CONSULTATION SUMMARY REPORT:
PROPERTY OWNER CONSULTATION ON POTENTIAL
HIGHWAY 29 REALIGNMENT OPTIONS

NOVEMBER 2008 – MARCH 2009
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SUMMARY OF THE PROPERTY OWNER CONSULTATION ON POTENTIAL HIGHWAY 29 REALIGNMENT OPTIONS

BC Hydro is committed to consultation and communications with property owners. As part of the Stage 2 consultation and technical work, BC Hydro has been meeting with property owners in the Peace River region since November 2007.

From November 2008 to February 2009, BC Hydro met individually with potentially directly impacted property owners to discuss realignment options for Highway 29. If the Site C project were to proceed to construction, four segments of Highway 29 would be flooded by the reservoir, and sections of the highway in the Lynx Creek, Farrell Creek, Halfway River and Cache Creek (Bear Flat) areas would need to be realigned.

The purpose of this consultation was to provide further information about potential changes to sections of Highway 29, gather input specific to individual properties, determine property owner considerations about potential alignment options, and document property owner feedback and concerns.

During Highway 29 property owner consultation, BC Hydro held 29 meetings with the owners of 31 land holdings, accounting for almost three-quarters (74 per cent) of all land holdings potentially directly impacted by Highway 29 realignment options. As some properties have multiple owners, BC Hydro met with 51 individuals in total.

Should the project proceed to Stage 3, feedback about potential Highway 29 realignment options would be used, along with technical and financial design and to assist in defining the scope and nature of ongoing environmental, technical and other studies.

I SITE C PROJECT BACKGROUND

Site C, a potential dam located on the Peace River about 7 kilometres southwest of Fort St. John, is one of several options being considered to help meet B.C.’s future electricity needs. As the third dam and generating station on the Peace River, Site C would gain significant efficiencies by taking advantage of water already stored in the Williston Reservoir upstream of the existing W.A.C. Bennett and Peace Canyon dams to generate electricity. If built, Site C would generate about 30 per cent of the electricity produced at the W.A.C. Bennett Dam, with five per cent of the reservoir area. Site C would provide approximately 900 megawatts (MW) of capacity, and produce about 4,600 gigawatt hours (GWh) of electricity each year — enough electricity to power approximately 460,000 homes.

With British Columbia’s electricity needs continuing to grow, it became apparent in the early 2000s that new dependable sources of electricity would be required. In 2004, as part of BC Hydro’s Integrated Electricity Plan, Site C was identified as a potential resource option for the future. It recommended conducting studies and initiating discussions with First Nations and stakeholders. Two years later, Site C was again included in BC Hydro’s 2006 Integrated Electricity Plan/Long-Term Acquisition Plan as one of the potential resources that could help address the province’s electricity needs in the next 20 years.

In February 2007, the provincial government’s BC Energy Plan listed Site C as a potential resource option to help meet B.C.’s future electricity needs and directed BC Hydro and the provincial government to begin discussions with First Nations, the Province of Alberta and the Northwest Territories, and with communities.

BC Hydro is taking a stage-by-stage approach to the evaluation of Site C. At the end of each stage of review, BC Hydro will make a recommendation to government for a decision on whether to proceed to the next stage of project planning and development. BC Hydro is currently in Stage 2, Consultation and Technical Review.

Because Site C was examined as a resource option more than 25 years ago, and again from 1989–1991, significant engineering design and environmental studies have been done. Today’s approach to Site C will consider environmental concerns, impacts to land, and opportunities for community benefits, and will update design, financial and technical work.

Work done during Stage 2 will determine what new or updated information is required, update decades-old studies, and begin some new environmental studies and technical work. The project as originally conceived must be updated to reflect current guidelines and to incorporate new ideas brought forward by communities, First Nations, regulatory agencies and stakeholders.

1 Meetings with property owners in the Peace region were held between November 2008 and February 2009. Follow-up with property owners living outside the Peace region continued to March 2009.
II STAGE 2 CONSULTATION

Public and Stakeholders

Consultation activities in Stage 2 were designed to be comprehensive, province-wide, multi-phased and to create levels of public involvement through a variety of consultation methods consistent with BC Hydro’s commitment to consultation.

Stage 2 included three rounds of consultation:

- Pre-Consultation (December 2007 – February 2008)
- Project Definition Consultation, Round 1 (May – June 2008)
- Project Definition Consultation, Round 2 (October – December 2008)

The input from Project Definition Consultation will be considered along with information relating to technical, financial and environmental studies as BC Hydro makes a recommendation to government for a decision on whether to proceed to Stage 3 of project planning and development.

First Nations

BC Hydro is committed to effective communications and consultation with First Nations, with the goal of building positive long-term relationships. Aboriginal consultation for the Site C project is at an early stage and is ongoing. BC Hydro and Aboriginal groups are engaged in a thorough consultation and engagement process that would continue through all stages of the project, should it continue.

III STAGE 2 PROPERTY OWNER CONSULTATION

As part of the Stage 2 Consultation and Technical Review evaluation of Site C as a potential energy option, BC Hydro has been consulting with property owners since November 2007.

The following lists some of the ways property owners have been consulted and kept informed during Stage 2:

<table>
<thead>
<tr>
<th>Period</th>
<th>Activities</th>
</tr>
</thead>
</table>
| November 2007 – January 2008   | • Mailed and hand-delivered letters to potentially impacted property owners just prior to public notification regarding Pre-Consultation.  
                                   | • Follow-up calls from BC Hydro regarding Pre-Consultation.                                      |
| January 2008                   | • Established and operated the Site C Community Consultation Office in Fort St. John.            |
| November 2007 – February 2008  | • BC Hydro visits with property owners before and during Pre-Consultation.                       |
| December 4, 2007 – February 15, 2008 | • Pre-Consultation.                                                                              |
| May 1 – June 30, 2008          | • Project Definition Consultation, Round 1.                                                      |
| October 1 – December 3, 2008   | • Project Definition Consultation, Round 2.                                                      |
| February 2008 – October 2008   | • BC Hydro contact with property owners regarding field study permits.                           |
| September 2008                 | • Letter sent to property owners informing them of consultation on Highway 29 realignment.        |
| October 2008                   | • Established and operated the Site C Community Consultation Office in Hudson’s Hope.            |
| November 2008 – February 2009  | • Consultation with property owners regarding Highway 29 realignment options.                   |
| Ongoing                        | • Meetings and correspondence with property owners.                                              |
IV POTENTIAL REALIGNMENT OF HIGHWAY 29

As part of the examination of Site C as a resource option in the late 1970s, and the application to the British Columbia Utilities Commission (BCUC), significant analysis and engineering work was done, including an examination of the impact of the potential project on Highway 29.

It was determined that if the Site C project were to proceed to construction, four segments of Highway 29 would be flooded by the reservoir, and that sections of the highway in the Lynx Creek, Farrell Creek, Halfway River and Cache Creek (Bear Flat) areas would need to be realigned.

Several highway realignments were considered by BC Hydro and the Ministry of Transportation and Infrastructure as part of the work done on the Site C project at that time. The 1982 recommended alignment consisted of the relocation of approximately 23 kilometres of Highway 29 and the installation of four bridges at Lynx Creek, Farrell Creek, Halfway River and Cache Creek (Bear Flat).

REALIGNMENT OPTIONS: HIGHWAY 29

On this map, the dark blue line is the existing river and the light blue shaded area represents the potential Site C Reservoir.

Please refer to Appendix 1, page 7 for more information.
V PROPERTY OWNER CONSULTATION: NOVEMBER 2008 – MARCH 2009

a) Overview and Purpose
As part of Stage 2, BC Hydro undertook individual consultation with property owners potentially directly impacted by the initial realignment options for four sections of Highway 29 at Lynx Creek, Farrell Creek, Halfway River and Cache Creek (Bear Flat).

The purpose of this consultation was to provide further information about potential changes to sections of Highway 29, to gather input specific to individual properties, to determine property owner considerations about potential alignment options, and to document property owner feedback and concerns. Feedback about potential Highway 29 realignment options will be used along with technical and financial input to refine elements of the potential project’s design.

b) Notification
Property owners potentially directly impacted by Highway 29 realignment received a letter dated September 23, 2008, informing them of the upcoming property owner consultation.

Following this letter, Judith Reynier, a BC Hydro Contract Properties Representative, began contacting property owners directly to schedule meetings.

Some of the potentially directly impacted property owners lived outside the Peace region, and they were also contacted by phone. In February 2009, a letter with a package of materials was sent to property owners living outside the region, asking for written input. Follow-up continued until March 2009.

c) Consultation Meetings and Materials
Meetings with property owners took place between November 2008 and February 2009. During Highway 29 property owner consultation, BC Hydro held 29 meetings with the owners of 31 land holdings, accounting for almost three-quarters (74 per cent) of all land holdings potentially directly impacted by Highway 29 realignment options. As some properties have multiple owners, BC Hydro met with 51 individuals in total.

Most of the meetings took place at each property owner’s homes and included customized materials and documented notes.

At each meeting, a representative from each of the Site C Properties, Engineering and Community Relations teams was present.

Properties:
Judith Reynier, BC Hydro Contract Properties Representative

Engineering:
Andrew Watson, Project Engineer
Kyle Robertson, Senior Engineer
John Nunn, Technical Project Director – Klohn Crippen Bergen Ltd.

Community Relations:
Kate O’Neil, Site C Community Relations Manager
Dave Conway, Northern Community Relations Manager

Binders were prepared for each of these consultation meetings and included the following materials:
- Overview of the potential Site C project and property owner consultation
- Copy of notification letter dated September 23, 2008
- Maps – including an individual property map (specific to each property) and a map showing overall alignment options
- Stage 1 Summary Report
- Information Sheet on Stage 2 Field Studies
- Contact Information for BC Hydro Properties Representative representatives and BC Hydro Community Relations Manager and information about BC Hydro Site C website

d) Consultation Record
The BC Hydro Properties Representative took notes at each of the meetings. A draft copy of these notes was mailed to property owners following the meeting and the owners were given the opportunity to comment on or add to the notes. BC Hydro retained a copy of the notes and any comments or additions received from property owners. In addition, two written submissions were made by potentially directly impacted property owners who are currently living outside of the Peace region.

The notes and submissions are confidential, as they relate to individual interests and specific properties, and are therefore not included in this summary report. However, overall key themes are provided in this report in Section VI.

Feedback and comments provided by property owners will be considered along with the technical, environmental and financial studies when determining the best possible overall realignment option.
e) Consultation Participation

TABLE 1: PROPERTY OWNER CONSULTATION PARTICIPATION

<table>
<thead>
<tr>
<th>CONSULTATION</th>
<th>Number of Land Holdings</th>
<th>Percentage of Land Holdings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meetings between BC Hydro and property owners (November 2008 – February 2009)</td>
<td>31 (51 individuals)</td>
<td>74%</td>
</tr>
<tr>
<td>Owners who returned written comments</td>
<td>2</td>
<td>5%</td>
</tr>
<tr>
<td>Owners who live out of the Peace region and did not respond to mailed materials</td>
<td>6</td>
<td>14%</td>
</tr>
<tr>
<td>Owners who have sold property since September 2008</td>
<td>2</td>
<td>5%</td>
</tr>
<tr>
<td>Owners who declined the offer of a meeting</td>
<td>1</td>
<td>2%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>42</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

VI KEY THEMES

Property owners consulted were identified as potentially directly impacted by the realignment of four sections of Highway 29 if the Site C project were to proceed to construction.

**General Themes:**

- Most property owners raised specific property-related concerns – examples of common concerns include access to property, supply of power to property, and impacts to current use of land
- Many property owners stated opposition to potential Site C project
- Many property owners raised concerns over erosion/sloughing
- Some property owners questioned the timeline for defining impact lines and how impact lines would interact with highway realignment options
- Some property owners suggested alternatives to the realignment options presented, both along existing roads and rights-of-way, and following new routes
- Some property owners raised questions about the Passive Property Acquisition Program
- Some property owners raised concerns about the consultation process, both for the Site C project in general and the property owner consultation in particular
- Some property owners raised concerns over a potential increase in wind associated with the reservoir
- Some property owners raised concerns over an increase in public access to their lands caused by either the relocation of the highway or the reservoir
- Some property owners questioned whether BC Hydro would provide compensation for their time to participate in further consultations
- A few property owners questioned whether highway realignment is included in the interim project cost estimate
- A few property owners stated a preference for the highway to be alongside the water rather than inland so that residents and tourists travelling in the area could enjoy the scenery, while a few property owners preferred a more inland route
- A few property owners questioned the availability of construction material (gravel/fill)
- A few property owners raised employment as a benefit of the potential Site C project
VII NEXT STEPS

Next Steps in Highway 29 Realignment
Input received in the property owner consultation about potential Highway 29 realignment options was valuable to BC Hydro, and the Site C technical team will consider this input relative to the project design should the project proceed to the next stage.

If the project were to proceed to Stage 3, the next stage of planning and development, additional work on Highway 29 realignment options would include a review of impact lines in relation to the highway, a review of alternative realignment options suggested by property owners, and the integration of technical, environmental and socio-economic impact analysis.

Some potential alternatives to realignment options, both along existing roads and rights-of-way and following new routes, were suggested by property owners. If the Site C project were to proceed to the next stage, further analysis and study on realignment options, discussions with the provincial Ministry of Transportation and Infrastructure, and consultations with community and stakeholders would be required. No preferred realignment will be determined in Stage 2.

Next Steps in Property Owner Consultation
If a decision is made to advance the potential Site C project to Stage 3, BC Hydro would continue to consult and communicate with potentially affected property owners and leaseholders. Key issues that would require ongoing consultation, as well as further project definition resulting from design and engineering work, include:

- Continued discussion regarding Highway 29 realignment options
- Reservoir impact lines
- Dam site and powerhouse
- Sourcing construction materials

Ongoing contact and communication will continue with property owners in the region through the Site C Community Relations team, the BC Hydro Community Consultation Offices in Fort St. John and Hudson’s Hope, and the Site C project website and inquiry response program.

A report will be prepared on Stage 2 activities. As part of Stage 2 reporting, BC Hydro will also be making a recommendation to government on whether to proceed to the next stage of project planning and development. A decision on whether to proceed to Stage 3, the Regulatory – Environmental Assessment stage, will be made by the provincial government.
VIII APPENDIX 1: HIGHWAY 29 REALIGNMENT OPTION MAPS

Highway 29 realignment option; Lynx Creek
The realigned Lynx Creek segment of the potential Highway 29 relocation would be located approximately 74 kilometres west of Fort St. John. There are several potential realignment options shown for this area.

Highway 29 realignment option; Farrell Creek
The realigned Farrell Creek segment of the potential Highway 29 relocation would be located approximately 69 kilometres west of Fort St. John. The potential new alignment runs parallel to the Peace River, crossing over Farrell Creek.

Potential Highway Realignment – Lynx Creek Segment

Potential Highway Realignment – Farrell Creek Segment
Highway 29 realignment option; Halfway River
The Halfway River segment of the potential Highway 29 relocation would start about 2.5 kilometres east of the Halfway River bridge. There are several potential realignment options shown for this area.

Potential Highway Realignment – Halfway River Segment

Highway 29 realignment option; Cache Creek (Bear Flat)
The Bear Flat segment of the Highway 29 relocation would start approximately 28 kilometres west of Fort St. John. There are two potential realignment options shown for this area.

Potential Highway Realignment – Bear Flat Segment
For more information, please visit:

www.bchydro.com/sitec