



# BC RIVERS at RISK



Private power construction site near Harrison Lake.



Ashlu Creek private power project



Excavator at Ashlu Creek private power project

Over 800 rivers and creeks in BC, like the Morkill River (East of Prince George), are staked for private power development. Photo: Paul Morgan

## Threat: Private Hydropower

Wild places like Bute Inlet and Glacier /Howser Creeks are not only scenic areas, they are just a few of the hundreds of rivers and creeks that have become flash points over the last three years in the battle that is raging over private hydropower projects in BC. From the Kootenays to the Sunshine Coast, over 800 of British Columbia's water bodies have been staked by corporations which now include large multinational players such as General Electric.

People may wonder how this gold rush for our public wealth began. The trigger was the 2002 BC Energy Plan, introduced shortly after the

BC Liberals were elected, which forbade BC Hydro from competing with the private sector by barring it from producing new sources of electricity.<sup>1</sup> At the same time it directed BC Hydro to meet future projected electricity needs by purchasing energy from private power developers. Since that time there has been a phenomenal 1,140 percent increase in these so-called "independent power project" applications throughout BC.<sup>2</sup>

There are numerous problems with the rush to privatize our creeks and rivers. Currently, 90 percent of private hydropower projects (also known as independent power projects) aren't required to go through an environmental assessment process.<sup>3</sup>

There is no assessment of the cumulative ecological impacts that multiple projects, and the accompanying river diversions, roads, blasting, transmission lines and logging have on

the land base. Local governments have been muzzled since the passage of Bill 30 in 2006, which removed the right for them to plan

*"The private sector will develop new electricity generation, with BC Hydro restricted to improvements at existing plants."*

Point 13 of the 2002 BC Energy Plan

for private power projects; there is no regional or provincial planning process in place. And surprisingly, private power projects are often given exemptions from already low environmental standards due to their status as "minor tenures."

In British Columbia we have a wonderful opportunity to do green power right. Read more to find out how with proper planning, robust conservation, strong environmental standards, democratic accountability and public ownership we can become world leaders in a green economy.

Large pipes, like this one, are used to divert creeks and rivers to power stations.

### Low Environmental Standards Multiply Harm

- The Ministry of Environment lost 30 percent of its funding and staff in early 2001 and 2002; additional budget cuts of 10 percent were implemented in the fall of 2009. In addition to lack of staff, many projects are exempt from basic environmental standards relating to road-building, logging, and planning because of their status as "minor tenures". Recent Freedom of Information (FOI) documents of private power projects revealed streams logged to the banks, cutting in old-growth management areas and destruction of endangered species habitat. There is growing concern about the amount of water diverted from creeks and rivers for power production – in some cases up to 95 percent of the mean annual flow is removed.
- Projects are often inappropriately situated in relation to species at risk because BC, along with Alberta, is one of only two provinces in Canada that has no endangered species legislation.
- Projects under 50 megawatts do not have to go through an environmental assessment process. That means over 90 percent of private power projects are not assessed. Many people familiar with this process consider it to be ineffective; it has only once, for any type of industrial development, recommended that a project not proceed.



# Bute & Glacier/Howser

Two of the most contentious proposed private power projects in BC are the massive 1027 Megawatt Bute Inlet development on the Sunshine Coast and the contentious 100 Megawatt Glacier/Howser project in the Kootenays.

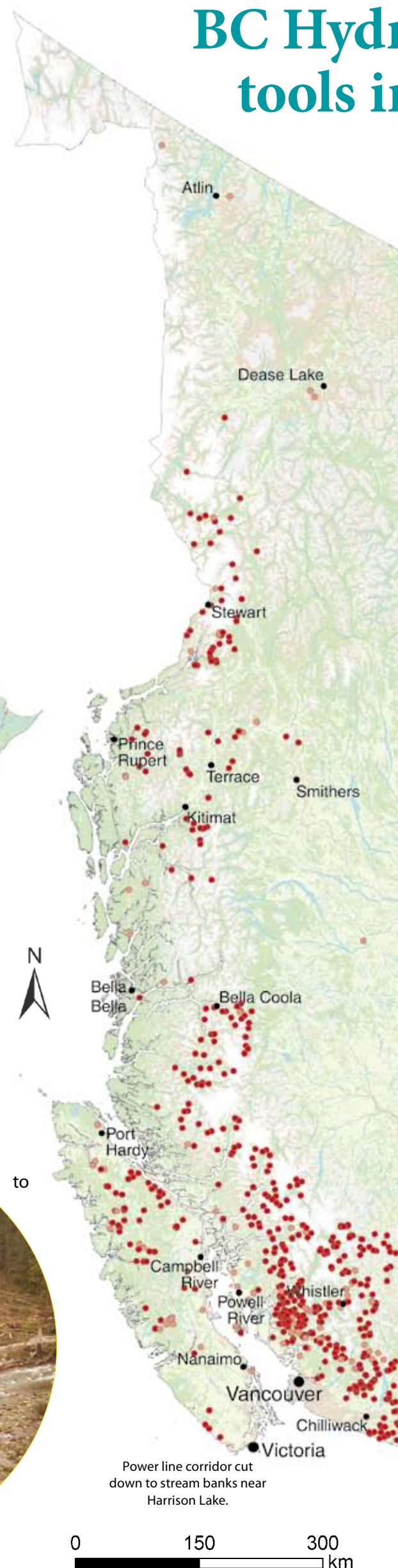
**The Bute Inlet proposal**, located approximately 150 km north of Powell River is the largest proposed private power project in Canada. Consisting of 16 power houses, over 400 km of transmission lines, 260 km of roads and over 100 bridges the project is situated in prime grizzly bear, mountain goat and salmon habitat.<sup>4</sup> The proposal would see Plutonic Power and General Electric, one of the largest corporations in the world, industrialize a watershed that is renowned for its towering mountains, plentiful wildlife and pristine waters.

Despite its size, the Bute proposal is just one of many projects that are slated for the region. Other power developments in the area, some of which are already built, include: East Toba/Montrose, Upper Toba, Knight Inlet, Toba/Powell Lake/Jervis Inlet, Klinakini River and the Tzoonie watershed. Proceeding with no regional planning, no assessment of cumulative impacts, low environmental standards and power that doesn't fit BC's energy needs, the Bute proposal is an example of what has gone wrong with the BC Energy Plan.

**The Glacier/Howser project** located in the West Kootenays is renowned for the fact that in the summer of 2009 1,100 people turned out in the small town of Kalso to protest the proposed development.

The project, one of over 70 proposed for the Kootenay Columbia region, is especially contentious due to the impact it would have on a unique population of threatened bull trout, grizzlies and mountain caribou habitat. Perhaps most surprising is the fact that water diverted from the streams would never return to the original water bodies. Although the proposal already has an 'energy purchase agreement' from BC Hydro vociferous public opposition coupled with the potential for significant negative environmental impacts could yet see this project derailed.

Jewakwa River in Bute Inlet is one of 16 rivers slated for diversion in this massive 1027 MW power project.



Power line corridor cut down to stream banks near Harrison Lake.

## Private Power - Meant for export

One of the arguments repeatedly heard from private power proponents and the BC government justify rapid private hydropower development is that 'BC is in an energy crisis and is a net importer of electricity'. However, BC Stats, the government's own statistical agency, shows BC was actually a net exporter of electricity for seven out of the last 11 years.<sup>5</sup> Moreover, these figures exclude the 4,300 GWh of Columbia River Treaty electricity that the BC government currently sells to the United States.

It is becoming increasingly apparent that the development of private power in BC is geared towards the export of electricity south of the border. This was confirmed in the August 2009 throne speech when the BC government announced it would strike a task force to examine an "export development policy" for private hydropower.

If we were truly in an energy crisis, why would the BC government be promoting electricity exports?

## Private Power – a costly mistake

BC Hydro, and ratepayers, are currently on the hook for \$31 billion in 'energy purchase agreements' to private power producers.<sup>6</sup>

This is of concern for many reasons:

- Run-of-river power typically comes at the wrong time of the year for BC's energy needs. Most of their intermittent energy comes during the spring melt when BC's dams are often

full, but almost nothing is produced in mid-winter when our consumption is highest. BC Hydro is paying a premium for electricity that doesn't fit BC's seasonal energy needs and will likely have to be sold at a loss south of the border.

- BC Hydro, one of our best tools against climate change, now spends more on the 10 percent of electricity that comes from

private power producers than it does on the 90 percent of power it generates through its own operations.<sup>7</sup> In addition to the huge price tag, the public is being transitioned from 'owners' to 'renters' of power production.

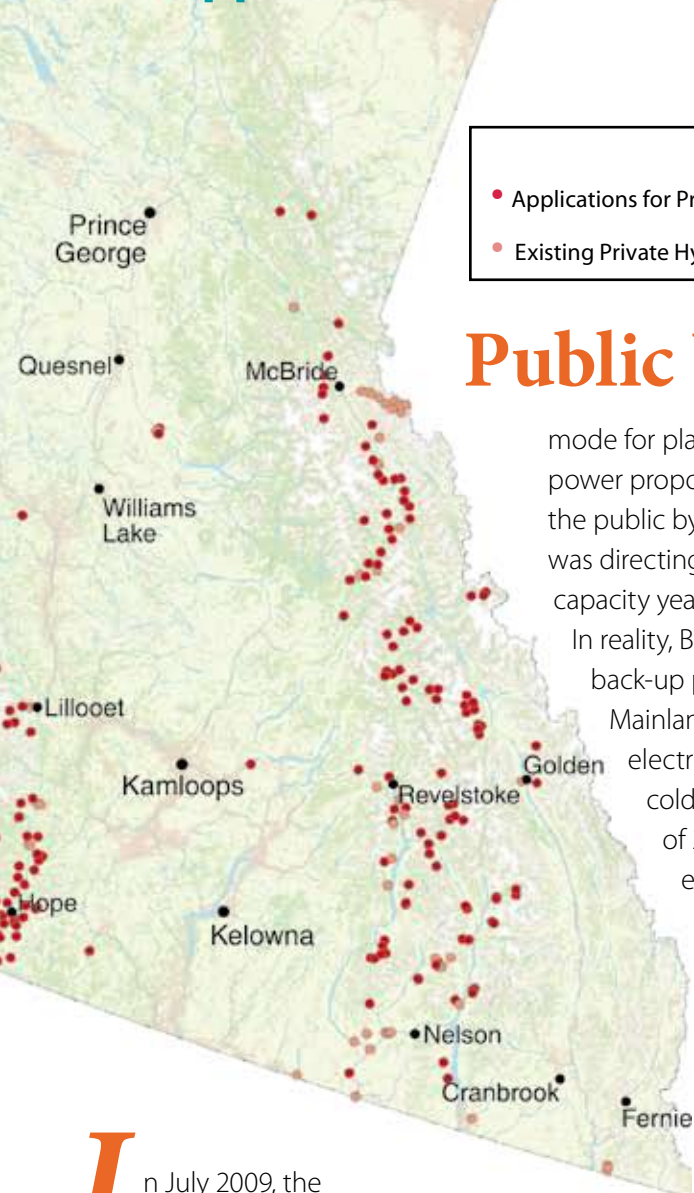
- Unlike private companies like General Electric and Plutonic Power, BC Hydro provides substantial dividends to public coffers and provides for long-

term electricity planning. It is also able to develop electricity generation projects at a substantially lower costs due to a much higher credit ratings which affords them significantly lower interest rates than private corporations.

# ro: one of our best n the fight against global warming

**E**stablished in 1961, BC Hydro has provided the province with low-carbon electricity while returning billions of dollars to public coffers. Indeed, from 1994 to 2006 BC Hydro contributed over \$8 billion dollars to the public purse – providing money for public transportation, conservation initiatives, schools, hospitals and libraries. Publicly owned dams now provide us with reliable electricity and enable BC to generate 80 to 90 percent of its electricity from clean sources – making us the envy of the world. BC Hydro, unlike private power companies, also provides the public with transparency and accountability, long-term energy planning, energy security and robust conservation measures. BC Hydro is well placed to create the low-carbon energy system of the future.

**There are over 800 private hydro power water licences and applications in BC.**



Legend

- Applications for Private Hydro Power Water Licences
- Existing Private Hydro Power Water Licences

**I**n July 2009, the BC Utilities Commission (BCUC), the independent arms-length utility regulator did something remarkable: they determined the BC government had underestimated the potential for cost-effective conservation measures to reduce electricity consumption and refused to approve a large block of expensive private power contracts.

The most misunderstood part of the Commission's ruling was its recommendation that Burrard Thermal, a gas-fired power plant located in Port Moody, should continue to operate in its present

mode for planning purposes. Private power proponents tried to confuse the public by saying that the BCUC was directing that the plant run at full capacity year round. This was untrue. In reality, Burrard Thermal provides back-up power for the Lower Mainland during periods of peak electricity demand, such as the cold winter snap in January of 2009, and it provides emergency backup in case of a major powerline failure. Normally it runs at only a small fraction of its potential output – as it should. For example, last year it operated at just four percent of its potential. The practical consequence

of the BCUC decision was not to direct BC Hydro to ramp up Burrard Thermal, but to reduce BC Hydro's "need" to purchase additional private power.

The Wilderness Committee supports reducing our already small reliance on Burrard Thermal. Fortunately, this will become easier when the transmission line from the Interior to the Lower Mainland is twinned to supply Greater Vancouver with reliable power to meet winter peak energy demands, expected within ten years.

*“The question I’m asking is: What is it that’s broke with a system that’s providing cheap, reliable electricity, that’s paying sizeable dividends to the government, that has a rainy day fund and that has money available for new capital projects?... It is basically utility heaven.*

*There isn’t a state in the union that wouldn’t give its eye teeth for a power system like B.C. Hydro. What on earth is it that your government is trying to improve?”<sup>8</sup>*

David Freeman, Energy efficiency pioneer and former Chair of the California Power Authority



**Public support for private power in BC is low.**

*According to a recent poll commissioned by the Wilderness Committee, just 10 percent of British Columbians favour private over public power generation.*

## Public Watchdog says no to Private Power

### Breaking News:

At the time this paper was going to press the BC government announced in its throne speech that it would overrule the BC Utilities Commission – its own independent watchdog – a move widely seen as a move to prop up the fortunes of private power companies, many of which help fund the governing party. Perhaps more ominously, the government also signaled its intention to export private power.



Grizzly bear habitat in the Kootenays would be negatively impacted by the proposed Glacier/Howser private power project. Photo: John E. Marriott.



Over 1000 people turned out to a rally in Kaslo BC, to save Glacier and Howser creeks from private power development.



When the BC Government first introduced the BC Energy Plan in 2002, which forbade BC Hydro from producing new sources of electricity, they were actively lobbying the federal government against the implementation of the Kyoto Protocol. The BC Energy Plan was not about tackling global warming - it was about the deregulation of the electricity sector in BC and the slow-motion privatization of BC Hydro.

# Private Power: No solution for climate change

**G**lobal warming is one of the most serious threats to ever face humanity. Gases produced from the burning of fossil fuels, such as gas, oil and coal, have formed a heat-trapping blanket of carbon in the atmosphere which is increasing the temperature of our planet – to a dangerous level.

The Wilderness Committee is strongly supportive of the development of green energy but believe we must do it the right way – in a manner that protects the environment, benefits the public not just corporate interests, includes robust conservation measures and will not see low-carbon energy used to subsidize dirty greenhouse gas intensive industries such as coal-mining. We must also do it in a way that recognizes the incredible value BC's wilderness, old-growth forests and delicate ecosystems play in the fight against global warming.

Instead our provincial government is moving ahead with plans to promote the development of climate-changing coal mines such as Klappan and Groundhog in Northern BC with new power lines and subsidized electricity.<sup>9</sup> They are also increasing subsidies to the oil and gas sector, terminating energy conservation programs such as Live Smart BC, and spending billions on massive highway and airport expansion projects. We need to power down these destructive policies now!

There is a right way to do green power. The Wilderness Committee and communities around the province strongly support green power that is:

- **Regionally planned;**
- **Built with high environmental standards;**
- **Acceptable to First Nations and local governments; and,**
- **Publicly owned.**

## Smart Power:

We can get more power out of our existing dams, adding electricity without the additional cost to our environment. BC Hydro is already planning on expanding generation at the Revelstoke and Mica dams, and we still have generator slots to fill and power plant upgrades at our heritage hydro facilities.

## Powering Down:

New air-source heat pumps are three times as efficient as baseboard heaters and ground-source heat pumps are even more efficient at heating our homes.<sup>10</sup> Shift to public transit: Rapid transit and trolley buses are eight times as energy efficient and 100 times as greenhouse gas efficient as private vehicles, helping us save energy and reduce our climate impact at the same time.<sup>11</sup>

## We have the ability to do green power right:

With democratic oversight and public ownership – working with the people of British Columbia instead of against them. We can give people real power in the planning process instead of ignoring local concerns. We can champion conservation efforts and build a truly sustainable future that will benefit all of us, and we can ensure that green electricity development is used to fight climate change, not to subsidize coal mines. We can move towards a green and sustainable economy in a manner that is accountable and transparent, allows us to engage in long-term energy planning and provides for BC's future energy security needs without compromising the ecological health of our streams and rivers. Join the Wilderness Committee and hundreds of thousands of British Columbians across the province in saying yes to democracy, to planning, and to the public control of our rivers.

## Saving BC's rivers one step at a time

**Step 1:** Contact BC's Premier today and tell him how much you want your rivers to remain WILD and your power to remain PUBLIC.

**It's time to pull the plug on Private Power!**

**Premier of BC Write Now!  
Gordon Campbell**

Room 156, Parliament Buildings,  
Victoria, BC, V8V 1X4  
Ph: 250 387-1715 Fax: 250 387-0087  
Email: premier@gov.bc.ca

**Step 2:** Help distribute this newspaper in your community.

Email us at rivers@wildernesscommittee.org and let us know how many you want us to mail to you to give to family, friends, coworkers and local businesses.



**Step 3:** Join 10,000 Voices for BC Rivers. Around BC, thousands of people are taking action to keep their rivers wild and power public. Visit [www.10000Voices.org](http://www.10000Voices.org) to find out how!

[info@wildernesscommittee.org](mailto:info@wildernesscommittee.org) • 1-800-661-WILD (9453) • [wildernesscommittee.org](http://wildernesscommittee.org)

# YES!

## I WANT TO STAND UP FOR BC'S RIVERS!



**clip**



And return to the:  
Wilderness Committee  
Vancouver Office  
227 Abbott St.,  
Vancouver, BC V6B 2K7



**call**

604-683-8220  
1-800-661-9453



Enclosed is:  \$25  \$50  \$100  Other \$ \_\_\_\_\_  
Fed. reg. charity #11929-3009-RR0001

I want to become a member of the Wilderness Committee!

Enclosed is my annual fee for a:

\$35 Individual Membership  \$52 Family Membership

NAME \_\_\_\_\_ PHONE \_\_\_\_\_

ADDRESS \_\_\_\_\_ CITY \_\_\_\_\_

PROV \_\_\_\_\_ POSTAL CODE \_\_\_\_\_ EMAIL \_\_\_\_\_

The Wilderness Committee is Canada's largest membership-based wilderness preservation organization.

## Citations

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- 11 P. Poudenxa & W. Merida (2007), "Energy demand and greenhouse gas emissions from urban passenger transportation versus availability of renewable energy" Energy 32:1

## Resources

BC Citizens for public power  
[www.citizensforpublicpower.ca](http://www.citizensforpublicpower.ca)

BC Creek Protection Society  
[www.bc-creeks.org](http://www.bc-creeks.org)

Friends of Bute Inlet  
[www.buteinlet.net](http://www.buteinlet.net)

Private Power Watch  
[www.ippwatch.info](http://www.ippwatch.info)

Save Our Rivers Society  
[www.ourrivers.ca](http://www.ourrivers.ca)

Take Back the Power  
[publicpowerbc.ca](http://publicpowerbc.ca)

West Kootenay Ecosociety  
[eco.kics.bc.ca](http://eco.kics.bc.ca)

Wildsight  
[www.wildsight.ca](http://www.wildsight.ca)

Watershed Watch  
[www.watershed-watch.org](http://www.watershed-watch.org)

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Photos: WC files except where noted. Special thanks to Elaine Golds, John Calvert, Melissa Davis and Lee-Ann Unger for their thoughtful comments.



Western Canada Wilderness Committee Vol. 28, No. 5, 2009. Canadian Mail Product Sales Agreement No. 0900567. Posted in Vancouver for free distribution. Printed in Canada at FSC-recognized by Transcontinental on partial recycled stock with vegetable-based inks. Press Run 75,000 © Wilderness Committee 2009. All rights reserved. Written material may be used without permission when credit is given.

Published by: Wilderness Committee — National Office, 227 Abbott Street, Vancouver, BC, V6B 2K7  
T: 604-683-8220 F: 604-683-8229

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