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25 August 2017

British Columbia Utilities Commission
900 Howe Street
Vancouver, BC V6Z 2S9

Dear Commissioners Morton, Keilty, Cote, and Mason,

I write concerning the Site C dam, in particular to address the questions now before the BC Utilities Commission regarding whether the project should be terminated, suspended, or allowed to proceed.

I am citizen who draws power from the grid and a teacher of philosophy. I have interests both in keeping my hydro rates as low as possible and in justice.

Is the project on time and within budget?

In July 2017, according to BC Hydro's own quarterly report, the project was not on time. One of the major reasons is a tension crack on the unstable Peace River embankment which has prevented the completion of a road on the north bank and threatens significant delays to other aspects of the project, in particular the river's diversion tunnels. That is: the project is behind schedule because of inaccurate calculation of environmental risks. This is a very serious matter. It is my understanding that the initial 2010 budget of \$6.6B was revised upwards to \$8.8B in 2016. So, no, the project is not within its original budget. Is it likely to stay within the present budget? This is difficult to know. BC Hydro's quarterly report states that three material risks have increased in 2017: geotechnical risks, environmental noncompliance, and construction execution. It is, I submit, highly unlikely that, with increasing risks of this nature, the project will stay within in its already disastrously large budge.

These observations provoke a question that the Commission has not asked but which I would like to address: *What is the cost to ratepayers of continuing the project?* According to former BC Hydro CEO Jessica MacDonald, \$1.75B has been spent, and the total committed is \$4B, although, according to former BC Hydro CEA Marc Eliesen, it is unlikely that contract cancellations have been included in the latter figure. Eliesen estimates that \$3B is what taxpayers are set to lose if the project is terminated. If the project is continued, we will have to spend at least \$5.8B and, I suspect, considerably more than that.

An attempt to quantify the monetary value of an intact Peace River system has been made, and the estimate is \$7.9B to \$8.6B per year. (See <http://commonsensecanadian.ca/peace-valleyfarmland-ecosystems-worth-8-billion-year-study/>.) Thus, in addition to the minimum \$5.8B to complete the project, we would be forcing ourselves to add approximately \$8B to our yearly provincial budget to replace the destroyed farms and ecosystems. The dam itself will not generate sufficient amounts in revenue to cover these losses, because the power is not needed. (See below.) If infrastructure is developed to sell the power to, say, the tar sands or south of the border, those costs would also have to be added to the cost of the project.

There are, as I will argue in my response to questions below, more just, economically feasible, and environmentally responsible options available.

Finally, and most importantly, there are immense and non-quantifiable costs in terms of justice: to First Nations, whose stakes in this matter have been unconstitutionally ignored; to persons of colonial descent who farm in the region; to BC citizens generally who must increasingly be concerned about regional food security; to wildlife in the region, which is already suffering from disruption of a major migration corridor; and to the world in general and our own children and grandchildren in particular: BC does not need the energy capacity that will be generated by the dam, and the environmental destruction is thus pointless. It is of a piece with the short-term economic thinking that has brought the planet to the edge of environmental catastrophe. We must now – not in the next decade, not in the next year, not ‘sometime’ in the next few months, but now – do the right thing by the environment. Or there will be no environment left for our immediate descendants.

What is the cost to ratepayers of suspending the project?

This question, of course, is difficult to answer precisely. The reckless and immoral behaviour of the Clark government, in failing to submit the project to the BCUC before work started, has put us all in a very difficult position. One financial cost will be the continued cut-backs in agricultural production – owing to uncertainty – in one of the most profitable farming regions of the province. There will also be costs associated with maintaining work that has already been done. These additional costs to a project that is already over budget would be acceptable only if it was essentially certain that the project would eventually be approved. But it is far from certain that it would be.

There is the additional serious unquantifiable moral cost of imposing yet more

uncertainty on First Nations and other residents of the region. I, as a ratepaying citizen, want no more involvement in this kind of injustice.

What is the cost to ratepayers of terminating the project?

As indicated above, we will be throwing away somewhere between \$3B and \$4B. I regret this, deeply, and I am deeply angry at the former provincial government for wasting public funds in this way. But I would regret, even more, throwing good money after bad. (See next two questions.)

Also as indicated above, there would be a substantial yearly savings to ratepayers in the form of the farm and natural capital available from an intact Peace River system. In roughly six months, we would have repaid the debt to ourselves incurred by the funds already spent or committed to the project.

And there is tremendous nonquantifiable benefit to be gained from terminating the project: doing the right thing. There is simply no debate that justice – for First Nations, for other citizens of the region, for future generations, and for the environment – requires the project to be cancelled.

What other generating projects and demand-side management initiatives could provide similar benefits?

The following site provides a detailed account of how alternative portfolios developed by BC Hydro can provide the energy required by BC ratepayers more efficiently, more cleanly, and at substantially less cost: <https://sitecstatement.files.wordpress.com/2016/07/1-site-c-comparative-ghg-analysis-report-final2.pdf>. The alternative portfolio includes wind generation, municipal solid waste generation, natural gas, and additional capacity at existing sites.

The need to continue to reduce demand, both industrially and individually, is critical. Europe and California are far ahead of us, and there is much that we can do if we simply model initiatives on ones that have worked there.

What are expected peak capacity demand and energy demand?

I do not have the expertise to answer this question and so here rely on Marc Eliesen's report which argues compellingly that both peak and regular energy demands have been overestimated and that there is no need for the power that Site C will generate. He states that "BC Hydro's load forecast suffers from systemic bias that exaggerates demand and does not incorporate price elasticity of demand

that can be expected from higher rates related to BC Hydro's debt burden, deferred accounts, IPP commitments, dividend commitments, and Site C."

Summary

Site C is unnecessary: the power needed by ratepayers can be generated more responsibly and more economically by other means.

The damage – to First Nations, to rich farmland, to the environment – that would be caused by further development of Site C is morally indefensible.

Suspending Site C development will incur unnecessary costs, given that it is far from certain that the project will eventually be approved, and it imposes yet further burdens on First Nations and farmers in the region.

In sum, I request that you terminate Site C and allow rehabilitation of the damage already done to begin. This is financially the best course. Morally, it is the only one open to us.

Thank you for the time you have taken to consider this submission.

With respect,

A handwritten signature in black ink, consisting of several overlapping loops and a long, thin tail extending to the right.

Dr Jan Zwicky
Professor Emerita
University of Victoria