



***Regional District of Kootenay Boundary (RDKB)***  
202-843 Rossland Avenue  
Trail, BC V1R 4S8

**SPEAKING NOTES FOR:**

**Ali Grieve, Area 'A' Director, on behalf of the  
RDKB Board of Directors, to the  
British Columbia Utilities Commission**

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**BCUC Community Input Session  
Fireside Inn hotel & Conference Centre  
(Columbia Room)  
Castlegar, BC  
Saturday, January 13, 2018  
1:00 pm**

## **General**

- My name is Ali Grieve. I am the Director for Area A of the Regional District Kootenay Boundary and represent the area where the Waneta Dam is situated.
- The RDKB encompasses over eight thousand square kilometres and is home to over thirty thousand residents who live in five rural electoral areas and eight municipalities.
- Waneta Dam plays a role in supporting services to all these communities and their residents and businesses.
- On behalf of the RDKB Board of Directors, I am speaking here today to protect the services local government provides to the people we serve.
- I am speaking to protect the funding that makes those services possible.
- I am also speaking in support of the economic and social well-being of our region.
- That well-being includes the continued positive presence of Teck's Trail Operations, a key area employer, tax-payer and corporate citizen.
- It also includes access to affordable, clean and renewable power to our region.

## Summary of Concerns

- The RDKB understands that Teck Resources Limited is able to sell its private property how it sees fit, according to legislation and regulations set out by the BCUC and the Province of BC.
- The RDKB is more concerned with potential impacts to its residents and protecting our natural resources over and above the issue of WHO owns the dam.
- This is why we have concerns about the BC Hydro plan to purchase the remaining two-third ownership interest in the Waneta Dam and Generating Station from Teck.
- The sale could have a negative impact on service delivery for the Regional District of Kootenay Boundary.
- The sale could result in an increase in electricity rates for our region.
- The sale risks undermining one of Teck's historical reasons for operating in Trail—proximity to affordable power it owns and produces itself.

## **RDKB Taxation and Service Delivery**

- The Waneta Dam assessment is a key source of funds for delivery of local government services.
- We are uncertain how BC Hydro's interest will be managed in regard to property taxation and so we are uncertain how a change in taxes will affect our ability to fund and provide necessary services.
- Any reduction in the Waneta Dam's assessment, with a resulting reduction in the ability of the RDKB to requisition funds, could impact current RDKB services residents may require in the future.
- Assessment changes could result in significant residential tax increases.
- As part of the industrial tax base for the region, the Waneta dam plays a significant role in regional district service delivery.
- The removal of the Waneta Dam from the tax base, with a consequent grant in lieu of taxation received as an alternative, may impact upon the level and/or structure of revenues available to the RDKB to deliver its services.
- Similarly, if the sale of the remaining two-thirds of the Waneta Dam to BC Hydro jeopardizes the long term sustainability of Teck's Trail Operations, there would be a significant impact upon the regional tax base that supports services delivered to communities within the RDKB.
- Examples of services directly or indirectly funded by the Waneta assessment and/or current participation of Teck related to ownership of the Waneta Dam include:
  - A local noxious weed service, helping to protect agricultural lands in the Beaver Valley which is part of Electoral Area A, the area I represent.
  - Vital services such as fire protection, recreation and transit.
  - Waste management, planning and development and regional building inspection.
  - Funding of education and capital financing for local healthcare.

## Electricity Rates

- A secondary issue is the possible impact on electricity rates in the FortisBC service area which encompasses part of the RDKB.
- FortisBC buys power from the Waneta Dam, and if this source is no longer available, FortisBC may be forced to buy electricity on the open market and/or to rely on less sustainable sources of power.
- A change in where FortisBC gets its power could lead to higher electricity rates for FortisBC customers in the RDKB.

## Teck Trail Operations

- Teck is a key area employer, tax-payer and corporate citizen.
- The Waneta Dam provides low-cost, clean and renewable power to Teck's metallurgical operations.
- As a condition of the sale, Teck has requested a 20-year lease to use the two-thirds interest in Waneta to produce power for its industrial operations in Trail, with an option to renew that lease for a further 10 years.
- What happens when this time is up?
- The RDKB is keenly interested to see Teck remain a vital part of our community for well beyond the next few decades, and is concerned that no long having affordable access to Waneta power in the future could jeopardize that.

## Conclusion

- The RDKB does not want to interfere in a private firm's ability to conduct business as it sees fit.
- However, the sale of any part of a publicly regulated utility cannot be allowed to negatively impact local government's ability to provide services.
- The RDKB requests:
  - That the assessment status of the Waneta Dam, both now and in the future, be maintained to ensure the sustainability of current and future local government services.
  - That the power rates for FortisBC customers not be increased due to any requirement of Fortis Inc. or FortisBC to purchase or develop power sources independent of Waneta Dam.
  - That local government and by extension local residents continue to maintain some measure of control and influence over our natural resources.
  - Our region has been pivotal in the production of power from local waterways for the benefit of BC. We want to ensure we continue to benefit from that resource at the local level.
- Thank you very much for listening to my comments today on behalf of the Regional District of Kootenay Boundary.

