

BRITISH COLUMBIA UTILITIES COMMISSION  
IN THE MATTER OF THE UTILITIES COMMISSION ACT  
R.S.B.C. 1996, CHAPTER 473

And

British Columbia Utilities Commission  
Indigenous Utilities Regulation Inquiry

VANCOUVER, B.C.  
June 12, 2019

---

**Community Input Session**

---

**BEFORE:**

|                      |                             |
|----------------------|-----------------------------|
| <b>D.M. Morton,</b>  | <b>Chairman/Panel Chair</b> |
| <b>C.M. Brewer,</b>  | <b>Commissioner</b>         |
| <b>A. Fung Q.C.,</b> | <b>Commissioner</b>         |
| <b>B. Lockhart,</b>  | <b>Commissioner</b>         |

**VOLUME 6**

**INDEX**

**PAGE**

**VOLUME 1, JUNE 3, 2019 - CRANBROOK**

PRESENTATION BY MR. McCURRY .....2  
PRESENTATION BY MS. EUNSON .....19

**VOLUME 2, JUNE 5, 2019 - KELOWNA**

PRESENTATION BY MR. CAWLEY .....35  
PRESENTATION BY MR. FODEN .....78  
PRESENTATION BY MR. ALEXIS .....55  
PRESENTATION BY MS. DERRICKSON .....64

**VOLUME 3, JUNE 6, 2019 - KAMLOOPS**

PRESENTATION BY MR. MATTHEW .....69  
PRESENTATION BY MS. MANUAL .....103  
PRESENTATION BY MS. HOOPER .....114  
PRESENTATION BY MR. GOTTFRIEDSON .....132

**VOLUME 4, JUNE 7, 2019 - WILLIAMS LAKE**

PRESENTATION BY MR. THOMPSON .....141

**VOLUME 5, JUNE 10, 2019 - PRINCE RUPERT**

PRESENTATION BY MR. STARLUND .....177  
PRESENTATION BY MS. GEMEINHARDT .....208  
PRESENTATION BY MR. McDAMES .....209  
PRESENTATION BY MS. SKIDMORE .....218  
PRESENTATION BY CHIEF CAMPBELL .....222  
PRESENTATION BY MR. WILSON .....230

**INDEX**

**PAGE**

**VOLUME 6, JUNE 12, 2019 - VANCOUVER**

PRESENTATION BY CHIEF MICHELL .....245  
PRESENTATION BY MR. MORAES .....287  
PRESENTATION BY MR. ROKA .....300  
PRESENTATION BY MS. BALABANOWICZ .....306  
PRESENTATION BY MR. CORMAN .....309

VANCOUVER, B.C.

June 12<sup>th</sup>, 2019

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

(PROCEEDING RESUMED AT 2:00 P.M.)

(INTRODUCTION)

MR. GEORGE: Okay, so we're going to go to our speakers list to begin today's proceedings. I want to ask Chief Patrick Michell, the Kanaka Bar Indian Band, Chief, make your way up to the front table up here. We ask that you introduce yourself, first and last name, and spell your last name for the record too.

PRESENTATION BY CHIEF MICHELL:

CHIEF MICHELL: [*Native language spoken*] So my name is Chief Patrick Michell. Last name is spelt M-I-C-H-E-L-L, from the Kanaka Bar Indian Band. And for the transcribers good luck finding out to figure out how to spell the rest of that stuff I said. It's on our website just so you know, it makes it easier. Just "right click and steal" we like to say.

When I found out about this session I struggled immensely personally because I didn't know what a utility was. As the commissioners do you know anything about Kanaka Bar and our story?

THE CHAIRPERSON: Nothing -- I don't believe so, sir. At least not at this point, no.

CHIEF MICHELL: Well, we actually don't know a heck of a lot. I have a \$200 million 50 megawatt Hydro

1 project located on my traditional territory. We  
2 started it in 1978, we got it operational in 2014. We  
3 produce on average 50 megawatts of electricity per  
4 hour for sale to BC Hydro through the 2006 call. So I  
5 don't know, I guess that puts me in the one of the --  
6 I produce electricity, so I might be a utility, I just  
7 didn't know that.

8 I currently have seven operating solar  
9 projects, four which are connected to the grid through  
10 net metering. I currently have two operating wind  
11 towers that are also connected to the grid through net  
12 metering.

13 THE CHAIRPERSON: Sorry, excuse me. What -- the 250  
14 megawatt project?

15 CHIEF MICHELL: Sorry, it's the 50 megawatt Kwoiek  
16 Creek Hydro project. So that is the --

17 THE CHAIRPERSON: Okay, thank you. The run-of-river?

18 CHIEF MICHELL: Yeah, run-of-the-river.

19 THE CHAIRPERSON: Thank you.

20 CHIEF MICHELL: Currently reviewing a 500 kilowatt EPA  
21 under the micro SOP program. That project has been  
22 stalled but we won't get into that today. So it looks  
23 like my community might be producing electricity.  
24 That's today's story. What I'd like to do is share a  
25 little bit about yesterday's story first.

26 My grandmother told me that her "grand

1 mother told me," that our community had been living  
2 off the land and resources for time immemorial. Now,  
3 what does that mean? Hmm. So that means we were  
4 using the land and resources to live. And to live you  
5 need only five things: air, water, food, shelter,  
6 energy. For with those five things you can have a  
7 quality of life anywhere.

8 Because traditional knowledge is often  
9 swept under the table as being -- and especially the  
10 storytellers like me also are swept under the table  
11 because I may speak too fast, too much, too much in a  
12 grandiose manner, use inappropriate analogies, so  
13 today I'm going to minimize that.

14 So what is the value of traditional  
15 knowledge? I know where the sun shines. I know where  
16 the wind blows. I know where the water flows. And if  
17 you're going to be a utility that ain't good enough.  
18 You cannot design energy production based on "there's  
19 water in them thar hills". That's something we  
20 learned in 1978 when we were looking for an  
21 opportunity to do something different.

22 So we started this process of, okay, let's  
23 have a look around. We didn't have an idea. We live  
24 in the Fraser Canyon. Now, I heard your guy's  
25 introduction, so did I catch -- anybody have a  
26 business degree? But you guys have really got it up

1 here 'cause you wouldn't be up there if you didn't.  
2 We come from a region of British Columbia where we  
3 guarantee all third parties negative return on  
4 investment. Mmm. Get it? That's why we look like we  
5 have no economy.

6 We don't have oil and gas. We don't have  
7 forestry, we don't have tourism, we don't have  
8 agriculture, and there's always a fifth one. I always  
9 forget one. Let's just say we don't have what we'd  
10 have, a traditional economy, something that they would  
11 teach at SFU or UBC, Sauder, all those places.

12 What we have, though, is this thing called  
13 sun, wind, water, geothermal and biomass. We have  
14 been using it for 8,000 years to power Kanaka Bar's  
15 economy.

16 Chamith, are you here today? Put your hand  
17 up. Chamith invited me to speak at an event called,  
18 "The Indigenous Green Economy" and again I struggled  
19 because I didn't know what that meant. But what it  
20 meant though, afterwards, after I thought about it, is  
21 what it actually means is that to live off the land  
22 and resources for those five purposes sustainably.  
23 So these epiphanies often will come to me saying, "You  
24 have this opportunity to live sustainably. You don't  
25 need a forestry economy, you don't need an oil and gas  
26 economy, you don't need a tourism economy, you don't

1           need a mining economy if you just act appropriately in  
2           all the circumstances. You don't need more. Just  
3           take what you need to live, always making sure there's  
4           something for future generations.

5                       I told you there were five things and  
6           during that, energy is critical because one of the  
7           definitions of an energy utility -- well, first of  
8           "utility" over here seems to be energy. Through  
9           energy. What is energy. And for 8,000 years energy  
10          was branches, trees. You cut them up. You baked your  
11          bread, right? You found your way to the outhouse at  
12          night. Oh, there's one of those bad analogies, right?  
13          We had energy.

14                      The other one was two legs and a heartbeat.  
15          My grandmother also told me, you worked or you died.  
16          The fish didn't get into the freezer on its own.

17                      So we have this concept of energy, we have  
18          this concept of utility. And the questions, and I'll  
19          get to these, what defines the characteristics of an  
20          Indigenous utility? So that first question for me is  
21          now that I know what a utility is, because I might be  
22          one of them, right? I'm going to go out there and say  
23          I'm a utility. Am I an Indigenous utility? Well, I'm  
24          a member of the Indigenous people of British Columbia.  
25          My ancestry goes back eight or nine thousand years, so  
26          in that one sense.

1                   Am I a chief? I lost my card, just in  
2 case, sir, that you asked for it. I actually printed  
3 off the internet a card that says I was a chief. I  
4 meant to bring one. I couldn't find it.

5                   What defines an Indigenous person is not a  
6 card. I've a status card. It doesn't define me.  
7 What defines me as an Indigenous person is my heart  
8 and my mind. And I did that. Because I know those  
9 guys over there can't sit down there and transcribe  
10 hand gestures. But I'm a story teller, I'm going to  
11 do a lot of it.

12                   My beliefs are different from normal  
13 peoples, in a sense, what we'll call normal. I'm not  
14 your average Canadian. I come here today, I bought a  
15 Value Village suit, I have Wal-Mart shoes and I drive  
16 a beat up van. Can I afford better? Probably. Do I  
17 need more? No.

18                   So if I'm raised to say, "Why do you need  
19 more," because in 1858 on or about August 23<sup>rd</sup> or  
20 November of 1858 or February of 1859 some guy called  
21 Douglas declared a colony. You have to understand,  
22 there's three times. For those people -- I mean,  
23 you're a lawyer. You'd fact check. You can check.  
24 There's three dates when Douglas appears to have  
25 declared the colony of British Columbia.

26                   The first time he did it was on the same

1 day that my nation signed a treaty with the Americans.

2 You talked about the *Sparrow* decision in  
3 section 35. The doctrine of discovery says that when  
4 you come to a land, if it's vacant and unoccupied you  
5 can claim it as your own. I love that one. I think  
6 it's kind of codified in 1763.

7 The other alternative is the doctrine of  
8 conquest, which is if you come across a new lands and  
9 you kick the crap out of the Indigenous people, you  
10 can claim it through strength of arms.

11 And the third one -- let's see. There's  
12 the doctrine of discovery, the doctrine of conquest.  
13 Oh, treaty. Just about forgot one.

14 Well, my nation was here first. So the  
15 doctrine of discovery doesn't apply, notwithstanding  
16 what everybody else says. Because my grandmother's  
17 story was corroborated. I hired not one, but two  
18 archeologist over 14 years to substantiate my  
19 traditional knowledge. That's why I know for 8,000  
20 years we lived at my community. Sorry for the  
21 thumping transcribers. We've now conclusively  
22 corroborated my traditional knowledge with today's  
23 science.

24 And an Indigenous utility must man- -- what  
25 do you call it? Bring together the traditional  
26 knowledge with science. Don't let an Indigenous

1 utility or utility create if they don't know what  
2 they're doing, step one.

3 And trust me, the last thing you want to do  
4 is throw me with the on and off switch. I back myself  
5 up with a team. Chamith helped me design my solar  
6 tracker and we helped install it. And when I break it  
7 I phone him up and he tells me how to fix it. That's  
8 not a utility. All it's doing is powering my  
9 maintenance sheds through net metering. Riverside  
10 Energy Systems helped me design my six kilowatt solar  
11 on my Band office and my four kilowatt solar on my  
12 health building, again net metering connected. I  
13 can't do it alone. An Indigenous utility better have  
14 strength of partnership.

15 Julia, are you here today? Yes. See how I  
16 do that. I don't even have to know who's behind me.  
17 Julia works for Innergex. Can you imagine giving me  
18 the keys to a hundred million dollar hydro project or  
19 \$200 million hydro -- nonsense.

20 I invested in the water license in 1990. I  
21 did ten years of baseline data collection before we  
22 started shopping around for a partner. And our  
23 partner, took me a long time, we brought Innergex into  
24 British Columbia in 2003 and in 2005 we did a business  
25 development deal. And collectively as a partnership  
26 we went off and secured the 2006 EPA agreement.

1 Through no fault of her own and a lot of other stuff,  
2 we were delayed, we missed the EPA construction start  
3 date but it's not because we weren't doing diligence.

4 But in 2011, in the spring of 2011 we  
5 didn't break ground, we started though. In December  
6 15<sup>th</sup> of 2011 we brought up, I believe it was --  
7 whatever -- Berry Penner, he was a liberal person. He  
8 was either ministry of Aboriginal Relations, Ministry  
9 of Attorney General or Minister of Environment. And he  
10 came to my community because he, as Minister of  
11 Environment, he had signed our EAO clearance  
12 certificate.

13 You know what that meant? With my  
14 strategic partnership we were able to get people like  
15 a Utilities Commission or an independent party to  
16 believe in our project. Because it wasn't just enough  
17 about saying, "Hey, look, let's just throw it over to  
18 these guys. Maybe they'll do something happen." You  
19 need to prove. You want to be a utility? Prove that  
20 you have the capacity to design, build, operate and  
21 decommission your energy source.

22 Now, there are three other energy sources  
23 available in British Columbia. Wave tidal, wave and  
24 large hydro. Well, those don't apply to my community.  
25 So we won't get into those, just those other five. If  
26 I'm going to tap into those resources, those five that

1 I have, I'm always going to have a team. And this is  
2 critical for me. Because we can make thing happen but  
3 we also know we need strategic partnerships.

4 Now I don't know if Ryan Hanson will come  
5 here today, because he was the original project  
6 manager for my big project. I'd let him know I was in  
7 town. I didn't know Chamith was going to be here. I  
8 don't know who spoke at your previous location. But I  
9 want to talk about those previous locations at this  
10 time.

11 Was the sun shining in Williams Lake?

12 THE CHAIRPERSON: Yes.

13 COMMISSIONER FUNG: Yes.

14 THE CHAIRPERSON: It was partly cloudy but there was a  
15 fair bit of sun.

16 CHIEF MITCHELL: Absolutely, and if you were in Prince  
17 Rupert did you see the big, big building, looks like a  
18 rec hall? On your way in, there's a hotel up here as  
19 you're heading up the mountain, heading back up to  
20 Terrace?

21 THE CHAIRPERSON: Yeah, yeah.

22 CHIEF MITCHELL: So off to the left was a hotel and  
23 there's a huge beautiful rec centre. Oh, as an energy  
24 utility type person I just wince when I see wasted  
25 energy. Wasted I tell you. Because they're buying  
26 electricity from BC Hydro to power that rec centre in

1 Prince Rupert.

2 Why wouldn't they put in a simple, I'm  
3 going to call it -- there is a brand new type of hydro  
4 production that consists -- needs 1.2 metre drop and  
5 you can generate three to five kilowatts of  
6 electricity. The one that's on the internet is 15  
7 kilowatts. And invested in Chile and it powers their  
8 manufacturing plant.

9 Do you know why that company in Chile did  
10 that? Because there was no independent distribution  
11 or transmission lines powering that community. So  
12 those people powering their own infrastructure.

13 So that would put down owns and operates  
14 the equipment that delivers energy, deals with outage  
15 or emergency, is responsible for reading your meters  
16 and may also produce, store or transmit energy. So in  
17 that one location, a utility, if you meet those four  
18 bullet points I don't -- I generate electricity and I  
19 give it to BC Hydro. So I'm somewhat limited.

20 I'd like to explore an expansion into  
21 alternatives, and I'm here today because my gut check  
22 is saying, "This is going to stop me." You have to  
23 file a report on or before December of this year. Is  
24 this another mechanism of our government, Crown, and  
25 BC Hydro Crown corporation to stop me from living my  
26 way? 8,000 years I utilized energy as a family, as an

1 individual and as a community. We energized our  
2 community.

3 This goes to Section 35 of that *Sparrow*  
4 case. Indigenous people are not frozen in time. I  
5 believe it was *Delgamuukw* that said in 1846 if you had  
6 something that defined you as a people, as a nation,  
7 right, that's what Section 35 was designed to protect.

8 If we powered our energy of -- our economy  
9 of our homes for 8,000 years, will BC Hydro and will  
10 the provincial government allow me to power it  
11 tomorrow? Kind of scary for me. Because I'm not  
12 ready to be a full-blown utility. I cannot sit down  
13 here responsible for reading my meters. But you know  
14 what? If the opportunity is there, I will scale up.

15 I have seven anemometers in my community as  
16 we speak. Four water gauging stations and all those  
17 solar projects are giving me 24/7/365 site specific  
18 data. I'm powering small infrastructure and I can  
19 scale up to power the entire community, or if BC Hydro  
20 and other people allow me, power the region.

21 I'm not sitting here trying to power  
22 Washington State. Nor do I want to sit there and deal  
23 with Jason Kenny. If the transmission line goes down,  
24 if the distribution line goes down, I want the light  
25 bulbs at Kanaka Bar to stay on. And that monopoly  
26 called BC Hydro cannot guarantee that. They simply

1           can't.

2                         Because we are facing an existential  
3           crisis. One hundred and sixty-one years ago a colony  
4           was declared. And one hundred and sixty-one years  
5           later, we're dealing with everything: flooding,  
6           forest fires, landslides, precipitation events,  
7           drought. Do you think that our distribution lines can  
8           handle this?

9                         You were up in the Williams Lake area. How  
10          long were some of those communities without  
11          electricity? Two, three, four, five weeks. Because  
12          when a forest fire burns, the transmission lines or  
13          the distribution lines, the power doesn't get to those  
14          communities. Why wouldn't there be an independent  
15          power producer or a utility there that when the main  
16          grid goes down, the region doesn't have to sink into  
17          chaos? When you're dealing with climate change, we  
18          need to be encouraging this type of development.  
19          Again I go back to the fact that I'm here today  
20          because I'm afraid that's not what I'm hearing.

21                         I'd like to -- you don't have it yet and  
22          I'm going to submit to you afterwards, but I'm going  
23          to, for the record, refer to a letter dated October  
24          18<sup>th</sup> of 2013 which the former chief, James Frank, wrote  
25          to Charlie Wheeler in regards to the IRP. During that  
26          letter it says:

1 "Dear sir and/or Ma'am  
2 Please be advised that we are an Indigenous community and  
3 we would love to participate in the energy sector. We  
4 can go big, we can go utility size, we can go small.  
5 Please allow British Columbians..."  
6 You've labelled this as an Indigenous session. My  
7 community says this is not about Indigenous. This is  
8 about giving British Columbians an opportunity.  
9 Because -- so in that letter, you can review it and it  
10 will speak for itself and you'll see that we've been  
11 working a long time.

12 You probably haven't seen that letter, but  
13 you may have seen this one. It's dated February 14,  
14 2018 (typo), I put in the word "19", from Les McLaren.

15 Have you seen this one, Commission?

16 THE CHAIRPERSON: I'm sorry, that was from February 28<sup>th</sup>?

17 CHIEF MICHELL: February 14<sup>th</sup>, 2019 from Les McLaren,  
18 Assistant Deputy Minister.

19 THE CHAIRPERSON: Okay.

20 CHIEF MICHELL: The letter goes on, and I'm paraphrasing:  
21 Dear Sir and/or Ma'am. Effective immediately there  
22 will be no more renewable energy projects permitted in  
23 B.C." Does that not apply to a utility then?  
24 "I'm writing to notify you that the SOP program is  
25 indefinitely suspended." Why are we having a  
26 conversation if BC Hydro doesn't want the electricity?

1                   So I'm trying to reconcile this Commission  
2                   -- this inquiry with this letter.

3                   What I came here for is to ensure that this  
4                   Commission know, if you haven't been instructed, if  
5                   you don't have the mandate, I beg of you, I implore  
6                   you, look at this as though lens of climate change.  
7                   We need independent power production in various  
8                   regions. I can power from Boston Bar to Lytton. I  
9                   have enough wind, solar, hydro, biomass, and  
10                  geothermal to power a region. At this moment I'm just  
11                  powering my community.

12                  Do you know how much I charge my Band  
13                  office for the solar that I provide them? Watch out  
14                  for BC Hydro, they're not going to like this one.  
15                  Zero. I heard from this young lady over here today  
16                  that we want to get -- and I had to cycle it. We want  
17                  to get safe, reliable energy at a fair price. How's  
18                  zero work for you? I'm an Indigenous person, I don't  
19                  need t make one or two present on investment. I don't  
20                  even need to make six or eight, in fact. Greed is why  
21                  we're dealing with climate change. 161 years of more,  
22                  more, mama-more, mama-more, mama-more, more. Good  
23                  luck transcribers on that one.

24                  We have the capacity to take each one of my  
25                  individual residential units, my civil infrastructure,  
26                  my administration structures off the grid. Because

1           maybe you want to regulate that, that's going to be  
2           interesting. If I sit down here and put enough solar  
3           with battery storage on my health building and  
4           disconnect from the net metering can you regulate  
5           that? Should you regulate that? And from my  
6           community's perspective you're darn tootin' you  
7           should.

8                           Now, I don't know whether or not it should  
9           be the *UCA*, but somebody needs to regulate because you  
10          said something in your introduction and you've got it  
11          codify it's here. British Columbians need safe,  
12          reliable energy. Not some fly by night -- I don't  
13          know what you want to call it. Something that is  
14          going to endanger people's lives. For 8,000 years  
15          we've lived and we've lived safely.

16                           Do not allow unregulated production on  
17          energy. People's lives are at stake. We need to make  
18          sure that whatever is developed -- I did a  
19          presentation -- again, I've talked about the October  
20          18<sup>th</sup>, 2013 letter. I will submit the February 14, 2019  
21          letter just as an addition, just so you guys can  
22          understand as you deliberate. I recently spoke to the  
23          Canadian Senate. And at that time they offered to  
24          take me over to Ottawa. No, nonsense. I Skyped.  
25          Why? Because I was concerned about the GHG emissions.

26                           I was given one hour to speak -- or

1           actually five minutes. Dan George didn't tell me how  
2           long I could speak. That's funny right there. And  
3           neither have you. So thank you very much. And I  
4           notice that I wasn't even the first speaker, so the  
5           first speaker hasn't showed. As I understand from the  
6           process he's now regulated to the bottom of the  
7           lineup, your loss. But I also heard though you're  
8           prepared to sit here till nine o'clock tonight. Well,  
9           thank you.

10       THE CHAIRPERSON:           I don't know if Anna --

11       CHIEF MICHELL:           But I want you guys to understand here,  
12           there are 633 Bands in Canada, there are 203 in B.C.  
13           And these Bands aren't the nations themselves. My  
14           nations consists of 15 communities, I am one. I'm  
15           *[speaks foreign word]*, it means one of the people who  
16           live within this geographical boundary. *[speaks*  
17           *foreign language]* means the crossing place which is  
18           the -- here. So, again, you guys will have fun with  
19           that.

20                                But you need to understand here, I can  
21           power my community. And if BC Hydro and their grid  
22           fails down I'm going to make sure that if the grid  
23           goes down the lights are still on at my community.  
24           But I will make sure that that was done with qualified  
25           engineers. With qualified professionals. I will not  
26           allow my children and grandchildren to have unsafe

1 energy, but I will make sure that they have a secure,  
2 stable and predictable energy source. And we're going  
3 to do it through diversified energy sources. Solar  
4 only produces electrons during the day. Wind kicks up  
5 at four o'clock at night and goes till approximately  
6 11:37 p.m. at night, but who's counting? Actually, I  
7 do.

8 My seven-year-round creeks can produce  
9 probably -- and I haven't done the calculations, but  
10 easily 10, 15 -- maybe two megawatts of electricity  
11 year-round. So that would be a 500 kilowatt here,  
12 maybe a 100 kilowatt there, and maybe a 50 kilowatt  
13 there. So you could put all these into one building,  
14 right, so it's an integrated thing, and then  
15 distribute it.

16 I have a company known as Westpark  
17 Electric. Now, I really like these boys. These boys  
18 did not offer me cheeseburgers, these boys did not  
19 offer me hats. These boys said to me when they were  
20 bidding on the transmission line for my big project,  
21 "We will design and install a legacy distribution line  
22 for you, sir. We will make sure that it is done  
23 safely. We will maximize First Nations employment  
24 where we can and we will not only hire your people,  
25 but we will fire your people too."

26 These guys did everything they could to

1       bite the hand that feeds them, and I awarded them the  
2       contract, because they were honest, they were fair,  
3       and as a result I got a 71 kilometre distribution  
4       line, 138 kV built from my community to Highland  
5       Valley. Innergex made sure that we built a \$200  
6       million production centre. Innergex made sure I got a  
7       distribution line built. To the best of my knowledge,  
8       we have never been shut down yet, because we didn't  
9       optimize the project.

10               The watershed potential, the hydrology  
11       potential of Kwoiek is 80 megawatts, but we only  
12       decide 50 megawatts production to make sure that we  
13       would run during low water times.

14               I wanted to come down to make sure that you  
15       guys were looking at this through the lens of climate  
16       change. Minister Hayman released a document called  
17       "Clean B.C." and I believe he released it, *ehh*,  
18       November. That means we recognize unequivocally that  
19       climate change is here, that it's growing in  
20       frequency, duration and intensity and we should be  
21       doing something to get ready. Making sure that we  
22       exist under monopoly is not getting ready. We need  
23       to diversify the energy sources.

24               The 2013 letter was a letter written saying  
25       look, there's an alternative to Site C. It's called  
26       small-scale diversification across British Columbia so

1           that if catastrophes occur, British Columbia can still  
2           have the lights on. We have this letter here.

3                       When you look through this lens here should  
4           there be First Nations or Indigenous utilities?  
5           Absolutely provided they meet certain criteria.  
6           Whether or not it's something called the -- by the  
7           way, I've never read the *UCA*. I'll probably say it a  
8           few times more just because it sounds cool. *UCA*. But  
9           -- Commissioner Fung, have you read the *UCA*?

10   COMMISSIONER FUNG:       Yes, I have, actually. Believe it  
11           or not. I've read the regulations too.

12   CHIEF MICHELL:       Yes, and do you know what I do? I hire  
13           people to read that stuff for me and tell me what it  
14           says. The thing that needs to be really clearly  
15           articulated though by this Commission is after you  
16           look through this thing here, please don't change the  
17           goalposts in the middle of a project.

18                       My Siwash Creek project started as a two  
19           megawatt. BC Hydro said, "Hey, do you guys mind if  
20           you downsize to one megawatt." So we downsized to one  
21           megawatt. Then they asked what would even be better  
22           if we downsized to the 500 kilowatt. It was amazing.

23                       So we were trying to be friends with BC  
24           Hydro, so we went from a two megawatt potential down  
25           to 500 kilowatt and this is during this process of  
26           about four years. Just saying it would really good.

1 Do you know what happens when somebody says, "It would  
2 be good if you downsized your project?" What they  
3 didn't say, "Because if you continue along this path,  
4 we're going to do everything to sabotage you."

5 After we wrote this letter in 2013 the IRP  
6 came out. The IRP says, "Delay, downsize and defer  
7 projects in British Columbia before we send the death  
8 letter of 2019." Right? Isn't that basically the  
9 policy of today of BC Hydro: Delay, downsize, and  
10 defer IPPs until the Crown can kill IPP?

11 Maybe I'm paraphrasing wrong. But that's  
12 okay. You guys are independent, you're non-biased.  
13 I'm just saying here I'm perplexed at where our  
14 province is taking us.

15 Indigenous utilities have to have a  
16 component of their mind and their hearts, and there is  
17 nothing more determined by the location of their  
18 villages.

19 Dan George, I've been to your village and I  
20 wept with the beauty of it. I've been to Prince  
21 Rupert and I've been to Williams Lake. And each one  
22 of these communities are there for one reason, because  
23 their ancestors found adequate wind, water, sun and  
24 land. Two hundred and three communities in B.C. are  
25 strategically poised to become an Indigenous utility.  
26 They may not have the capacity.

1                   Every community I know is experiencing  
2                   deficiencies in people, time, technology and money.

3                   My ancestors quoted Clint Eastwood to me.  
4                   "A man's got to know his limitations." Indigenous  
5                   utility should have partners, it's going to be  
6                   important. You know what, I'm not going to bang on  
7                   anybody else. My community is not ready to be a 100  
8                   percent Indigenous utility. But my partnerships read  
9                   50 percent plus one. That's a partnership.

10                  But the issue here is, Indigenous kind of  
11                  ends underneath corporate law, doesn't it? Do you  
12                  remember -- when a corporation exists it's called a  
13                  separate and distinct legal entity. So we created a  
14                  corporation, is that still Indigenous if I'm now a  
15                  legal third party? So this is going to be critical  
16                  and applies to the tax exemption status. First  
17                  Nation's corporations are not tax exempt. So it's  
18                  going to be important as to how you structure it. I  
19                  think that if you're going to be reviewing an  
20                  Indigenous utility, look at the strength of their  
21                  partnership.

22                  Now pictures this, do you think that my  
23                  community can keep our traps shut? If you have  
24                  presentations by communities who can not articulate  
25                  their hopes, fears, dreams and aspirations, who cannot  
26                  articulate their traditional knowledge. Or they

1 cannot articulate the site specific data that they've  
2 gathered to complement their traditional knowledge.  
3 Then I don't know whether or that's an Indigenous  
4 utility. That looks like somebody who's been marched  
5 out and saying, "Look it's an Indigenous utility  
6 because I've got somebody with a card." So it's  
7 important that whoever this Indigenous utility is  
8 actually have some sort of meaningful say in that  
9 partnership, that's critical.

10 When we partnered with Innergex, they  
11 talked about optimizing and our community said, "No,  
12 you cannot use more than you need. A 50 megawatt  
13 project will pay the capital costs, and you're a  
14 publicly traded company and it'll hit your internal  
15 return on investment margins. Why do you need more?"  
16 Innergex agreed. The strength of an Indigenous people  
17 is to make sure that the project it designed to  
18 produce electricity year round, not maximize profits  
19 during a freshet.

20 Should Indigenous utilities be regulated?  
21 That I can't answer you. I don't know. I'm just  
22 saying we should be regulated. If it's appropriate to  
23 regulate Indigenous communities, should they regulated  
24 differently? Absolutely bloody not. British  
25 Columbians need fairness, consistency, transparency  
26 and honesty. You don't give me a mulligan. You make

1 me prove that my Indigenous utility can provide safe  
2 and reliable energy. Don't you tell me what my rate  
3 is, that's for me to decide. If I want to break even,  
4 that's me.

5 My current solar projects get me down to  
6 almost net zero. My actual savings is the fact that  
7 I'm not paying BC Hydro anything except for the  
8 monthly fees that you have in accounting. You produce  
9 just as much as you consumed. That's an operational  
10 savings, there's no profit in that. But the money  
11 that I save, approximately \$1,000 a month, is now  
12 diverted into current programs and services. I made  
13 the capital cost investment to reduce my operating  
14 cost to zero.

15 Now, underneath the net metering and stuff  
16 like that, that's a whole different shebang, isn't it?  
17 They're going to limit my production to whatever my  
18 consumption is? I don't even know, I'm not even going  
19 to participate in that one. But I'm just saying here  
20 is, if I can sit there and generate electricity to see  
21 myself only paying your "connected to the grid fee",  
22 that's a success story in my community.

23 This has nothing to do with it, but I'd  
24 love to be able to supply more to the market if the  
25 market would want it. But right now I don't see BC  
26 Hydro wanting any more of my electricity.

1 I have recently did a presentation to --  
2 and again, I'll send this to you as well. It was  
3 something called an ELEMENTS Film Fest. In which I  
4 summarized, this is what Kanaka Bar did over the last  
5 30 years. This is what Kanaka Bar's doing currently.  
6 And this is what Kanaka Bar wants to do in the near  
7 future.

8 Now, this should be interesting for the  
9 B.C. Utilities Commission on Indigenous utilities.  
10 One of the reasons why I'm here is, I want to put up  
11 enough solar to power a brand new subdivision where  
12 hydro's included in the rent. I'm scared that BC  
13 Hydro's going to tell me I can't give away electricity  
14 for free.

15 A safe reliable energy shipped for a fair.  
16 If I give you electricity for free, if it's safe and  
17 it's reliable, are you going to allow British  
18 Columbia's crown -- or British Columbia's Crown  
19 corporation to tell me no? It doesn't matter whether  
20 or not it is on or off reserve. It is within my  
21 traditional bloody territory.

22 If I wanted to put up shelter units for my  
23 membership and give them the energy source for free,  
24 can I? Because that's what I'm proposing. You'll  
25 look at that document and say, "Oh, that's what that  
26 chief was talking about. Oh, jeeze." We're going to

1 the crossing place.

2 Twenty new affordable housing units, a  
3 single bedroom, \$400 a month rent. Well, we'll figure  
4 that out afterwards. Hydro is included. Because we  
5 live in a rural community where our income is capped  
6 with -- on average a lot of my Elders are earning old  
7 age security, CPP and stuff like that. That means  
8 they're on a fixed income. And as the rates go up --  
9 and by the way, the rates go up every April 1<sup>st</sup>, don't  
10 they? Yeah, the BC Hydro ten-year rate --

11 THE CHAIRPERSON: Generally, yes.

12 CHIEF MICHELL: So does my Elders' income go up? So  
13 that's where it's regressive. So BC Hydro is upping  
14 its rates every April 1<sup>st</sup>. The SA rates aren't keeping  
15 up with it. So what I can hear now is by giving these  
16 people stability, one fee for hydro, one fee for rent,  
17 the same fee, that leaves them only the funding. So  
18 with that again, I'm afraid that I might not be able  
19 to do it. And I don't think that's the goal here.  
20 Right?

21 Is there some other manner? Absolutely.  
22 All I'm just saying, yes, Indigenous utilities must be  
23 regulated, whether it's through the UCA, the UB --  
24 sorry, your guys is the BCUC, or through a third  
25 party.

26 Because that need for safe, reliability

1           supersedes anything else, including profits.    When a  
2           utility becomes subject to the *UCA* and -- I don't know  
3           about that last one.  I can tell you this:  Everything  
4           I build at my community is owned by my community and  
5           will be owned by my community for the next thousand  
6           years.  I do not design and build stuff for sale to  
7           the market.  That's what separates me from other  
8           people.  What makes me Indigenous is once we invest in  
9           something, it's there forever.

10                    You look at one of the images.  We put in  
11           terraced farms in my community.  The money we invested  
12           in that is a farming land for a thousand years.  We're  
13           not selling our terraced farms to third parties.  What  
14           defines me is we invest in infrastructure for our  
15           future generations, certainly not for flipping for a  
16           profit.

17                    So I'll end with -- and whether or not you  
18           guys want to see it, we have June 18<sup>th</sup> is a big day for  
19           Canada and British Columbia, correct?  You all know  
20           why?  Because Canada has to make a decision:  Do we  
21           build TMX or not?  Any guesses on what Kanaka Bar's  
22           position is on that one?

23   THE CHAIRPERSON:    I'm guessing no.

24   CHIEF MICHELL:    Yes.  And you're going to get the letter.  
25           Why?  Because we've said the land can't handle this.  
26           The resources can't handle this.  When you're dealing

1 with climate change, it looks like a really good deal,  
2 but the biggest goat that gets us in the community is  
3 tripling the fossil fuel product to the market is  
4 tripling Canada's GHG emissions and Canada refuses to  
5 factor that into the equation.

6 So we just said in a simple letter, it  
7 says, you know what? Mama didn't raise no dust. This  
8 is really stupid so we say no. You know what it  
9 means. We've got the 99.3 percent probability of yes  
10 down to 95.3 because we gave Canada four reasons why  
11 they can say no. It is not a *fait d'accompli*.  
12 Neither is the fact that this Commission -- and the  
13 decision. I believe that there is a role for  
14 Indigenous utilities in British Columbia and that this  
15 Commission can make sure that BC Hydro and our Crown,  
16 our provincial Crown understand that with proper  
17 oversight, clear goals, we can do this. Because we  
18 have to.

19 So with that I'll end my submission.

20 THE CHAIRPERSON: Thank you, sir. Thank you very much.

21 COMMISSIONER BREWER: Thank you very much. That was a  
22 great submission. I really appreciated it.

23 I do have a question. Do you have any  
24 thoughts on -- we have heard some submissions earlier  
25 that regulation should not be done by BCUC but by an  
26 Indigenous entity. Do you have any thoughts on that?

1 CHIEF MICHELL: Well, if Carolann Brewer was going to  
2 chair it, I would probably say yes, based on your  
3 experience. I have an idea. Get a bunch of people  
4 that don't know what they are doing and give them the  
5 ability to regulate. No. If there's a qualified  
6 institute -- do you know what? Passing the buck. For  
7 example, let's say that they cancelled ISC, Indigenous  
8 Services Canada, and create a separate Indigenous, you  
9 know what? I'm still dealing with supervision. It  
10 doesn't matter who is sitting in that chair. What  
11 matters is that you know your job.

12 You know what? I don't mind having an  
13 Indigenous oversight committee as long as the people  
14 who are there are fair, consistent, transparent and  
15 honest. It is four principles of doing business at  
16 Kanaka Bar, because we don't like people who use angry  
17 voice, we don't like people who use squeaky voice, we  
18 don't like people who use sleaze voices, we don't like  
19 people asking for favours, we don't like asking people  
20 and responding through social media. It needs to be  
21 clear, fair.

22 This thing is being recorded, correct?

23 This this will be in the public domain, correct?

24 THE CHAIRPERSON: Right, correct.

25 CHIEF MICHELL: What can mean more fair and transparent  
26 than this? So I'm okay with an Indigenous entity

1 provided that Indigenous entity is free from the  
2 influences that everybody else is. Because for 161  
3 years decision making was predicated on one thing,  
4 Chief makes motion through pocket, shakes wallet at  
5 the Commission. That's just for you guys.

6 This is the number one way decision making  
7 has been influenced in the past and it must, must  
8 stop. Fair objectivity. Do you meet the criteria?  
9 It doesn't matter whether it's BCUC, the UCA, or the  
10 Indigenous associations of that. If there are people  
11 out there who can do that -- I don't know necessarily.  
12 You know what? I have Grade 11 physics and I have  
13 Grade 11 biology. What I've got there is I know about  
14 electromagnetic fields, I know about cavitation and  
15 all that sort of stuff, but at a Grade 11 level. I  
16 would want to make sure that you would be satisfied, a  
17 board of four. Four is critical to me though. If  
18 there is oversight it needs to be four.

19 Now, people will tell you about Indigenous  
20 consensus. Here's my position on consensus, "Wankers.  
21 Three is enough. Yes, yes, yes, no, you lose." You  
22 would have a chair. You would have a fifth person.  
23 For example, Mr. Morton, if you were the chair you  
24 would participate in this event, but because there's  
25 now five of you you would have no vote of yay and nay  
26 unless there's split.

1 THE CHAIRPERSON: Right.

2 CHIEF MICHELL: Do you know where this governance  
3 structure is codified? At Kanaka. I am the chief, I  
4 have no yay or nay decision making. I am only called  
5 to participate in decision making when there is a  
6 split in council. It's either yay or nay and it's not  
7 based on consensus. It is three of four sway the day.  
8 To this date I have never had to use my voting. My  
9 council makes an informed decision free from those  
10 outside influences and if it's the right decision we  
11 live with it and if it's the wrong decision we learn  
12 from it. Kanaka's secret is we make decisions. I'd  
13 love to see a board like that. But that board doesn't  
14 exist, does it?

15 COMMISSIONER BREWER: It does not, no. It was just  
16 some of the submissions that were made at earlier --  
17 that we hear earlier.

18 CHIEF MICHELL: Yeah, everybody wants a job and they're  
19 using this forum as a way to grab job security for me  
20 when I get older.

21 Sorry, Dan. Dan's laughing. Oh, sorry.  
22 Job security is important.

23 COMMISSIONER BREWER: Thank you for that.

24 COMMISSIONER LOCKHART: Mr. Michell, thank you very  
25 much for your submissions, I really enjoyed it and I  
26 learned a lot.

1                   One thing I'm not clear on, however, is it  
2                   sounds like parts of your communities are connected  
3                   for distribution, but am I correct that not all?  
4                   There's not an entire distribution network, there's  
5                   just part of a distribution capability?

6 CHIEF MICHELL:       No, there is. Down along Highway 1 is  
7                   the traditional -- I think it's a 25 kV line that goes  
8                   right down Highway 1 and we're step down. So we have  
9                   section 28 permits that allows distribution lines to  
10                  go to each household. In two circumstances, though,  
11                  some of the membership can't afford to pay their Hydro  
12                  so they're disconnected.

13                   And you know what? That's not the fault of  
14                  BC Hydro, that's not the fault of me, Chief, no,  
15                  that's them managing their money poorly. You can't  
16                  come to me and say, "Oh jeez, I bought three cases of  
17                  beer for the last 15 days and now I can't afford to  
18                  pay my Hydro bill." Tough love, I'm saying, "Gee, you  
19                  should have paid your Hydro bill. I'm not going to.  
20                  But by the way, if you want to work for the Band I  
21                  will be happy to sit down here and put a rate times  
22                  your hours and when you have enough we'll pay your  
23                  Hydro bill off for you." Everybody's connected at the  
24                  community through the situation.

25                   And when you read this letter we were the  
26                  first community -- so when net meter came out, they

1 had a new smart meter, we phoned up and said, "Bring  
2 them here," because we knew we would have an  
3 opportunity to potentially turn the meter to zero and  
4 we couldn't use it on the old system. So ever one of  
5 our communities has a meter. A lot of the meters are  
6 registered in the Band's name, but each person who's a  
7 tenant there, they have a meter in their name.

8 Proceeding Time 3:18 p.m. T11

9 COMMISSIONER LOCKHART: All right, thank you

10 COMMISSIONER FUNG: Yes, thank you very much, Chief  
11 Michell. I do have a question for you.

12 I think you said to me that of the energy  
13 projects that you have ongoing in your territory, you  
14 supply your community with the energy for free. And I  
15 guess what I'd like to know is how do you do that?  
16 Where do you get the money to, first of all, do these  
17 projects and then how do you, the Band, or for that  
18 matter your partners end up getting anything out of it  
19 if you're supplying the energy for free to your  
20 community?

21 CHIEF MICHELL: Oh, that's a gooder. I like that one.

22 All right. So as far as I know, of the 203  
23 communities in British Columbia, the 633, many of them  
24 are caught in a dependency trap, and that dependency  
25 trap, let's call it ISC transfer. So they have  
26 operation costs of let's say \$400,000, ISC will give

1           them \$300,000 to run their businesses. Insane right?  
2           Constantly managing poverty, you'll often hear that  
3           story. Okay, we were there, baby. I know all about  
4           it.

5                       Then we have somebody insane like the  
6           province of British Columbia who started giving us  
7           money to complement that. You know, it is the  
8           provincial Crown, despite 161 years of some things, is  
9           doing some amazing stuff. For example, BC Hydro's  
10          distribution and transmission lines go through my  
11          community. There is, in fact, as far as I know,  
12          there's only two communities that may not have  
13          distribution or transmission lines that I was aware of  
14          back when. I don't know for sure. Have you heard  
15          about the BC Hydro community economic development  
16          fund?

17                      Mr. Morton, you have. BC Hydro now gives  
18          my community, guess what, an annual payment based on a  
19          rate subscribed to the type of distribution and  
20          transmission line based on linear foot. BC Hydro is  
21          sending me money. Woah.

22                      Next, something called ECDA. I can't  
23          remember it's full acronym -- what it means. We'll  
24          call it the community development agreement. Energy  
25          community development agreement. Ah, whatever it is.  
26          You know what? The province of British Columbia

1 collects mineral taxes from a mine. It's crazy, and  
2 then they send some money back to my community. What?  
3 What is wrong with this provincial government, giving  
4 the original owners of the land money. Crazy talk.

5 That's two. I'm just giving you some  
6 examples.

7 Let's go clean energy business plan. You  
8 must know about that one. Absolutely. So the Kanaka  
9 Bar Indian Band began writing to the province of  
10 British Columbia years before CEBF ever came into  
11 place. We said, "You know what? We're thinking  
12 there's going to be this avalanche of independent  
13 power productions, so why don't you charge an  
14 application fee? Why don't you charge an annual  
15 maintenance fee? Why don't you charge a land use fee?  
16 Why don't you charge these projects a resource fee.  
17 You collect a hundred percent of those fees and you  
18 give something back."

19 At Kanaka Bar we currently get 20 percent  
20 of the CEBC funds for that one project. That's not  
21 insignificant. And if you want to find out how much,  
22 go on line and read my financial statements. I'm not  
23 actually going to tell you, I'm going to make you guys  
24 go right click and review my financial statements.  
25 They're on line.

26 That's three.

1 FCARSA. Everybody knows about the FCARSA.  
2 Ah, that's good. I'm glad I'm here. So the FCARSA is  
3 called the Forest Consultation Arrangement Agreement.  
4 Well, apparently the province of British Columbia can  
5 collect 100 percent of the range and forestry stumpage  
6 fees and gives my community money back. So they  
7 logged out my entire watershed in eleven years, so  
8 guess what? Within that agreement I get a floor  
9 payment. Now, this one is easy, because I should be  
10 able to say this one. Don't think there's a non-  
11 confidential, non-disclosure clause in the agreement  
12 considering it's pretty well online anyway. We get  
13 \$35,000 a year from the province for forestry. I  
14 would get 27 -- I think 27 or 37 and a half percent of  
15 the stumpage, but since they haven't logged since 1981  
16 I'm taking a floor payment.

17 So the BC Hydro economic development  
18 agreement, \$18,000; FCARSA, 35-37 thousand; ECDA, I'm  
19 not telling that one, I'm just telling you it's a  
20 mine. Right? Clean Energy Business one, Chief puts  
21 thumbs up twice.

22 No, even worse. Does anybody know who  
23 Minister -- I think it's Carol James is?

24 COMMISSIONER FUNG: Finance, she's finance.

25 CHIEF MICHELL: What is she doing? She's crazy. They're  
26 going to give us money in the next couple of months

1 from the gaming revenue. Do you know what the floor  
2 payment on that is?

3 COMMISSIONER FUNG: A lot.

4 CHIEF MICHELL: 250,000 for all 203 communities.

5 That's the floor payment. Do you think I could put a  
6 few solar projects up with that? Mm-hmm. And you  
7 know I'm going to. So you take this stuff up. So  
8 these are revenues from we call them -- there's two  
9 types of revenues that the Band can earn, royalty  
10 agreements where we charge an operating -- or whatever  
11 it is. An impact benefit agreement with the  
12 developer, we get some revenues. Well, we have that.  
13 And then royalty on a government to government basis,  
14 cluck-clucked and signs with the Crown an agreement.

15 In exchange, I support the development, I  
16 participate in all the meetings. For example, the  
17 Highland Valley Copper has just applied for a 40-year  
18 extension of its mining operation. First thing I said  
19 was "Whoo-hoo." Crazy. Indians supporting mining  
20 operations, eh? Yeah. It's a good employer for my  
21 region, for my Nation. It's the main employer in my  
22 region. Why wouldn't I?

23 I go up here, I make sure the arch. sites  
24 are protected, I make sure the reclamation has been  
25 done. That company is meeting and exceeding our  
26 expectation into proper land and resource management.

1           Why wouldn't we support it. We get some money from  
2           them under our Impact Benefit Agreement, or -- well, I  
3           call it the royalty agreement, but we've also get  
4           this.

5                         \$250,000 coming in the next six months,  
6           plus or minus. And my guess is before November 5<sup>th</sup> and  
7           6<sup>th</sup> is when I'm next meeting with Premier Horgan and  
8           his ministers. Trust me, can you image me with 23  
9           ministers? Some go this way, some say, "Come this  
10          way." Chief points, some ministers cross the street  
11          when they see me coming, other ones ask me to come sit  
12          with them. Those are different -- that's revenues  
13          from negotiations.

14                        There's even a worse one. OSR. You guys  
15          know what OSR is, right?

16                        Go ahead, Ms. Brewer, could you explain to  
17          me what you think OSR is?

18   COMMISSIONER BREWER:     I would like to hear your  
19          explanation.

20   CHIEF MICHELL:        Oh. No worries. OSR, own source  
21          revenues. Can you imagine? Our Band actually makes  
22          money doing stuff. I didn't want everybody to know  
23          because, you know what, for 80,000 years we had an  
24          economy. It was measured in dried fish, now we  
25          measure it in dollars. I really like your green ring,  
26          is it available for trade? You say yes, I put down

1 four sides of dried fish. You look to your left, that  
2 means no. I put down another four dried fish. You  
3 look to your right, that says no. I put down another  
4 two. You take the fish, the ring is there. That's an  
5 economy.

6 80,000 years we had own source revenue.  
7 Grandma said, you work until you die. You want it  
8 more, work a little harder. If you need 7,500 pieces  
9 of fish to get through the winter, great. If you  
10 produce 8,000, that's 500 pieces. I really like your  
11 purple tie, here comes the fish. Do you see what I'm  
12 saying? Right. So he looks to his right, this tie's  
13 not for sale.

14 We actually generate income. And last year  
15 \$1.3 million. We spent \$1.3 million in five -- you go  
16 into my financial statement, I had a \$5 loss last  
17 year. Oh geez. If my members should find out that  
18 we're actually \$5 below break-even point they're going  
19 to throw my butt out.

20 The money stays in town, it's spent in  
21 town. We've lived with the extraction resource boom  
22 and bust industry for 161 years, It stopped at Kanaka  
23 Bar. The last of the main boom was killed by the  
24 Coquihalla Highway. Remember, guaranteed negative  
25 return on investment for third parties, but Indigenous  
26 can live at break-even point because the capital cost

1           and the operating cost is covered.

2                         We have 56 people working for us in the  
3 middle of nowhere. Our social returns, no suicide.  
4 Our social return, 100 percent graduation. I  
5 mentioned SA. We have no social assistance, we have  
6 people on disability. We have 100 percent rent  
7 collection. We keep wondering what this opioid crisis  
8 is because we're not experiencing it. And we hear  
9 terrible things about the fact that there are children  
10 in care out there. Really? We don't have any  
11 children in care on or off reserve. What the hell are  
12 we doing differently at Kanaka Bar Indian Band? Chief  
13 picks up hat, pokes the image, available on his  
14 website.

15                         Indigenous people meet colonizers, have a  
16 black history but an incredibly bright future brought  
17 about by the renewable energy sector. We used energy  
18 to reverse the adverse effects of colonization. Yeah,  
19 we make money and we reinvest it back into our  
20 community.

21                         Every year I invest tons of time into our  
22 youth. You know what happens to those youth? As soon  
23 as they can, they leave. And they become a success in  
24 the urban centres because we gave them meaningful  
25 employment in the office and in the field. It's  
26 incredible. When you give people hope and opportunity

1 and experience, that they can thrive again.

2 That's what I'm saying, that's why I'm  
3 scared. Give us this opportunity because what's  
4 happening at Kanaka Bar can be replicated, 202 more  
5 times. But you need to understand, sir, ma'ams, it  
6 can also occur in the village of Lytton. Or the  
7 community of Boston Bar. Why should this only be  
8 restricted to Indigenous? British Columbia needs  
9 reliable, diversified, renewable energy sources so  
10 when the grid goes down, and believe me it will,  
11 Granny's chicken stays frozen. Good question.

12 COMMISSIONER FUNG: Thank you.

13 THE CHAIRPERSON: I did have a question, but Blair had  
14 already asked it and it's been answered, so on that  
15 note, Chief, I would like to thank you for your  
16 interesting and very colourful stories today. That  
17 was -- it was very informative for the panel. Thank  
18 you.

19 CHIEF MICHELL: Thank you. And I'll be around for a  
20 while as well, so if there's a break maybe some of the  
21 staff -- if there's any clarifications that are  
22 needed.

23 COMMISSIONER FUNG: And, sir, if you could file the two  
24 letters that you referred to as part of your  
25 presentation we'll make sure it gets included as part  
26 of the transcript.

1 CHIEF MICHELL: Absolutely.

2 COMMISSIONER FUNG: Thank you.

3 CHIEF MICHELL: Thank you very much for your time  
4 today.

5 COMMISSIONER FUNG: Thank you.

6 THE CHAIRPERSON: Thank you. Much appreciated.

7 MR. GEORGE: Thank you very much, Chief. Always great  
8 to hear your perspective and the story of your  
9 community and the success that it is under your  
10 leadership.

11 Need a break? Break for ten minutes.

12 We'll reconvene at 3:40. Is there any other people  
13 here today who are registered to speak to the panel?  
14 Excellent. So we'll come back and hear from our next  
15 speaker. We'll break until 3:40. Thank you very  
16 much.

17 (PROCEEDINGS ADJOURNED AT 3:30 P.M.)

18 (PROCEEDINGS RESUMED AT 3:42 P.M.)

19 MR. GEORGE: I want to thank Chief Michell for his  
20 comments prior to our break.

21 I understand we have another speaker who  
22 wants to address the panel here this afternoon. Would  
23 you please make your way to the centre table,  
24 introduce yourself for the record, first and last  
25 name. Spell your last name for the record, and let us  
26 know who you are here representing. Thank you.

1 PRESENTATION BY MR. MORAES:

2 MR. MORAES: Good morning. [*Native language spoken*].  
3 Trent Moraes, M-O-R-A-E-S. I am the deputy chief  
4 counsellor for the Skidegate Band Council on Haida  
5 Gwaii. I'm here representing our Band Council, as  
6 well as Tll Yahda Energy Limited, which is partnership  
7 between the two Haida communities on Haida Gwaii from  
8 Old Masset Village Council and the Skidegate Band  
9 Council.

10 (Native word) to the Squamish, Musqueam,  
11 and Tsleil-waututh for hosting us here today. (Native  
12 word) which means in our language, thank you. (Native  
13 word) to the BCUC panel and their staff for hosting  
14 this event and giving us this opportunity to speak.

15 I wasn't too prepared for this. However, I  
16 wasn't sure about how this meetings were structured so  
17 I thought -- earlier today I thought I'd better get on  
18 the speaker's list in case I have something to speak,  
19 to say. Never do I ever want to follow Patrick  
20 Michell. He's pretty elaborate and always  
21 entertaining with his information. It's always a  
22 pleasure to hear him speak.

23 I just want to talk a little bit about our  
24 community. Our community has taken on a lot of energy  
25 initiatives over the years. We've probably been  
26 involved in energy efficiency and conservation for a

1           little over ten years now. And I first started with  
2           the Skidegate Band as the housing coordinator for the  
3           Band, and quickly after I started looking at how  
4           houses were built, I started to try to figure out how  
5           to build our houses better, how to build them more  
6           efficient and make them last longer. And in that  
7           journey I ended up looking into energy and energy  
8           conservation.

9                        I think about two years into my position I  
10           asked our council so many questions that they just put  
11           the whole portfolio on my desk. And energy wasn't big  
12           back then. So we started working on understanding and  
13           understanding what our needs were, what our future  
14           needs were going to be and really understanding how  
15           our demand works.

16                       So in a sense, I guess, I guess I became  
17           the energy champion for the Skidegate Band.

18                       We started working with different  
19           organizations like BC Hydro. That's one of our key  
20           relationships in our energy conservation measures. We  
21           piloted several programs now with BC Hydro and are  
22           still breaking new grounds with them as well.

23                       Just recently we are engaging in talks  
24           right now for the first office ever to be on a reserve  
25           in Skidegate, and it's great. It's great news. It  
26           shows that we have a successful Aboriginal

1 relationship. We've taken on a lot of different  
2 ventures such as solar, we've done heat pump  
3 installations in our community. That just came from  
4 understanding that old baseboard heating was high in  
5 cost and not efficient. We didn't have the air  
6 quality movement as heat pump would. So we put heat  
7 pumps in every home in our community. So all 360  
8 homes have heat pumps, as well as our commercial  
9 buildings, which you know, in a lot of sense reduced  
10 our cost. Some of the costs were reduced up to about  
11 50 -- high end of 50 percent. So it was pretty  
12 efficient.

13 We've done workshops in partnerships with  
14 Sooke First Nation, where we did eco-energy workshops  
15 in our schools, teaching our children first because  
16 they really apply what they are taught right away. As  
17 we get older we get harder to be taught.

18 We are working on still several commercial  
19 upgrades when it comes to do with lighting, LED  
20 lighting. We've applied to do LED street lighting in  
21 our whole community, and as well, control our light  
22 pollution which is just as important.

23 We've done water conservation workshops in  
24 our community to teach our people not only about  
25 energy efficiency, but water conservation because we  
26 believe it goes hand in hand. We always want to do

1        what's right, living with our relationship with our  
2        land.

3                    So to just kind of give you a brief history  
4        on some of the different things that we're working on  
5        in our community because I just wanted to build the  
6        understanding that we've been doing this for a long  
7        time now and really haven't been showcasing a lot of  
8        the hard work that's been done in our communities.

9                    Up until recently -- we just started  
10       getting into the power production side and I think it  
11       was a natural evolution of going from understanding  
12       our own needs, changing our own habits, increasing our  
13       efficiency and then started to look outside of our  
14       community. Because as a Band Councillor, our  
15       jurisdiction and authority ends at the end of the  
16       reserve lines. So for us to start working outside of  
17       our jurisdiction was pretty big for us.

18                   We are in line with Council of Haida Nation  
19       which is the overarching governing body for our  
20       Nation, and the Haida Nation is unique in the sense  
21       that there's no one else that's occupied our land in  
22       history. So we've been there since the beginning of  
23       time, and have an inherent jurisdiction over land and  
24       water.

25                   Many of you may know the Haida story line  
26       and how we are ambassadors of our land and sea. We're

1 well known for taking care of our resources and going  
2 beyond our measures to protect what we have and how we  
3 govern our lands.

4 I wanted to talk a little bit about -- I  
5 kind of feel that the Indigenous utility should be  
6 regulated differently. I do agree with Patrick  
7 Michell's comments on yes, it needs to be safe. You  
8 need a body overseeing the governance structure in a  
9 sense to make it safe. I completely agree with those  
10 statements.

11 However, I think it's different when we  
12 talk about the regulatory piece where we're asking  
13 permission to do something in our own territories. I  
14 think there's a whole movement towards to protection  
15 of Aboriginal title. We have the UN Declaration of  
16 Rights of Indigenous People. We have free prior  
17 informed consent measures that have been able to help  
18 us participate in real decision making. We've seen,  
19 in the past, where a lot of this duty to consult has  
20 come -- fallen on the wayside, whereas -- maybe an  
21 example. We participate in integrated resource  
22 management with BC Hydro, where we went through the  
23 same, similar body where we met several times  
24 throughout the year and all that information was taken  
25 back, developed into a report and then presented.  
26 However, a lot of those decisions that came out of

1           that, did not come from those meetings. So I really  
2           want this process to really be followed through and  
3           really have our inherent jurisdiction to be considered  
4           going forward.

5                        I think that they should be regulated in  
6           the same measure. However, just the one part that I  
7           had was that for us to be able to set up our own power  
8           needs and be able to fast-track those processes,  
9           because I think a lot of them are daunting, that I've  
10          been involved with right now.

11                      Right now, the Tll Yahda Energy is  
12          developing and owning its own renewable projects on  
13          Haida Gwaii. Our goal is moving Haida Gwaii towards a  
14          hundred percent renewable energy, eliminating all  
15          diesel generation and diesel fuel shipments for power  
16          production. Because of the Haida stance on the tanker  
17          moratorium, we are pushing more and more towards that  
18          goal, just reducing and living that lifestyle that is  
19          really following our visions.

20                      Skidegate Band Council, Masset formed a Tll  
21          Yahda Energy Limited, it's a Band partnership for the  
22          development of renewable projects. We have partnered  
23          on one of those partner projects with Atlantic Power,  
24          which is the owner of our hydro station, and more or  
25          less we invested in this company because we didn't  
26          want to reinvent the wheel. We know that hydro is a

1 safe, sustainable source of power, so we wanted to  
2 develop on that, increase a lot of capacity building  
3 within that existing facility. And then our other  
4 part of that project is a solar energy storage  
5 project, that we're embarking on a 2 megawatt  
6 installation in the north end of the Islands which is  
7 a hundred percent diesel production.

8 So our Band intends -- our Band partnership  
9 intends to own a hundred percent of our projects and  
10 we're working towards that state, and I think that  
11 that's an important characteristic when you talk about  
12 the Indigenous utilities and how they are governed. I  
13 think that one important part is what shares are  
14 owned. I think that when we talk about Indigenous  
15 utilities I think it's when entities own a majority of  
16 the shares, that's when I think it should be regulated  
17 as an Indigenous utility.

18 Hopefully a lot more projects will come out  
19 in B.C. that are a hundred percent, not just a partial  
20 ownership.

21 Sorry, I'm just reading your questions.  
22 I'm trying to touch on them as I talk. I think that  
23 might be it.

24 COMMISSIONER LOCKHART: Mr. Moraes, thank you very much  
25 for your comments, and in terms of Haida Gwaii's goal  
26 of becoming 100 percent renewable energy, do you have

1 a timeline for that? Is there a timeline projected?  
2 It's very commendable.

3 MR. MORAES: Yes, we have a timeline which was based on  
4 four to five years and there was still some  
5 investigative work to be done. Council of Haida  
6 Nation is doing a community energy plan which is part  
7 of our regulatory process and this is part of our  
8 process that's kind of slowed us down a bit. Because  
9 we want to know what everyone's needs are going to be  
10 and how they are going to amalgamate together, because  
11 Haida Gwaii is an offgrid community that has two  
12 separate grids that we want to see connect more or  
13 less just for stable power. But as well, Haida Gwaii  
14 is well known for living peacefully within their  
15 neighbours so it's good that we do have that timeline  
16 set for that. But expansion of the hydro dam is  
17 slated for first and second quarter of next year,  
18 after the BCUC approval. And then the solar is later,  
19 later in that same quarter.

20 COMMISSIONER LOCKHART: Thank you very much.

21 COMMISSIONER BREWER: Thank you for your presentation.

22 I do have a question and it relates to your comments  
23 regarding, I guess regarding the regulation and I'm --  
24 and the institution -- my primary, I guess, interest  
25 is in the institutional development that you're  
26 looking at or the entity in terms of how you might be

1 regulated and the inherent jurisdictional needs that  
2 you're concerned about.

3 And I'm just wondering, because part of  
4 what -- part of our mandate, of course, is to consider  
5 whether the regulation would be under the *UCA*, the  
6 *Utilities Commission Act*, or how an Indigenous utility  
7 might be regulated, and it seems that -- I guess one  
8 thing it looks to me like your utilities would, and  
9 correct me if I'm wrong, but would be serving both the  
10 reserve community as well as the potentially other  
11 community members throughout Haida Gwaii, and I'm  
12 wondering whether you see a role for or what role you  
13 would see for BCUC or another institution. If you  
14 might have some words or thoughts on that.

15 MR. MORAES: Yeah I think we're working with an  
16 existing asset in that one hydro dam already falls  
17 under the guidelines and we're a small minority stake  
18 in that project but with hopes of building on that as  
19 time permits and revenues are put back into the  
20 project. So I think that that one, that's where we  
21 talk about how existing or new projects would be  
22 governed, I guess is fair to say.

23 I think that just the -- when I talked  
24 about the regulation part of it was just the aspect of  
25 having to come to the BCUC and ask permission, whereas  
26 the governing body in traditional territories

1           generally is the Indigenous people that are from that  
2           area. I think that was more or less my statement for  
3           that. I'm clear.

4   COMMISSIONER FUNG:        So if I may ask a follow-up  
5           question regarding that power project in which the  
6           Haida Gwaii have a small minority interest currently,  
7           is it your understanding that the project is not  
8           currently regulated by anybody or is it regulated by  
9           some entity that's already in existence?

10   MR. MORAES:            No, it's regulated, for sure. Yeah, the  
11           -- it is slated for approval at the BCUC in this third  
12           quarter for that project.

13   COMMISSIONER FUNG:        And it would be Atlantic Power  
14           bringing forth the application to the BC Utilities  
15           Commission for approval, is that correct?

16   MR. MORAES:            Yes.

17   COMMISSIONER FUNG:        Okay, thank you. And I assume  
18           under the current regime you have no objection to that  
19           since --

20   MR. MORAES:            No.

21   COMMISSIONER FUNG:        Since you have a minority interest?

22   MR. MORAES:            Yes.

23   COMMISSIONER FUNG:        What you're contemplating is the  
24           future world where you -- either a majority or a  
25           hundred percent owner of a utility asset that you wish  
26           to have approved by somebody and in that scenario it's

1           your preference that, is it the First Nation itself  
2           that would regulate it? Is it the federal government?  
3           I don't know what your expectations are or preferences  
4           are.

5 MR. MORAES:       Yeah, I think that -- I think that a lot of  
6           our work comes from not recreating the wheel. I think  
7           that there is a need for regulation that the processes  
8           work today. However I think that -- I think it was  
9           when Patrick was talking about whether or not he  
10          wanted to give his membership free hydro.

11                    It gives you that thought process of,  
12           "Well, you can't give free power if you're being  
13           regulated by an outside body." And that's why I think  
14           that there should be more thought put into and I  
15           definitely plan to work on this more. I think that  
16           there is some change that needs to exist. Especially  
17           when the Indigenous utilities are working in that  
18           capacity of 100 percent ownership in their own  
19           territories and their own communities.

20                    One thing that I talked about many year ago  
21           in BC Hydro when -- and it was before reconciliation  
22           became a buzz word, was that in energy reconciliation  
23           we have -- we have a reserve, but within that reserve  
24           there's always these different measures for like road  
25           right-of-way. Those are exempt from the reserve lands  
26           and hence the hydro poles and everything else cutting

1 through our communities are exempt from the  
2 traditional land.

3 So I always talked about energy  
4 reconciliation because no one asked us to put that  
5 infrastructure through our communities. We definitely  
6 need it. However, it's regulated outside of our  
7 bodies. So I do think that -- I definitely will put  
8 more thought into it and submit something after long  
9 thought. Like I said, I didn't plan to speak today  
10 but I felt like I had to say something today. Thank  
11 you.

12 COMMISSIONER FUNG: No, your comments have been very  
13 helpful. But if I recall properly, I think Chief  
14 Michell's comment was that he would welcome BCUC  
15 regulation provided we didn't regulate rates. Because  
16 he wanted to be able to charge or not charge whatever  
17 prices he would like for his community.

18 MR. MORAES: Well, we just went through -- Patrick is  
19 here. We just went through the rate design review  
20 which didn't seem to go anywhere, and that was  
21 regulated through your body, the BCUC.

22 I spoke out on that review quite thoroughly  
23 because, for us, we're zone 2 off grid communities and  
24 we were going to be heavily affected by which route  
25 that was going. To me it seemed like there was an  
26 overwhelming push to move that rate 2 design into a

1 rate 1 structure, which didn't work in our favour.

2 In understanding our own needs, we use a  
3 high amount of electricity because we live in rural  
4 remote areas and things like BC Ferries travels  
5 weather permitted and our food source comes in only by  
6 BC Ferries. Sometimes we have two weeks before a  
7 grocery resupply will happen.

8 So a lot of our communities will have two  
9 fridges, two freezers and it's really common. I eat a  
10 lot of fish, I eat a lot of deer, elk and wild cow,  
11 that they're on Haida Gwaii so I generally have a big  
12 energy consumption. However we're tailoring it to  
13 make it better. However, that's -- I don't know if I  
14 answered that in there?

15 COMMISSIONER FUNG: No, that's very helpful. Thank you  
16 very much.

17 THE CHAIRPERSON: Thank you very much, Mr. Moraes. We  
18 appreciate even though you weren't planning to speak,  
19 we certainly appreciate the thoughts that you shared  
20 with us. You're very helpful, thank you.

21 MR. GEORGE: Thank you Deputy Chief, great job.

22 Is there anybody else in attendance that  
23 would like to address the panel?

24 Yes sir, please make your way to the  
25 central table here. Identify who you are, first and  
26 last name, spell your last name and identify who

1           you're here representing, thank you.

2       **PRESENTATION BY MR. ROKA:**

3       MR. ROKA:     Hi, panel. My name is Steven Roca. My last  
4           name is spelled R-O-K-A. And I work for a company  
5           called Enerpro Systems located here in Vancouver.

6                    Thank you, Coast Salish for allowing us to  
7           have this meeting here on this wonderful land. I  
8           appreciate the time of the council as well and of the  
9           board to listen to me speak today.

10                   We're coming from a bit of a different  
11           perspective on this whole thing in that, we are an  
12           energy management company that specializes in metering  
13           and monitoring work. We've been around for 23 years  
14           now. Got 18,000 meters in the Lower Mainland as well  
15           as we operate in Alberta and Saskatchewan and all over  
16           the place, and Vancouver Island as well.

17                   So from our perspective it's a little bit  
18           different than the last two speakers in that we have  
19           been doing a lot of cost allocation on behalf of  
20           landlords, and utilities, municipalities, and that's  
21           just been part of our job. We are not a utility, but  
22           we operate on behalf of those who would like their  
23           utility costs allocated. And we do have projects that  
24           are on Band land, that are Band owned, but they abide  
25           by the tariffs put out for utility rates. And  
26           reselling power, buying power, essentially in bulk and

1        reselling it at, you know, small commercial rates or  
2        residential rates or whatever it might be.

3                So we've been approached by a number of  
4        Bands, I'd say, you know, 20 to 30 different bands in  
5        the last two or three years that have asked us to  
6        actually -- you know, these Bands are looking at doing  
7        developments on their lands and they're being forced  
8        to pay for infrastructure to distribute the power on  
9        their lands to get power to those developments, but  
10       they're not able to capitalize on that investment. So  
11       they have come to us and say, you know, "We just spent  
12       \$2 million on getting power to this development,  
13       there's 100 houses going on. And we'd like to  
14       actually purchase the power in bulk and sell it at the  
15       retail or residential rate to our tenants and the Band  
16       would then benefit." They also would like to have the  
17       ability to have special rates for their Elders, for  
18       band members. Again, they're not able to do that  
19       under the current situation.

20               You know, these are long term own source  
21       revenues that can go on for, you know, a long period  
22       of time. Which we're not talking about any type of  
23       revenue sharing. Like I said, we are not a utility,  
24       we don't share in the revenue generated from these  
25       profits. 100 percent goes to the Band. We are just a  
26       billing and cost allocation entity. And these Bands

1 are not able to operate in that way, which is sort of  
2 from our perspective what we're hoping on here is to  
3 deregulate that avenue to allow Bands to actually  
4 distribute power on their own land without the  
5 hinderance of regulation and rates, and rate controls  
6 or whatever it might be.

7 You know, we talk about -- every single  
8 Band I've talked to, the intent is not to, you know,  
9 charge more. If anything it's to actually say, okay,  
10 we want to bring industry to our land, let's do a five  
11 percent discount for power and we can maybe generate  
12 some interest in generating industry on our land or,  
13 you know, that's the type of things that we're looking  
14 at. There's nobody going, "Oh, we want to charge 20  
15 cents a kilowatt hour and just gouge our residents,"  
16 that's not the intent at all.

17 So I'm not sure how the regulation would  
18 come into place to protect those customers. You know,  
19 at the end of the day really chief and council, you  
20 know, operates a Band and would be operating these  
21 rates as they would be and they would be governed  
22 really by the people who live on their land, so that's  
23 really the protection you have out there. But, you  
24 know, that's sort of -- what we're trying to do is to  
25 actually create that environment where Bands can  
26 actually take control of that.

1                   And, you know, even that, further to that  
2                   some of these Bands are looking to very small scale  
3                   generation. What I was talking about there is not  
4                   about generation, it's just about the right to  
5                   distribute. So once they have that infrastructure --  
6                   the owner -- it's about that infrastructure and  
7                   distribution network and the ability to build, then  
8                   they want to start doing small scale generation  
9                   projects, whether it be a solar or whatever it might  
10                  be. This allows Bands to actually do small scale  
11                  scalable projects without dealing with the regulatory  
12                  body. You know, if you want to put a solar panel and  
13                  the amount of hoops you have to jump through in this  
14                  environment right now is ridiculous.

15                  And these Bands have funding and are able  
16                  to do this, and they're going out there and they're  
17                  hiring engineering firms to do the work, they're  
18                  hiring all this stuff, and actually costs and  
19                  bureaucracy of it just stops it from happening. It's  
20                  not -- the actual cost of the project is not the  
21                  hindrance, or the engineering of it, or the  
22                  installation of it, it's the red tape.

23                  And so what this would allow would be  
24                  opening up of that small scale generation and allow  
25                  bands to actually get their feet in there and actually  
26                  experience these energy generation projects, and then

1           potentially if it works out to expand that into some  
2           type of business entity on their own land. Again, I'm  
3           talking about generation of power for use on their  
4           land, not for use and selling to Hydro or anything  
5           along those lines, I'm talking of strictly for their  
6           own use.

7                                So that's sort of the angle that we're  
8           coming from and we're hoping that you can all evaluate  
9           from that perspective. It's a little bit different  
10          than generation and the sale, and all that kind of  
11          stuff, of power to the grid and all that, but that's  
12          sort of the angle that we're coming from.

13 THE CHAIRPERSON:        Thank you. I just have one question.  
14                                So just so I can understand these resale scenarios  
15                                that you're talking about, this where BC Hydro  
16                                provides the energy, you know, to the Band boundary so  
17                                to speak and then it's --

18 MR. ROCA:                Yeah, and so we have different scenarios.  
19                                Because it is scalable, we have, you know, whether  
20                                it's to the Band boundary or maybe just to the  
21                                property line of a shopping centre or high density  
22                                areas. You know, we're not a Band taking over the  
23                                entire land, we're just saying, "Okay, you know what?  
24                                You want to build a development over there, well, the  
25                                Band is going to take over that small area there on  
26                                their Band land." They're not forced to take over all

1 the power distribution on their land. It's just  
2 pockets that actually are financially feasible for  
3 them, that they've paid for to put in. And that's the  
4 case.

5 THE CHAIRPERSON: So I'm just trying to understand what  
6 you do. You insert yourself as a billing entity.  
7 Then you pay BC Hydro and you collect money off --

8 MR. ROCA: No, we take nothing. We're not allowed to  
9 be involved in that side of things. Let's say in this  
10 case what would happen is the Band would get -- the  
11 bill for that power would go to the Band. Enerpro  
12 would supply and design the metering systems. We do  
13 the billing on behalf of the Band. We collect all the  
14 payments and one hundred percent of the revenue  
15 generated from the utility would be given back to the  
16 Band.

17 THE CHAIRPERSON: And then they pay BC Hydro.

18 MR. ROCA: And then they pay BC Hydro, yeah.

19 THE CHAIRPERSON: And so they are a single customer.

20 MR. ROCA: Single customer, that's right. So that's  
21 sort of the entity we're coming from. Right now it's  
22 -- like in B.C. you can do this in shopping centres.  
23 We've got hundreds of shopping malls that do this.  
24 Landlords can do this.

25 You know, why is a Band not considered a  
26 landlord in the same situation? You know,

1           municipalities can do this. Regional land districts  
2           can do this. YVR, UBC, SFU, they all have the right  
3           to do this. Why do Bands not have the right to do  
4           this? I mean, it's essentially the same thing.

5 THE CHAIRPERSON:     Okay. All right. Thank you very  
6           much, Mr. Roca, I appreciate it.

7 MR. GEORGE:           Thank you, sir.

8                         Anybody else would like to address the  
9           panel? This is where nobody makes eye contact.  
10          Anybody else?

11 COMMISSIONER FUNG:     We still have 45 minutes before the  
12          barbecue starts.

13 THE CHAIRPERSON:     Shall we take a break for a few  
14          minutes then?

15 MS. BALABANOWICZ:    I have something very small.

16 MR. GEORGE:           Anything is welcome. Please come up to  
17          the centre middle, state your name for the record, who  
18          are you are here representing and spell your last  
19          name, please.

20 **PRESENTATION BY MS. BALABANOWICZ:**

21 MS. BALABANOWICZ:     Good afternoon. I did come here  
22          today just to learn, but -- to follow the rules, I  
23          work for Innergex Renewable Energy. My name is Julia  
24          Balabanowicz, and I have to spell that for everyone.  
25          So it's spelt, B as in Bob-A-L-A-as in Bob-A-N-O-W-I-C  
26          as it cat-Z.

1                   So the only thing I really wanted to add  
2                   today, because like I previously said, I came here to  
3                   learn and listen, is -- I actually wasn't aware that  
4                   Chief Patrick Michell was going to be here today, and  
5                   some of his comments really resonated with me around  
6                   rate setting and putting a climate lens on this. And  
7                   the only thing I wanted to add and build on his point  
8                   is that I guess three weeks ago, approximately,  
9                   Washington State passed new legislation, they're  
10                  hundred percent clean energy legislation, and in it  
11                  there's some really interesting approaches that  
12                  they've taken to putting a climate lens on utilities  
13                  and setting rates. Some it being the social costs of  
14                  carbon, protecting vulnerable people, and sharing the  
15                  benefits with community.

16                  So some of those lenses and the ways of  
17                  defining the performance of a utility from a climate  
18                  lens, I think could be interesting to consider in this  
19                  context.

20 THE CHAIRPERSON:       Thank you.

21 MS. BALABANOWICZ:     Oh, you might have questions.

22 THE CHAIRPERSON:     I think we're good.    Thank you.

23                  Thank you very much.

24 COMMISSIONER FUNG:     Thank you very much.

25 MR. GEORGE:            Thank you very much.

26                  Let's take a ten-minute break.  We'll

1 reconvene at 4:30 and you guys can cajole and  
2 encourage one another to speak to the panel here. So  
3 we'll break until 4:30. Thank you.

4 (PROCEEDINGS ADJOURNED AT 4:18 P.M.)

5 (PROCEEDINGS RESUMED AT 4:29 P.M.)

6 MR. GEORGE: Is there anybody else that would like to  
7 make a presentation to the panel? Anybody else?

8 Okay, I want to thank Chief Michell, Deputy  
9 Chief Moraes, Mr. Roca and Ms. Balabanowicz. Thank  
10 you very much for taking the time to address the panel  
11 here today.

12 We are going to shut down until 6:00 p.m.  
13 We welcome you to once again stay with us for the  
14 barbecue at 5:00 and we might be able to fire up that  
15 barbecue a little bit sooner. We'll see about that.

16 THE CHAIRPERSON: I think he's got it fired up now.

17 MR. GEORGE: Fired up now.

18 COMMISSIONER FUNG: Yes, that's right.

19 MR. GEORGE: Okay. Mr. Chair, we're good?

20 THE CHAIRPERSON: We're good, yes.

21 MR. GEORGE: Okay. So again, thank you very much for  
22 taking time out of your schedule. Please join us for  
23 a meal.

24 (PROCEEDINGS ADJOURNED AT 4:30 P.M.)

25 (PROCEEDINGS RESUMED AT 6:22 P.M.)

26 (INTRODUCTIONS REPEATED)

1 MR. GEORGE: Thank you very much.

2 We're very grateful that you're here this  
3 evening. We just ask that you introduce yourself for  
4 the record, first name, spell your last name as well,  
5 and say who you are here representing. Thank you.

6 **PRESENTATION BY MR. CORMAN:**

7 MR. CORMAN: Hi, thanks very much for introducing  
8 yourselves. I'm Robert Corman. I'm the director of  
9 lands and resources from Kwikwetlem First Nation. But  
10 I'm speaking on their behalf but also on the behalf of  
11 other First Nations that I've worked with over the  
12 last 30 odd years.

13 So essentially a little about me. I was on  
14 Bay Street a long time and I wanted work that was more  
15 socially contentious. And I'd gone to Harvard and I  
16 had excellent qualifications, I was doing very well.  
17 And I came to Vancouver and I saw an opening with the  
18 Mount Currie Indian Band outside of Pemberton. So I  
19 went there and what you basically had was -- it's  
20 something that's quite common on reserves across  
21 Canada. That community was economically in dire  
22 straits.

23 And, you know, in British Columbia we have  
24 roughly 200 communities and a very small percentage of  
25 them are economic powerhouses. You know, I could  
26 probably rattle them all of on one hand. Probably

1           about seven percent, around there. So about 93  
2           percent of them are having problems.

3                       Whether or not a community has any economic  
4           success is to a large degree a function of geography.  
5           So a lot of these communities are located in areas  
6           where there are very few economic opportunities. So  
7           if they're a large urban band like Squamish or say  
8           West Bank out of Kelowna, they've got a lot of  
9           opportunity, but for the vast majority of them they  
10          don't.

11                      So the question then becomes if you're in  
12          charge of lands and economic development, which I've  
13          basically been doing for 30 years. First for Mount  
14          Currie, then for the Kamloops Indian Band, and then  
15          for the Okanagan Nation. And then for the Tsilhqot'in  
16          Nation, and now with the Kwikwetlem First Nation, you  
17          look at what's available in the vicinity to somehow  
18          develop the economy. And if the Band is not urban,  
19          which as I said earlier most are not, one of the few  
20          opportunities they have, it has to do with  
21          establishing a relationship with BC Hydro and  
22          producing some sort of energy source.

23                      So in the case of Mount Currie, what we  
24          have there was an opportunity to build three run-of-  
25          the river projects as part of BC Hydro's Micro SOP  
26          program, or micro-standard offer program. Found a

1           number of different manifestations over the years.  
2           Back then we launched these three programs. As a  
3           result of that, the developments were made, and there  
4           was a couple of significant implications, or  
5           repercussions from this. We could take the resources,  
6           the money that came from that project, and do a couple  
7           of things, we established a bus route that basically  
8           moved Band members from their community into Whistler,  
9           so they now had -- they now had a way of getting  
10          meaningful employment.

11                        We lowered unemployment the first year 46  
12          percent, and the second year we lowered it 23 percent.  
13          And it all stemmed from being able to get some  
14          cashflow from the micro SOP program, by some sort of  
15          electrical project, development.

16                        So, from Mount Currie, I went to other  
17          communities who were more urban in nature that really  
18          didn't have an opportunity or didn't have the need for  
19          developing electrical capacity in the area. Although  
20          we did in the Kamloops Indian Band. We took the  
21          entire residential district, and we put in a  
22          geothermal energy system for this entire  
23          neighbourhood. And that was a significant attractant  
24          to people who subsequently went up there and bought  
25          houses. And that's called Sun Rivers, it's a success  
26          story, it had a slow start, but --

1 COMMISSIONER BREWER: Sorry, can you --

2 MR. CORMAN: I'm sorry, am I way too low? Yeah, okay.

3 COMMISSIONER BREWER: Yeah, it is a little hard to hear  
4 you, and I missed where you said that development was?

5 MR. CORMAN: It's in the Kamloops Indian Band, or  
6 Tk'emlups Indian band in Kamloops.

7 COMMISSIONER BREWER: Okay.

8 MR. CORMAN: Yeah. So essentially we put in this  
9 geothermal system into the ground for this community  
10 on the hillside. Had a heck of a time selling houses  
11 in the beginning, nobody wanted them because 99 year  
12 leases on reserve were unheard of at the time. But  
13 after a number of years, about seven years, the entire  
14 project took off. One of the principal reasons that  
15 people were buying up there is because of the  
16 geothermal component that significantly affected the  
17 energy costs of operating their home.

18 So, once again, that's not a very good  
19 example because that Band is quite well to do, but  
20 they could essentially develop their land capacity  
21 because of an electrical grid that was made or utility  
22 was made.

23 From there I went to the Okanagan, but  
24 while I didn't really do anything utility orientated,  
25 but then I went to Tsilhqot'in country, which is up in  
26 the Williams Lake area, it consists of six bands up

1           there. We built the second largest solar farm in  
2           western Canada, only Revelstoke -- well actually the  
3           biggest, we're bigger than Revelstoke. The two  
4           biggest ones in Western Canada are in Revelstoke and  
5           in Tsilhqot'in country. So a huge solar farm. And  
6           once again, in this case, we took a bunch of small  
7           communities, six of them, and -- I should have eaten  
8           something, I seem really emotional today. And we  
9           essentially dramatically improved the economy for  
10          these six communities, because of the availability of  
11          some sort of electrical grid, or developing electrical  
12          project. And once again we depended upon the SOP  
13          program to establish core funding for it in the  
14          beginning.

15                        So, I was up there for a number of years,  
16          four years, and then a year ago I went to the  
17          Kwkwetlem Indian Band which is in Port Coquitlam,  
18          much more urban Band, poor Band, but land rich. So  
19          we're there, we're building a 100 acre industrial  
20          park, which will make the Band affluent. But  
21          essentially what we're doing is we're taking the roofs  
22          of these five buildings, and we're building a \$50  
23          million solar farm on the roofs, and we're taking that  
24          solar energy to basically lower the operating costs  
25          and increase the attractants attached to the  
26          industrial park.

1                   But once again, it's establishing a local  
2                   area energy grid, Indigenously owned to improve the  
3                   economy of the community. We're meeting absolutely  
4                   ferocious racist resistance from the City of Port  
5                   Coquitlam, and I am just putting that on the public  
6                   record. But in the end, the forces of good have a  
7                   tendency to win.

8                   So, the point I'm really saying, or I'm  
9                   trying to make is that if you've got a community that  
10                  has got very few opportunities, and most of them do,  
11                  190 of them are in the situation in British Columbia,  
12                  one of the very, very few cards they have to play is  
13                  energy. And so when BC Hydro closed down the Micro-  
14                  SOP program, they basically took those cards out of  
15                  the deck. And I'd like to see that program  
16                  reestablished. It not only helps First Nations  
17                  communities, but it also stabilizes the grid.

18                  I don't know if any of you play the stock  
19                  market, but if you have a diversified portfolio of  
20                  stocks your possibility of losing out are dramatically  
21                  lower. If you put all your stocks -- so you buy two  
22                  stocks and you put your RSP in two stocks your risk  
23                  goes up accordingly. And essentially BC Hydro does  
24                  that when they concentrate all their energy resources  
25                  into a few dam projects or a few Hydro projects, so --  
26                  and it think that's bad, as an engineer you know that,

1 but I don't think it's articulated enough.

2 So I'm encouraging Utilities Commission to  
3 look at alternative energy sources that can help  
4 economic development. If you were somehow more  
5 directly related, if all the silos of government were  
6 not silos, if they actually worked together, they'd  
7 realize the savings that were achieved from social  
8 programs, alcohol, family abuse programs, social  
9 assistance payments, those various costs, if they were  
10 somehow built into the engineering equation they'd  
11 realize that the ROI of these hydro initiatives would  
12 be much, much higher. But they're not. And  
13 essentially everybody's a separate silo and don't  
14 really interact when they're on the financial level,  
15 which is juvenile. The -- but you have an opportunity  
16 to really help a lot of people who need help and I  
17 encourage you to do that.

18 The other thing I'd add to this equation is  
19 I don't know if any of you were on this board a year  
20 ago when the Site C Dam Commission was around  
21 speaking. And came and I spoke at that and I spoke in  
22 favour of the dam for a very specific reason. I'd  
23 done an in-depth analysis of the impact of electric  
24 cars on the electrical grid in British Columbia and I  
25 brought along two slides and they were from New York  
26 City around 1910 or so.

1                   Essentially Ford had invented the  
2                   automobile and it hadn't yet been adopted. So around  
3                   -- I'm going to be out by a year or two, I frankly  
4                   can't remember the exact date, but around 1908 or so  
5                   and if you -- they took a photograph of downtown  
6                   Manhattan and it was absolutely back to back horses  
7                   and carriages. It was a traffic jam of horses. Two  
8                   years later the same street is photographed and it's a  
9                   traffic jam of automobiles. So the transfer from  
10                  horses to cars happened like that [*finger snaps*],  
11                  okay? So essentially it a logarithmic curve, it's  
12                  starts very, very slowly and then it just explodes  
13                  upward.

14                  So recently B.C. put out a subsidy for  
15                  electric cars. I went down to a local Tesla dealer  
16                  here on Robson Street inquiring about electric cars,  
17                  they were selling hundreds a week because of the  
18                  subsidy. So when you do the calculations on the  
19                  demand that electric cars can do on the grid Site C is  
20                  not going to be enough electricity. If everybody -- I  
21                  think my calculations were if about 80 percent of the  
22                  automobiles on the street were electric we wouldn't  
23                  have enough electricity in the province, okay? We  
24                  need another significant development of electricity.  
25                  And those development opportunities can occur on  
26                  reserve.

1                   What they're doing in Korea right now for  
2                   the public transit systems in a number of cities,  
3                   they're laying a charging cable in the actual asphalt.  
4                   So as a bus goes along it charges itself and by doing  
5                   so they take all the weight that's the battery in an  
6                   electric vehicle, which is over 50 percent, and do two  
7                   things. They basically don't have to stop to recharge  
8                   the vehicle, but they massively extend the operating  
9                   range of the vehicle because the vehicle is now 50  
10                  percent lighter.

11                  That's the model that's probably going to  
12                  come to North America. Germany is currently trying it  
13                  at stop lights only. So they're putting charging pads  
14                  at stop lights in Heidelberg, Germany right now to  
15                  find out if we can charge the cars just when we stop  
16                  at the light, okay?

17                  The Tesla model that I took out, it has a 1  
18                  million kilometre lifespan on the vehicle. Because it  
19                  has very few moving parts. There's no exhaust system.  
20                  The transmission is as big as a deck of cards, the  
21                  engine is as big as a loaf of bread, there's nothing  
22                  to wear out. People will be attracted to that, that  
23                  the vehicle will last a long time.

24                  The vehicles are reasonably priced. That  
25                  one, with the two subsidies, is about \$35,000 for a  
26                  four-seater vehicle. The fuel savings and the oil

1 savings on the vehicle -- there are no oil changes, so  
2 150 bucks for an oil change. Add in the gas savings  
3 and you save about \$3,000 a year in fuel and oil.

4 So I really encourage electrical  
5 development. I encourage it on reserves and I think  
6 it's inevitable. And those three factors will come  
7 together and basically encourage the Commission to  
8 develop more electricity in the province.

9 And that's about it. Thank you.

10 THE CHAIRPERSON: Thank you, Mr. Corman. I have a  
11 question about the projects that you've described in  
12 Mount Currie, Kamloops, Williams Lake and Coquitlam.  
13 I think in every case you had described them as being  
14 part of the standing offer program, is that correct?

15 MR. CORMAN: Except for the latest one in Coquitlam  
16 because the program is no longer operating. But that  
17 Band's a bit of an exception. We're so land rich, we  
18 can afford to build the facility ourselves. But  
19 that's advocacy for on-reserve electrical charging.

20 THE CHAIRPERSON: I understand.

21 MR. CORMAN: But the other ones all depended upon SOP  
22 program for initial funding.

23 THE CHAIRPERSON: Right. So given that they are part of  
24 the standing offer program, then by definition they're  
25 selling energy into the BC Hydro system, correct?

26 MR. CORMAN: Yes.

1 THE CHAIRPERSON: So is there, or would there have been  
2 an opportunity to use that energy directly in a  
3 community or in one of the Band communities? Or that  
4 just wasn't a practical approach?

5 MR. CORMAN: Well, you know, it gets fed into a line and  
6 the line is usually servicing not only the local  
7 communities but further -- areas farther afield.  
8 Where it's intriguing is, it can actually be used to  
9 activate more industry in the area. So for example in  
10 the Similkameen, for example, solar farming, some of  
11 the electricity is going to power a post and rail mill  
12 plant. So that created probably 15 jobs. It's not  
13 quite built yet. The model is for 15 jobs, so it has  
14 a huge local spin-off effect. The electricity is not  
15 used by the community per se, it can be used by an  
16 industry that's attached to the community because  
17 there's essentially very few other people to work with  
18 there, other than the local inhabitants.

19 THE CHAIRPERSON: Okay.

20 COMMISSIONER LOCKHART: Mr. Corman, just to follow up,  
21 in terms of the post and rail plant, so would that be  
22 like a power source supplying one customer?

23 MR. CORMAN: Yeah. So what happens to you when you go  
24 into some of these areas, you have these economies of  
25 scale issue running around businesses that are  
26 developed. So 15 jobs is not very many for a company

1 in the Lower Mainland, but up there, that's a huge  
2 amount of work.

3 So in that case, the products that are  
4 coming to that mill, that mill basically made three  
5 products, post and rail for the ranch industry in the  
6 area because it's cow country, what I refer to as  
7 grape stakes for the grape industry in the Southern  
8 Okanagan area where they grow grapes, and what are  
9 referred to as orchard stakes which are those -- they  
10 are a tall pole that you attach to a seedling if it's  
11 growing along the boulevard. In the beginning it  
12 can't stand up itself. So that's what they  
13 manufacture.

14 What was also intriguing about that is in  
15 Canada we chop a tree down and from two inches to the  
16 top of the tree we burn, we throw away, we waste. In  
17 Europe instead of the 2 inch mark, they use the half  
18 inch mark. So the part of the tree between half an  
19 inch and two inches, they actually make products out  
20 of. And that's what we try to do at the post and rail  
21 mill. We try to take that small diameter wood which  
22 is currently waste and turn it into a product.

23 So I guess the answer is yes, it's creating  
24 local employment and it's creating products that we  
25 use in other parts of the province.

26 COMMISSIONER LOCKHART: And perhaps in terms of the

1 solar farm in Coquitlam, does this mean that that  
2 resource, as well as the one in Williams Lake, does  
3 that mean that the customer, i.e. the post and rail  
4 factory or whoever is the customer for the solar farm,  
5 does that mean they can -- no longer have to use BC  
6 Hydro?

7 MR. CORMAN: Depends upon the circumstance of the  
8 development. So for example, in Coquitlam, it only  
9 supplies about 20 percent of the energy that the  
10 industrial park requires. And the main reason for  
11 that is -- our core tenant is Netflix and film  
12 production nowadays is a massive animation exercise.  
13 So essentially a huge percentage of any film they make  
14 is actually not actually filming anybody, it's  
15 manipulating computer images to be part of the film.  
16 And that's really, really energy expensive. So in  
17 that case it's only 20 percent.

18 In other circumstances it could be much  
19 bigger. It depends upon who is in the area and what  
20 their energy requirements are.

21 If you go into aluminum production for  
22 example, in the Kitimat area, incredibly electric  
23 consumption. So yeah, it depends upon the  
24 circumstances. I don't have a pat answer to that.

25 COMMISSIONER LOCKHART: I see, thank you. That's been  
26 very helpful.

1 MR. CORMAN: Thank you.

2 COMMISSIONER BREWER: Thanks a lot for your  
3 presentation by the way.

4 I just wanted to follow up on Blair's  
5 question because I'm guessing it will then have some  
6 -- you will feed into the Hydro grid at least for part  
7 of the supply -- or the expectation would be that  
8 there will be.

9 MR. CORMAN: Yeah. Actually one of the issues we were  
10 running into in the Tsilhqot'in is the Hydro grid was  
11 so sub-standard it couldn't handle much additional  
12 electricity without upgrade. So Hydro was extremely  
13 reluctant to upgrade the grid there.

14 But at the same time, the communities that  
15 we're trying to cause businesses to be incubated along  
16 that corridor were having trouble because they  
17 couldn't offer any electricity to anybody. So we kind  
18 of provided a stimulus to create economic development  
19 along the entire plateau, which is probably eight  
20 First Nations communities altogether. So it runs from  
21 Bella -- basically Bella Bella, or Bella Coola on the  
22 coast all the way to Williams Lake. It's about, I  
23 don't know, 500 kilometres.

24 So it has spin-off effects that might  
25 involve BC Hydro, might cost BC Hydro more money even,  
26 but it has a way of stabilizing the grid and has a way

1 of causing local economic development where there's  
2 just not very many options. It's like it's one of  
3 two --

4 So are you planning on building far more  
5 facilities after my presentation?

6 THE CHAIRPERSON: Sir, we actually don't build  
7 facilities.

8 MR. CORMAN: You'll have some impact.

9 THE CHAIRPERSON: And I do -- in answer to your  
10 question earlier, I was on the panel that did the Site  
11 C report and I do remember your slides.

12 MR. CORMAN: Really? Okay.

13 THE CHAIRPERSON: Yes.

14 MR. CORMAN: And the odd thing is it's actually coming  
15 about now. If you look at the pickup for electrical  
16 cars and not only Tesla, but I'm sure within seven  
17 years the majority of the cars in British Columbia are  
18 going to be electrical. And I had a discussion --  
19 some of your people called me and wanted to look at  
20 some of my data. They're unbelievably conservative.  
21 They should just look at what history has proven and  
22 look at what other countries are doing. Because those  
23 countries are just ahead of us, you know.

24 MR. CHAIRMAN: Well, you may be interested, we actually  
25 have another inquiry going now into how the provision  
26 of charging services for electric vehicles should be

1 regulated or whether it shouldn't be regulated. So  
2 it's certainly something that's on our radar, is the  
3 adoption of electric vehicles.

4 MR. CORMAN: Yeah. Tesla's currently hiring 25 more  
5 people to install and start charging facilities in  
6 British Columbia because we're one of the hottest  
7 markets. Apparently British Columbians are quite  
8 green even compared to other parts of the world.

9 MR. CHAIRMAN: Well you see a lot of Teslas around here,  
10 for sure.

11 MR. CORMAN: Buy a Tesla, or a Ford or anything that's  
12 electrical.

13 MR. CHAIRMAN: Okay. Well, thank you very much Mr.  
14 Corman. We appreciate you taking the time to come out  
15 and talk to us tonight. Thank you.

16 MR. CORMAN: Thank you.

17 MR. GEORGE: Thank you, Mr. Corman. I want to  
18 acknowledge your service to our communities and I'm  
19 one of the ones that benefit from your contribution in  
20 Kamloops. I live at Sun Rivers. A part of your work  
21 is what motivated me to purchase there. So, I want to  
22 raise my hands to you and thank you for your service  
23 to our people and thank you for presenting to the  
24 panel this evening.

25 If you wish to provide written evidence,  
26 you can send it to the BCUC by July 15<sup>th</sup>, 2019. An

1 interim report of the BCUC's progress and preliminary  
2 finding is due by December 31<sup>st</sup>, 2019, which will take  
3 into account presentations such as yours that are  
4 being made at community sessions and the written  
5 submissions.

6 A draft of this report will be made  
7 available for comment to Indigenous communities and  
8 other interested parties by November 1<sup>st</sup>, 2019. The  
9 final report to the Government of BC with the BCUC's  
10 final recommendations is due January 31<sup>st</sup>, 2020.

11 Some more information on the inquiry and  
12 how to stay involved can be found at BCUC.com. Once  
13 again sir, thank you for taking time out to be with us  
14 this evening.

15 MR. CHAIRMAN: Thank you very much.

16 (PROCEEDINGS ADJOURNED AT 6:37 P.M.)

17

18

19

20

21

22

23

24

25

26

I HEREBY CERTIFY THAT THE FORGOING  
is a true and accurate transcript  
of the proceedings herein, to the  
best of my skill and ability.



A.B. Lanigan, Court Reporter

June 13<sup>th</sup>, 2019