

C33-6

BC HYDRO – 2008 LTAP  
EXHIBIT C33-6

TEXADA ACTION NOW COMMUNITY ASSOCIATION

February 18, 2009

BY E-MAIL

**Opening Statement.**  
**2008 Long Term Acquisition Plan ("2008 LTAP")**  
**Texada Action Now Community Association**

The Texada Action Now Community Association (TAN) is an organisation of residents on Texada Island BC pursuing balanced environmental and developmental goals for Texada Island. It opposes the building of an import LNG facility on Texada Island, associated gas-fired electrical generation facilities, and the movement of LNG tankers up and down the Georgia Strait.

**Opposition to LNG tanker traffic in the Georgia Strait.**

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.

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.

**Opposition to new gas-fired generation**

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.

**Importing LNG is NOT self-sufficiency**

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.

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

#### **Future Running of Burrard Thermal**

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.

#### **Demand Management and high trailing block rates**

A central tenet of BC Hydro policy under the BC Energy Plan is to use price to discourage use as part of a demand management strategy. TAN will be suggesting that BC Hydro mitigate its demand management strategy in communities without access to natural gas, where businesses and residents may experience hardship.

In addition, TAN will be asking BC Hydro of Plan B, if demand management and resource plans fail.

#### **Stewardship**

Over the years BC has benefited from a stable regulatory regime based on historical cost rates, and an averaging-in principle for new generation at embedded cost rates. TAN has obvious concerns that the call for green power and the myriad of independent power producers will produce a new, unfortunate dimension and consequence for the BC electricity user running contrary to historical BC citizen rights. TAN will want the BCUC and BC Hydro to address these issues.

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