

**Name: Gerald Lundquist**

**BCUC INQUIRY RESPECTING SITE C**

**F 230-1**

**Date: October 04, 2017**

**Please find attached the copy of my oral submission to the commission.**

**Thanks**

**Gerald Lundquist**



Good Evening Ladies and Gentlemen

My name is Gerry Lundquist and this will be a personal presentation. I represent no specific group. Thank you for listening.

My experience includes my 28 years of employment with BC Rail as an account manager where my portfolio was in business development. Operations and economics were crucial and BC Rail was one of the top performing railways before its sale in 2004.

### **Site C – A Vision**

BC's economy and social well-being is very closely linked to the availability of inexpensive and reliable clean hydro energy. I would like you to consider British Columbia's economy had the former governments waited until we had a desperate need for electricity before pressing through the many objections. How many hydro dams would have been built? How would our now positive economy look today?

I would like you to consider in your economic review the following:

1. The return of tax dollars from wages earned
2. The potential for industrial development
3. Potential Peak Power demand failures

### 1. Return of tax Dollars

Much of the \$8 billion invested will find its way back to the governments via taxes – both personal and corporate.

The Frasier Institute estimates that 43% of average Canadian earnings are returned to governments in the form of taxes. Estimating that 50% of the \$8 billion investment is paid out in wages either directly through those employed at Site C or via ancillary services such as transportation, hotels/restaurants, and off site production, returning tax would account for approx. \$2 billion distributed over the life of construction. Returning Government tax revenues should be considered in your analysis.

### 2. Potential for Industrial Development

Industrial Development is related to energy availability.

The LNG industry has invested \$20 billion in BC in recent years and although a number of LNG proposals have been cancelled it is reasonable to expect that one or two of the initial 16 ventures will move forward. The power required for LNG production would be better supplied by clean hydro electricity rather than by burning valuable NG **that could** provide an extended lifetime for the business case of an LNG venture.

I suggest that the cancellation of Site C would be a self-fulfilling prophecy in that no LNG business will develop and other industries will look at BC and say BC is closed for business. Yes, we might then correctly say – we don't need Site C! But... can we afford that?

Alberta has made the commitment to purchase 5,000 Gigawatts of clean energy by 2030. Alberta is a potential alternate customer for BC Hydro should BC enjoy the availability of surplus electricity in 2024.

### 3. Potential Peak Power Demand Failures:

In the Deloitte report it is noted that BC's population is expected to continue to grow and it is estimated that soon 30% of BC vehicles will be electric.

Last winter BC Hydro experienced the highest electrical demand ever while the cold weather covered all of BC. Consider what might happen in the winter cold when numerous Vancouver residents return home in their Tesla's between 5:30 and 7pm and plug the cars in to charge. Combined with the peak dinner hour demand and the demand for heat throughout BC – will we have enough power?

At the same time, somewhere in the cold interior Fortis Energy has a problem with natural gas supply and people switch on their ovens for heat??? Wind energy is limited because of the low wind speed and solar energy is also limited by the short days and the low sun intensity. Only good ol' reliable hydro power is available. Will We Have Enough?

The cost and potential loss of life if we lost either natural gas or electricity at a cold time would be substantial. I doubt anyone would take comfort in knowing that on an annual average we have sufficient electricity. We need to ensure we can meet our peak power demand.

## In Conclusion

How would BC's economy and related job market look today if previous governments stood still until they were pushed into action? Where there is energy there is the potential for industry and a good economy. With Site C we are preparing for the future whether it be 2024 or 2030. Without Site C, we will later, wallow in the apprehension of today?