

TEXADA ACTION NOW COMMUNITY ASSOCIATION

P.O. BOX 128  
Van Anda  
V0N 3K0

e-mail [fletch@hughes.net](mailto:fletch@hughes.net)

Erica M. Hamilton,  
Secretary, BC Utilities Commission  
Box 250, 900 Howe Street, Sixth Floor,  
Vancouver BC.  
V6Z 2N3

January 5, 2009

BY E-MAIL

Dear Ms Hamilton,

**Response to British Columbia Hydro and Power Authority.  
2008 Long Term Acquisition Plan ("2008 LTAP")  
Letter dated November 21, 2008. Intervenor evidence from TAN.**

**1.0 Reference: Exh C33-3, General; Exhibit B-1-1, Appendix B1, p.56 of 84  
Policy Actions No 18 and 19**

**1.1. The Evidence included several attached documents to a cover letter. Please describe in further detail how the documents would assist the regulatory review of BC Hydro's long term resource requirements and acquisition plan.**

**RESPONSE.**

The Utilities Commission Amendment Act 2008 requires the British Columbia Utilities Commission to consider the British Columbia Energy Plan objectives and principles in long-term plans, project approvals and energy supply contracts. The commission is also required to conduct an inquiry regarding British Columbia's long-term transmission requirements.

The Commission is granted authority to deny an energy supply contract if it is not in the public interest. Guidance as to what is in the public interest is provided within the act and includes consideration of the government's energy objectives; the most recent long-term resource plans filed by the public utility; and, the interests of persons in British Columbia receiving service from the public utility.

TAN notes that BC Hydro has rejected new-gas fired plant as uneconomic, for reasons given in the application and, rightly so, there is no inclusion within the 2008 LTAP for new gas-fired generation.

However, WestPac LNG Corporation has been soliciting interest to build an LNG facility on Texada Island. The facility would include a 600-1,200 MW gas-fired electricity generation plant, the building of associated transmission facilities on Texada Island, and the movement of LNG tankers up and down the Georgia Strait.

As part of its intervention, TAN wishes to make clear to those concerned that the potential movement of LNG tanker traffic in BC inland waters in the Georgia basin commands wide public opposition. This is evidenced by the resolution passed by the Powell River Regional District (PRRD) of May 22, 2008, and the

Chair's subsequent letter to the Premier's Office dated June 25, 2008. PRRD opposition is endorsed by elected bodies around the Georgia Strait: the Islands Trust Council, the Capital Regional District, the Regional District of Nanaimo, the Comox Valley Regional District, and the Sunshine Coast Regional District. It was also adopted at the UBCM of October 7, 2008.

In addition, in support of the Province's goal of energy self-sufficiency and clean power those aforementioned municipalities are urging that as part of the BC Energy Plan, that zero greenhouse gas emissions be required from new gas-fired plants, the same test as applied to any coal thermal facilities.

TAN wishes to make clear to the BC Utilities Commission and to BC Hydro, that the entering of a power purchase contract for electricity which would require the passage of LNG tankers in inland waters of the Georgia Basin is not in the interests of these municipalities bordering the Georgia and Malaspina Straits or other persons in British Columbia, for reasons given in the PRRD letter to the Premier dated Jun 25, 2008.

This is so for the 2008 LTAP and for LTAP's in the future.

### **Self-Sufficiency**

It is worthy of note that the aforementioned municipalities, and TAN, support the Province's goal of achieving electrical self-sufficiency by 2016.

In its response to TAN's information request No 2.3.0 issued October 15, 2008, BC Hydro indicated that it would be possible under the BC Energy Plan, for BC Hydro to enter into a power-purchase contract with a supplier that sourced its feedstock from oceanic Pacific Rim regions, and still be able to meet the BC requirement of 100% self-sufficiency in electrical generation by 2016.

BC Hydro explained that as long as the Electricity Purchase Agreement was with respect to an electricity generating facility located "within the Province" under paragraph 3 of Special Direction No 10 (giving directions on self-sufficiency—see Appendix B2, Exhibit B-1-1) the BC Government does not require that natural gas-fired electricity facilities source their natural gas from B.C.

It is pertinent to suggest that the overriding aim of Special Direction No 10 is to achieve energy and capacity self-sufficiency in BC. It may be that the BCUC seeks further guidance from the BC Government, and "electricity generating facilities" be defined, but future dependence on Pacific Rim LNG to fuel BC electricity is not part of BC energy self-sufficiency.

TAN notes BC Hydro's response 2.4.0 that the self-sufficiency requirement set out in section 3 of SD 10 does not preclude BC Hydro from trading electricity.

### **RESPONSE:**

#### **2.0 Reference: Exhibit C33-3, Burrard: Cover Letter, p.1**

- 2.1. Please describe the nature of the "full monitoring by the BCUC" of the Burrard Generating Station, and the Commission's jurisdiction to undertake such monitoring.**

### **RESPONSE.**

As part of the LTAP proceedings the BC Utilities Commission will have to adjudicate on the future running of Burrard Thermal and give consideration to efficiency, necessity, cost and other economic and strategic factors, versus the pollutants and emissions generated at various output levels. In its submission TAN has publicised the wide support for a zero greenhouse gas emission standard for any new gas-fired plants.

The Commission will be hearing argument and evidence on the future running of Burrard Thermal, an existing facility. It may be that an upgraded Burrard is seen a necessary stopgap, to be used only for standby, pending the completion of 5L83. TAN will argue that the Commission should ensure that Burrard Thermal is only called into service only as a last resort (and this may be BC Hydro's intention) to establish system stability for the lower mainland with full offsets applied under BC government policy. BC Hydro should use best endeavours to reduce the need for Burrard to the minimum using alternative sustainable resources where zero emissions apply under the BC Energy Plan. If adopted, this approach would require monitoring by the BCUC to measure compliance.

Yours truly

Richard Fletcher.  
Vice-Chair, Texada Action Now Community Association.