks posed by different situations, key portfolios are compared under a variety of electricity and natural gas market conditions, or scenarios. Scenario testing shows which portfolios are most likely to avoid risks under changing conditions.

The analysis and scenario testing identify the most robust portfolios, those that meet planning objectives and provide the electricity that B.C. will need in the most timely and cost-effective manner.