Patrick Wruck  
Commission Secretary and Manager, Regulatory Services  
British Columbia Utilities Commission

Thank you for your comments in response to my letter. I will be sending in a submission by August 20th, and commenting on Hydros material and the BCUC initial report in the second phase of the review. Some of the material that I believe is necessary for the Panel to be making sense of Hydros application is as follows.

A statement from the BC Hydro about what the costs, an estimate, of remediation would be in the case of suspension, for example the costs of slope stabilization, and the cost of controlling drainage from Hydros earth moving to date, under TOR 3 b ii. BC Hydro needs to present benefits that could be derived from some of the work that the contractors have done as well as the costs in 3 b iii, such as road improvement and clearing of flat land with agricultural potential.

In addition to BC Hydros financial documentation, cost of service, cost benefit analysis, including borrowing considerations, potential cost overruns and categories of them, the contracts signed for work on Site C, the forecast mentioned in the TOR, that I expect the BCUC will make public as the crown Corporation makes them available, it is necessary to see transmission line work costs required or the segment of transmission line upgrades that would be necessary because of Site C, highways realignment costs, value of Crown land trade/compensation contemplated or completed for First Nations, and any other costs that have been accepted by BC Hydro or the BC Government as part of the site C effort, that have not been included in Hydros estimates of construction costs. For example, any compensation and mitigation measures in process or contemplated, or the costs associated with decommissioning of the dam if it were to proceed.

BC Hydro needs to provide the commission with 1992-95 Conservation Potential Review Collaborative Reports, and the most recent conservation potential review, 2007. BC Hydro or the Ministry of Energy needs to provide an explanation of why other large hydro dams were not considered, and a definition of the difference that allowed Site C to be included, under 3 b iv, A complete list of the alternatives that individually or grouped together have been considered by Hydro, as being within the scope of BC Hydros abilities, to meet future needs. BC Hydro and/or the BC Ministry of Energy needs to provide an explanation of what the current Power Smart and conservation efficiency efforts are comprised of.
within Hydro.

I will make the argument that some of the various objectives within the Clean Energy act as they pertain to the need for additional electricity generally and Site C specifically, such as objectives n) and p), which deal with export of power should not be considered in this review, as per TOR 3 b iv. Construction of Site C has never been justified in terms of export, and the costs on our system, and the Province, of such a plan would rule out export purchases of power from Site C, in the same way that BC consumer demand would drop if Site C costs were factored into rates.

I understand that the commission is in bedlam right now, and I understand if there is a tendency to keep discussion of costs relative to Site C to strictly financial costs of construction, but there is a dividing line between what the commission will be considering and that which the Cabinet will consider after the BCUC reports. The costs attributable to Site C from impacts on society, the environment, and current valley resources are not externalities, all of those costs will be paid for by society and will be paid in less time than Hydro is projecting to pay off the construction costs if we were to let the dam proceed. Not all of those costs are non-monetizable and over the years there has been a lot of discussion about how to determine, allocate, and pay for those costs. I will be making the point that whatever of those costs are direct costs to Site C, and to whatever extent that we can include those costs in the decision about the dam, we should do so.

Thank you again for your time, please include this letter as a submission to the Site C Panel. Randal Hadland