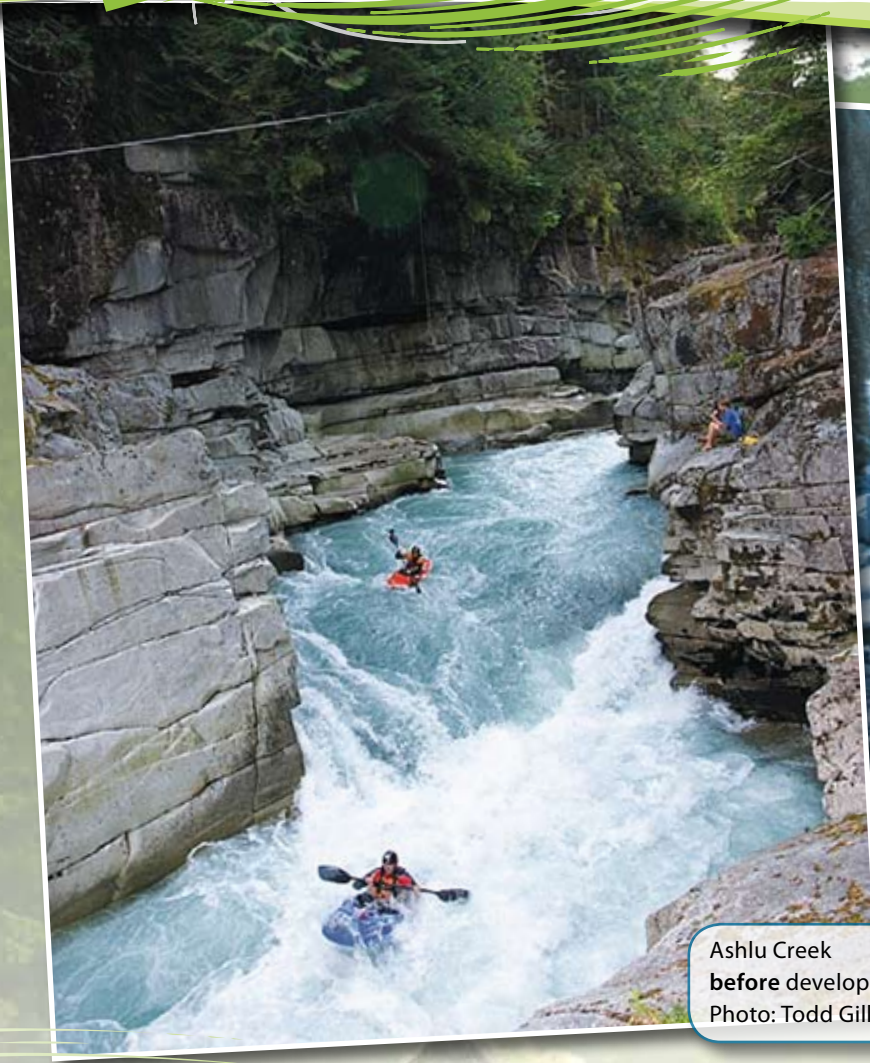




KEEP OUR RIVERS WILD



Ashlu Creek before development
Photo: Todd Gillman



Ashlu Creek (upstream) after private power development
Photo: WC files

wildernesscommittee.org

People Power: Saving BC's Wild Rivers



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As a child growing up in the Okanagan I often traveled the back country with my dad. My father was a fan of adventure and a lover of history so many trips consisted of arrowhead hunting, gold panning and searching for old coins while exploring historic BC ghost towns like Fairview, Cascade City, Sandon and Phoenix.

Our travels invariably brought us into contact with the myriad wild creeks and rivers that run through the forests, mountains and meadows of BC. Whether it was enjoying the secret swimming holes in the Kettle River by Grand Forks, marveling at the returning Adams River sockeye, or wading in the Similkameen River searching for the perfect skipping stone, wild rivers were an intrinsic part of my life growing up.

Wild rivers are also intrinsic

to BC's environment. Whether providing hydration, habitat or nourishment for insects, fish, birds, amphibians, mammals or humans, healthy rivers are the lifeblood of our vibrant and functioning ecosystems.

Unfortunately, too many of BC's rivers are at risk of being ruined. In 2002, with no consultation from the public, BC's provincial government introduced an Energy Plan which prohibited our very profitable Crown corporation, BC Hydro, from producing new sources of electricity.¹

The 2002 policy triggered a gold rush where today we have almost 800 creeks, rivers and lakes staked by private power corporations.² Wild creeks and rivers such as Big Silver, Kokish and the Upper Lillooet are slated to be turned into private river diversion projects. The environmental impacts have led the projects to be called "ruin-of-river" because up to 95 per cent of the mean annual flow of the river is diverted into a pipe – the water remaining in the original river bed can be



Protest against controversial private power proposal in the Kootenays
Photo: WC Files

reduced to just a trickle. These industrial developments also come with blasting, tunneling, new road networks, logging, massive waste piles and transmission line corridors that can be hundreds of kilometres in length. Astoundingly, there is no provincial planning in place, local communities have had their zoning authority removed, and there is no assessment of the cumulative impact of these projects on the landscape. To top it off, after years of massive cuts and wholesale deregulation, environmental standards are

abysmally low. But there is hope. In this paper, you will learn: how people power has stopped "ruin-of-river" projects in the Lower Mainland, the Sunshine Coast and the Kootenays; what California really thinks of BC's river power; why a strong, public BC Hydro is one of our best tools in the fight against climate change; and, what the BC Clean Energy Act really means. Most importantly, you will learn how we can keep our energy public and our rivers wild.

California Dreaming?

Much of the electricity private power companies hope to produce in BC is targeted for export to the giant energy market of California.³ The BC government says it hopes to sell this power as “green power”. That’s not likely to happen, however, because under California’s Renewable Portfolio Standard (RPS) BC’s privatized “run-of-river” power is not considered green.⁴

What’s now clear is that BC Hydro is taking the financial risk for private power corporations. BC Hydro will find itself in the position of buying private electricity at very high rates and then being forced to sell this surplus electricity at very low rates – resulting in a significant loss to our public utility.

Keith Nakatani, a spokesperson for California’s Hydropower Reform Coalition, shares his thoughts on this issue:

“The BC government has failed to realize their goal of exporting BC run-of-river hydropower to California because to do so would require weakening California’s environmental standards.”

Despite repeated lobbying efforts by the BC government California legislators have so far resisted ‘watering down’ our environmental laws. Even Paul Kariya, Executive Director of the Clean Energy Association of BC, admits the chance of getting California to weaken its hydro standards is ‘pretty slim.’⁵

This is because California has a strong history of environmental protection. This, combined with the leadership provided by the California Hydropower Reform Coalition in conjunction with the Wilderness Committee and other BC groups, has protected California hydro standards and, by extension, BC’s rivers.

In California we cherish wild

rivers because of what we have lost. Most of the thousands of dams on our rivers were built more than 50 years ago, before protection of the environment was a political issue. Today, every major river here, except one, is dammed or diverted numerous times. As a result more than two-thirds of our native fish species are extinct, endangered, or declining. The sad state of our rivers was a factor in spurring our involvement in the BC issue. Hopefully, BC rivers won’t suffer the same fate as California’s.”



Mamquam Penstock near Squamish, BC

Damage to the Landscape

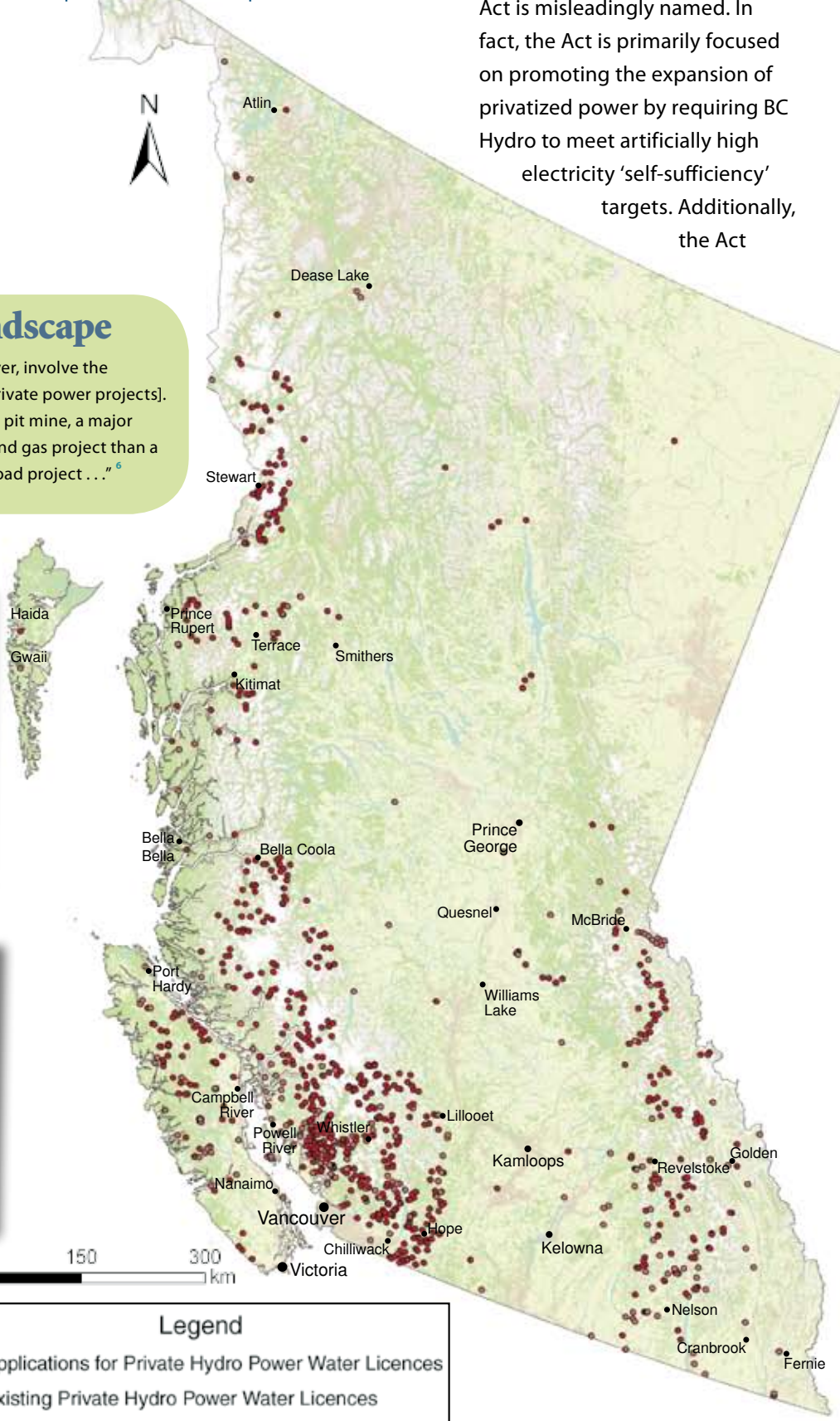
“Coastal BC Forestry projects rarely, if ever, involve the magnitude of earth works associated with [private power projects]. The scale of works . . . is more akin to an open pit mine, a major highway construction project or a major oil and gas project than a typical or even exceptionally large, forestry road project . . .”⁶



Ashlu Creek - Photo: WC Files



Waterfall in the magnificent Bute Inlet
Photo: WC Files



The Real Truth Behind the Clean Energy Act

In the summer of 2010 the BC government introduced the Clean Energy Act. Although it is important to reduce fossil fuel dependence to fight the causes of global warming, the Clean Energy Act is misleadingly named. In fact, the Act is primarily focused on promoting the expansion of privatized power by requiring BC Hydro to meet artificially high electricity ‘self-sufficiency’ targets. Additionally, the Act

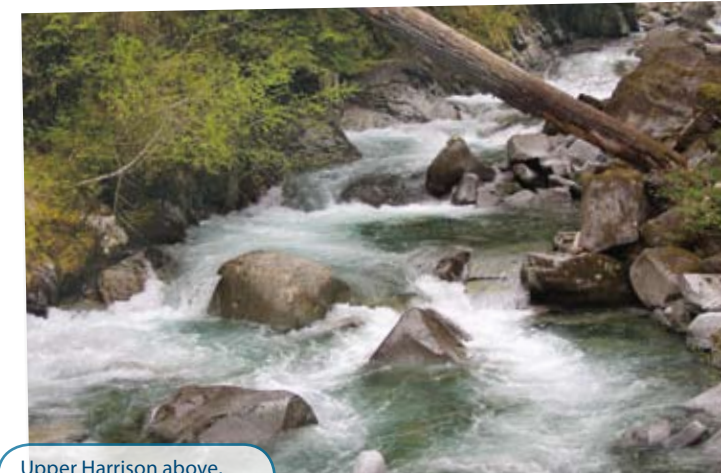
requires BC Hydro to buy expensive privately produced energy for export. BC Hydro’s own forecasts suggest this will result in a surplus of electricity which will be sold at a loss and that the artificially high ‘self-sufficiency’ requirement will add one billion dollars to its costs.¹⁰

The other thrust of the Clean Energy Act is to demote the role of the BC Utilities Commission (BCUC) in reviewing and approving major energy decisions and agreements. Among the multi-billion dollar initiatives gutted from BCUC’s oversight are electricity purchase agreements between BC Hydro and private power producers, the Northwest Transmission Line, and the

proposed massive Site C dam on the Peace River.

We need real action to help fight global warming, not green-washing that uses the public concern over the impacts of global warming to push through destructive and undemocratic initiatives that only benefit big business with little impact on reducing greenhouse gases.

Upper Harrison above, Protest signs on the right, Photos: WC Files
Western Toad below, Photo: Jakob Dulisse



Nothing “Green” About Low Environmental Standards

Some of the strongest criticisms against private power hydro developments concern the removal of local zoning authority and low to non-existent environmental standards.

Private hydro projects are often given exemptions from existing environmental laws due to their classification as “minor tenures”. Government documents show that this classification has resulted in damage to fish-bearing creeks, cutting into stream banks, logging in

old-growth management areas and destruction of endangered species habitat.¹¹

Conservation concerns include lack of regulatory oversight (BC’s Ministry of Environment has been cut by more than 50 per cent since 2001), destruction of fish habitat, inadequate planning (there are no regional or provincial planning processes in place for private power projects) and the cumulative impact that river diversion, new road networks, logging, transmission lines

and blasting have on the landscape. These concerns were verified by a report released by the law firm Devlin Gailus which evaluated private power projects’ environmental standards. The report found numerous regulatory weaknesses and concluded that “the current regulatory regime does not afford adequate environmental protection in the context of [run-of-river] development in BC.”¹²



Ashlu Creek - Photo: Steve Rogers

Do We Even Need the Power?

In the past 32 years there have been only 5 years where BC has imported more electricity than it has exported. However, lately, a small trade deficit in electricity has emerged.¹³ Private run-of-river power, which BC Hydro considers an “intermittent supply with low dependable capacity,” is not helpful to address this small imbalance.¹⁴

BC Hydro has many options including implementing better “demand side management” (conservation) measures, buying reasonably-priced “firm” power on the spot market, or accessing the 4,400 GWh of electricity we are entitled to through the Columbia River Treaty¹⁵ – reliable electricity that would meet BC’s energy needs much better than the very expensive and “soft” private power BC Hydro is required to purchase.



Upper Harrison
Photo: WC Files

Case Study: Disaster at Tyson Lake

Many people are unaware that lakes as well as creeks and rivers are increasingly being staked by private power companies in BC. Instead of building a dam, a hole is drilled at the bottom of a lake, and the lake then serves as a natural “headpond” which can be drawn up and down depending on the demands of the project.

The Tyson Lake project near Sechelt became operational on January 22, 2010. Problems soon emerged: when the lake was “drawn down”, the ice on the top scoured the sides of the lake, releasing a massive plume of mud and clay particles which endangered trout and salmon spawning grounds below.⁷ The

project was temporarily shut down after people living nearby noticed the large amount of sedimentation being released from the plant.

Surely we can learn from the Tyson Lake disaster and ensure that lakes aren’t turned into private holdings for power corporations. Right now, other lakes have been staked by private power companies including Phantom and Ramona Lakes on the Sunshine Coast, Slollicum Lake, Wilson Lake and Salisbury Lake in the Fraser Valley and a collective of unnamed lakes above Jarvis Inlet.

Will Private Power Bankrupt BC Hydro?

Low environmental standards, lack of planning, insufficient public consultation and the cumulative impact of scores of industrial river diversion projects are just some of the reasons why so many British Columbians are opposed to private power projects. However there is another major concern: the impact to the financial viability of BC Hydro, one of our best tools in the battle against climate change.

BC has been the envy of the Western world for decades because

it had a Crown corporation which provided reliable ‘clean’ electricity (over 90% of the power BC Hydro produces is already low-carbon) to British Columbians while returning a sizable dividend to public coffers. As an integrated Crown corporation BC Hydro also provides for long-term planning, energy security, promotion of conservation, and a higher degree of public accountability and transparency than private corporations – all of which serve the public good.

Today the viability of BC Hydro

is severely compromised. BC Hydro is on the hook for approximately \$30 billion dollars in “energy purchase agreements” to private power companies. There are serious concerns about how this enormous financial obligation affects the economic integrity of our Crown corporation, as well as the future impact on the rates BC customers pay for electricity.

Additionally, BC Hydro has had to purchase electricity from private developers at prices far above prevailing market rates.⁸ Because

much of this private river power comes at the wrong time of the year and exceeds the needs of British Columbia, it is likely that it will be sold at a loss south of the border. In the last call for power BC Hydro paid almost \$125 per Megawatt hour (MWh) for intermittent private power, whereas on the open market dependable electricity is lucky to fetch \$60 per MWh.⁹ This “buy high – sell low” strategy will result in substantial financial losses to BC Hydro and to us, the ratepayers.

GE: Not Good For BC

Increasingly, large corporations such as Ledcor and Brookfield Asset Management have invested in private river power projects in BC. However, none cause as much public concern as the industrial US giant General Electric (GE). GE was ranked by Forbes in 2009 as the largest corporation in the world with \$185 billion dollars in sales.¹⁶

GE Financial Services has already partnered with Plutonic Power on

both of its Toba Inlet projects (East Toba and Montrose and the Upper Toba Valley) and the massive Bute Inlet power proposal.¹⁷ GE’s dismal environmental track record includes significant fines for water, air and soil pollution, fraud, and discharging as much as 1.3 million pounds of highly toxic PCBs into the Hudson River. This raises public concerns about corporate bottom lines versus the health of our rivers.¹⁸

People Power Beats Private Power

Tens of thousands of people from around BC have stood up to protect our wild rivers. Here's the goods on three key victories:

Klinaklini River - (Mainland Coast): Mounting public pressure resulted in the BC government refusing to amend the boundaries of a protected area to allow this large 280 MW river diversion project to proceed. (The proposal had the ability to generate 800 MW during high flow conditions).¹⁹

Glacier/Howser creeks - (Kootenays): Destruction of endangered bull trout habitat and concerns about water flows coupled with vehement public opposition derailed this environmentally damaging 100 MW proposal in 2010.

Upper Pitt River - (Lower Mainland): Massive public opposition stopped a proposal to dam and divert seven tributaries and put a transmission line through the heart of Pinecone Burke Provincial Park, saving one of the last wild salmon strongholds in the Lower Mainland.

We Can Do Green Energy the Right Way

People in BC strongly support our province playing a responsible role in the world. We all want to tackle climate change and green energy plays an important role, but we want it to be done right. This means, first and foremost, embracing conservation, and ensuring that if power projects are developed that they proceed in a democratic manner that protects the local environment, includes planning, promotes robust conservation measures and benefits the public – not just corporate interests.

We have the ability to do green energy the right way in BC: with proper public oversight and ownership. We must give people real power in the planning process instead of ignoring local concerns, and we must move towards a truly green and sustainable future without compromising the ecological health of our wild 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 and stewardship of our rivers.

Hotspots – Rivers to Watch

Here are a few river diversion projects to watch out for over the coming months.

Bute Inlet – (near Campbell River): This behemoth 1027 MW proposal between General Electric and Plutonic Power would see 17 rivers dammed and diverted into pipes. Located in the heart of grizzly bear, wild salmon and mountain goat habitat, the proposal has been dogged by concerns about its economic viability and its massive industrial footprint. Uncertainty about the status of this project remains as timelines for construction have been repeatedly and indefinitely extended.

Ryan River (near Pemberton): Destruction of bull trout habitat and impacts to a vulnerable population of grizzly bears are just a few of the reasons why this 145 MW project should not proceed.

Upper Lillooet River: Plans to divert water from the scenic Keyhole Waterfall, combined with concerns about impacts to endangered species, mean the plug should be pulled on this three stream, 113 MW proposal.

Shovel, Statlu, Big Silver and Tretheway Creeks (Harrison Lake area): This 79 MW proposal involves the diversion of four creeks around Harrison Lake. The Fraser Valley area already has 125 water bodies staked by private power developers. The ecological impacts of numerous river diversion projects, new road networks and the spiderweb of transmission lines raise significant ecological concerns.



Glacier/Howser protest in the Kootenays
Photo: WC Files

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- FOI documents given to the Wilderness Committee on the Upper Harrison private power development in 2009 revealed low environmental standards and exemptions from basic logging standards through private power projects being classified as 'minor tenures'.
- The report was commissioned by the Wilderness Committee and the BC Creek Protection Society. To become better informed read the report, Testing the Waters, available here: http://www.devlingailus.com/Testing_the_Waters_April_2010.pdf
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- BC has an entitlement to about 4,400 GWh of firm electricity through this agreement http://www.bchydro.com/annual_report_2009/organization_overview.html
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Take Action!

Contact BC's Premier today and tell them how much you want rivers to remain WILD and your power to remain PUBLIC.
It's time to pull the plug on Private Power!

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

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.
Go to wildernesscommittee.org/rivers and sign up for 10,000 Voices for BC Rivers action list. Around BC, thousands of people are taking action to keep their rivers wild and power public.



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Yes! I want to stand up for rivers at risk!



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