



Western Canada Wilderness Committee

OPPOSITION TO PRIVATE RUN-OF-RIVER PROJECTS IN B.C. RUNS DEEP

By Carleen Pickard

Hydro-electricity in British Columbia has historically been in public hands – until recently when the provincial government decided to open local waterways for business.

In August 1961, the B.C. government passed Bill 5, the Power Development Act, which facilitated the merger between BC Electric, the Peace River Power Development Company and the BC Power Commission. The new company was subsequently renamed BC Hydro, creating a large, publicly owned power authority that allowed for expansion of the system, with widespread and affordable rural delivery. The government could obtain financing at lower interest rates than private industry, and the public sector undertook major development projects to provide affordable public power for British Columbians.

The photo above shows how extensive water diversion is needed for Run-of-River projects. This dam diversion on Ashlu Creek has disrupted the abundant natural area that is home to bald eagles, owls, black and grizzly bears.

Privatization forces first attacked the public utility in the 1980s, when corporations supported the sale of the gas division to private interests. (The private gas company Terasen has recently been resold to U.S.-based Kinder Morgan.) BC Hydro, however, remained in public control and produced more than enough energy to meet the province's needs while fuelling development, job creation and community growth throughout B.C. Through the 1990s, private companies continued to lobby for market pricing – a shift that would have resulted in astronomical rate increases.

THIS PRIVATIZATION IS NOT "GREEN"

Since the election of Gordon Campbell's pro-deregulation, pro-privatization Liberal government in 2001, there has

been a major shift in B.C.'s energy policy. The province's newest Energy Plan, announced in early 2007 and titled "BC Energy Plan: A Vision for Clean Energy Leadership," includes plans for "green energy development." While touting this program as a way to combat climate change, the BC Energy Plan actually delivers a masked death sentence to the future of publicly controlled energy delivery.

At the same time the B.C. government released this "vision," it also restricted BC Hydro from developing any new sources of generation. The government then opened the door to applications for "water licences" which, when granted, allow private corporations to develop Run-of-River hydro projects. These projects create dams and divert water in order to generate hydro-electricity from hundreds of B.C. rivers. BC Hydro is then forced to buy this energy back for public consumption, locking the public into purchasing energy previously generated publicly from private corporations.

Sound crazy? Many people think so. BC Hydro has been a long cherished public utility, and diverse organizations have been working together to challenge the government on its ludicrous plan. The government has already granted more than 60 water licences, 35 of them are in some form of operation; hundreds more are pending, and more than 3,000 potentially "viable" river sites have been identified in the province.

Despite the fact that the government calls Run-of-River projects "independent power projects" (IPPs), there is nothing independent about them. Some of the largest corporate energy companies have filed for multiple licences, including Plutonic Power, Ledcor Power Inc. and Axor Power Inc.

ENVIRONMENTAL DEVASTATION

The devastating environmental impacts of these projects are astounding. The Western Canada Wilderness Committee states that Run-of-River projects should be called "river diversion" projects, as "80 to 90 per cent of the river is

diverted through large pipes in order to generate electricity.” Proposed project sites are often in remote wilderness areas, requiring construction of not only the dam, penstock, substation and powerhouse, but also access roads and massive transmission lines – all of which cause huge environmental damage and significant harm to the flora and wildlife in the area.

One Run-of-River project now under way is Ledcor’s project on Ashlu Creek located between Vancouver and Whistler. The abundant natural area is home to bald eagles, owls, black and grizzly bears, and the river is famous for outdoor recreation activities such as white-water kayaking. Since 2004, the local municipality has made several attempts to protect the area, but its local autonomy has been usurped by the provincial government, keen to showcase the Ashlu as a “model” Run-of-River project.

FIGHTING BACK

B.C. residents are no strangers to backdoor privatization and are now fighting these projects head on. Smaller communities outside of the Lower Mainland have led the charge, identifying and opposing water licence applications in their region by presenting resolutions to their local governments and calling for a moratorium on development of Run-of-River projects until their cumulative impacts can be evaluated. Currently, neither the applications nor granted licences are subject to the

B.C. Environmental Assessment Act. Assessment is done only on projects that generate more than 50 megawatts of power. Since Run-of-River projects generate less than that amount, each project is evaluated in isolation. No one is taking the cumulated impacts into consideration.

A gauge of public opposition to Run-of-River projects was the Upper Pitt River project proposed by Northwest Cascade Power. When public opinion was sought about building transmission lines through the Pinecone Burke Provincial Park to facilitate this project, hundreds of people rose and spoke in opposition to the precedent-setting invasion of a provincial park. The B.C. government was forced to deny the application.

The Council of Canadians has joined with environmental groups, labour organizations, citizens’ advocacy groups and sports organizations to call on the B.C. government to enact a moratorium and stop the reckless give-away of B.C.’s rivers and the control over public power. Council chapters in Powell River and Golden are opposing projects under way in their regions, while other chapters – Campbell River and Comox, for example – are working with their regional districts to support the moratorium.

SENDING IT SOUTH

While the B.C. government has stated that the energy generated by these private power companies is for domestic consumption only, the Council of Canadians has been concerned about how the nefarious privatization of BC Hydro fits within the Security and Prosperity Partnership (SPP) agenda. Energy integration – one of the main driving forces of the SPP – encourages corporations to seek profits across the border in the electricity-hungry United States; in this case, California. And we are not the only ones making this claim. John Calvert, author of *Liquid Gold: Energy Privatization in British Columbia*, has stated that “The B.C. government’s energy policy is rapidly transforming the province’s electricity



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This photo shows the extensive clear-cutting that is needed to make way for transmission lines for Ashlu Creek’s Run-of-River project.

system from one owned and controlled by the people of the province to one that is operated in the interests of private energy developers and multinational energy corporations.” Earlier this year, members of the Take Back the Power campaign released a report by Simon Fraser University economist Dr. Marvin Shaffer that stated the main impetus for the B.C. government’s Energy Plan is to generate a large electricity surplus for export. The report highlighted the nonsensical over-generation of electricity in summer months when B.C. energy needs are at their lowest.

This covert plan has also been confirmed by one of the private power companies poised to make millions of dollars in profit from Run-of-River projects. Plutonic Power has been a key corporate player in the Run-of-River debate: in August Bruce Ripley, a company representative, confirmed to an audience of U.S. investors that Plutonic expects to send some of the energy generated in B.C. to California.

It’s time to turn out the lights on Run-of-River projects and the B.C. government’s privatization agenda.

For more information about B.C.’s Take Back the Power campaign, visit www.publicpowerbc.ca.



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Construction is underway for Ledcor’s Ashlu Creek Run-of-River project located between Vancouver and Whistler in British Columbia.

Carleen Pickard is the former BC-Yukon Regional Organizer and new Director of Organizing for the Council of Canadians.