

Regional and Local Government Liaison Committee

Wednesday September 25, 2013
12:00 pm – 2:30 pm
Casual lunch will be served

The Pearkes Centre
10801 Dudley Street
Hudson's Hope, British Columbia

AGENDA

- 1. Welcome and Items from Previous Meeting**
 - Review of previous meeting action items status
- 2. Site C Project Update**
- 3. Roundtable**

BC Hydro Site C Clean Energy Project Regional and Local Government Liaison Committee Meeting Notes

Pearkes Centre

Hudson's
Hope, British
Columbia

MEETING DATE

September 25, 2013 12:00 – 2:30pm

TYPE OF MEETING	Regular meeting of the Site C Clean Energy Project's Regional & Local Government Liaison Committee (RLGC). The RLGC is an information-sharing committee that provides a forum for BC Hydro and elected officials to share information and discuss community interests, issues and benefits related to the project.
CHAIR	Susan Yurkovich, Executive Vice President, BC Hydro
ATTENDEES REGIONAL & LOCAL GOVERNMENT LIAISON COMMITTEE MEMBERS	Mayor Fred Jarvis, District of Taylor Chair Karen Goodings, Peace River Regional District Mayor Gwen Johansson, District of Hudson's Hope Mayor Dale Bumstead, City of Dawson Creek Councillor Pat Crook, District of Mackenzie Councillor Betty Ponto, District of Taylor Fred Banham, CAO, Peace River Regional District John Locher, CAO, District of Hudson's Hope Charlette McLeod, CAO, District of Taylor
ABSENT WITH REGRET	Mayor Lori Ackerman, City of Fort St. John Councillor Cheryl Shuman, City of Dawson Creek Mayor Merlin Nichols, District of Chetwynd Mayor Larry Fynn, Village of Pouce Coupe Mayor Darwin Wren, District of Tumbler Ridge Mayor Stephanie Killam, District of Mackenzie Mayor Bill Streeper, Northern Rockies Regional Municipality Jerrilyn Schembri, Director, Peace River Regional District Wayne Hiebert, Director, Peace River Regional District Arthur Hadland, Director, Peace River Regional District Dianne Hunter, CAO, City of Fort St. John Jim Chute, CAO, City of Dawson Creek Barry Elliot, CAO, District of Tumbler Ridge Michael McPhail, CAO, Village of Pouce Coupe Mark Fercho, CAO, District of Mackenzie Randy McLean, CAO, Northern Rockies Regional Municipality Mike Gilbert, Community Development Officer, Northern Rockies Regional Municipality
ATTENDEES BC HYDRO	Dave Conway, BC Hydro Duane Anderson, BC Hydro John Bodnarchuk, BC Hydro Wendy Laluk, BC Hydro, Meeting Recorder

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AGENDA	<ol style="list-style-type: none">1. Welcome and Items from Previous Meeting<ul style="list-style-type: none">- Review of May 8 Meeting Action Items Status- Review of May 8 Meeting Notes2. Site C Project Update3. Integrated Resource Plan4. Roundtable
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PRE-READING MATERIAL / HANDOUTS / PRESENTATIONS (ATTACHED)

- *None*

MEETING SUMMARY KEY THEMES

- S. Yurkovich provided an update on the regulatory process of the project including the amendment of the Environmental Impact Statement, the 4100 information requests from First Nations, agencies and the public and the appointment of the Joint Review Panel (JRP). Discussion focused on skilled workers, procurement and First Nations.
- S. Yurkovich also provided an overview of the draft Integrated Resource Plan. Discussion focused on the BC Utilities Commission review, the Columbia River Treaty and the privatization of BC Hydro.
- During the Roundtable, general questions and comments were raised, as well as a canvassing of members to outline possible post-construction impacts to communities.

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1. PRESENTATION AND DISCUSSION

1. Welcome and Items from Previous Meeting – Susan Yurkovich

Discussion:

- S. Yurkovich, Chair, welcomed everyone to the RLGC meeting and congratulated newly elected Dawson Creek Mayor Dale Bumstead.
- S. Yurkovich provided an overview of the agenda and asked if there were any additional items.
 - There were no additional items.
- S. Yurkovich mentioned there were three action items on the tracking table from the previous meeting and they have been completed.

Action Items:

- None.

2. Site C Project Update

S. Yurkovich provided an update on the project including a summary of recent activities. BC Hydro responded to 4100 information requests from the public, agencies/ministries, local governments and First Nations. She noted that the amended Environmental Impact Statement was deemed satisfactory and the JRP was struck. BC Hydro has responded to the first two sets of questions and a third set of questions is expected from the JRP. Once the amended EIS is finalized the JRP will provide 30 days' notice prior to the public hearings.

BC Hydro was pleased to award the first of 17 scholarships at Northern Lights College which will increase the skilled worker pool.

D. Anderson provided an overview of the procurement process to date including non-merchantable fibre, turbines and generators, worker accommodation and contractor engagement.

Discussion:

- C. McLeod asked for clarity of the review process and the role of the Joint Review Panel (JRP).
 - S. Yurkovich explained that the JRP have been collecting public comments regarding the hearings and will determine the communities in which they will be held, the type of hearings and the timeline.
- C. McLeod asked about outstanding Heritage work and wondered if everything that is found is removed.
 - S. Yurkovich responded that close to 70,000 test holes were dug, which is the largest archaeological program in the province. Sensitive areas such as burial grounds will only proceed should the project receive approvals to

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proceed. BC Hydro would also have to apply for a site alteration permit which would include information about how the work is to be conducted.

- K. Goodings asked what has been found so far in the Heritage investigations.
 - S. Yurkovich responded that mostly small chips of tools have been found.
 - S. Yurkovich read further information into the record provided by email by S. Jackson that a total of 350 fossils have been collected. No invertebrates have been found. Fossils that could be damaged have been left until construction has been confirmed. BC Hydro would then look to find a suitable repository.
- P. Crook asked if Northern Health was consulted about the proposed worker camps.
 - S. Yurkovich confirmed that many meetings with Northern Health have taken place. BC Hydro is advised to provide as many of the medical requirements as possible in the camp area. Workers would be taken to the hospital for extreme cases, as appropriate.
- K. Goodings asked about the need for increased RCMP coverage during construction.
 - S. Yurkovich confirmed that many meetings have taken place with various levels of the RCMP, the Attorney General and the Ministry responsible. They have been provided with BC Hydro's workforce and traffic analysis and will determine the projected increase in RCMP resources that would be needed. BC Hydro has committed to fund the extra members. The RCMP have been sharing their knowledge with similar camp situations.
- K. Goodings commented that the Peace River Regional District (PRRD) is concerned with how work camp infrastructure, such as septic tanks and waste, will be handled.
 - S. Yurkovich responded that BC Hydro would aim to have self-sufficient camps. This would be written into the contract.
 - J. Bodnarchuk added that the total work package includes water, sewer and other services. BC Hydro has been meeting with companies that design camps and is receiving their input.
- K. Goodings asked that the PRRD be included in those discussions.
 - S. Yurkovich commented that multiple parties would be involved in discussions on these issues.
- C. McLeod voiced concerns for other communities if Fort St. John is moving towards not accepting sewage from outside the city.
 - S. Yurkovich responded that if there is an advantage to upgrading infrastructure then that will be looked at and that the option of self-sufficiency will also be explored.
 - Action – J. Bodnarchuk will follow up with Fred Banham for PRRD input.
- C. McLeod asked if Site C's contracts allow for price adjustments since some RFPs are going out now.
 - S. Yurkovich responded that qualifications are being requested at the early

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stage of the procurement process. Bid estimates will come later in the procurement process.

- D. Bumstead asked if there was concern that the possible LNG projects would be competitive with Site C construction in terms of skilled workers.
 - S. Yurkovich confirmed that all large projects are concerned about a skilled worker shortage. Organizations that complete large projects on a regular basis have the same concerns but they do not think it would impede the completion of a project. The Site C budget estimate has a contingency, some of which is for variations in the cost of labour. The construction of the worker camps can also have an impact on the attraction and retention of workers.
- P. Crook asked about First Nations skill development. He commented that First Nations are recognizing the need for skills training and are presently training women to be heavy duty equipment operators.
 - S. Yurkovich will ask S. Jackson to update P. Crook on work done with First Nations.
 - Action – S. Jackson to contact P. Crook regarding First Nations skills training.
- C. McLeod heard at the UBCM Convention that skilled First Nations were having trouble gaining employment due to a unionized workplace.
 - S. Yurkovich answered that the labour model for Site C has not been determined however the project would look to have access to all skilled labour.
- D. Bumstead asked about weight limits on roads and highways.
 - J. Bodnarchuk confirmed that some of the components delivered in the later stages of the project will be overweight and over dimension. BC Hydro is working with the Commercial Vehicle Safety and Enforcement branch of the Ministry of Transportation and Infrastructure to ensure compliance with provincial regulations for transporting these types of loads, including evaluation of roads and bridge structures. Transporting large components by rail is also being explored.
- D. Bumstead asked what will be done to ensure that local and BC businesses really are local and not just a local phone number.
 - S. Yurkovich confirmed that this is being addressed by BC Hydro. P. Veltmeyer and D. Anderson have been talking to businesses, learning from them and about their companies, as well as reviewing their equipment and capabilities. BC Hydro can outline the project objectives but can't require contractors to be from B.C. due to interprovincial trade agreements. However, BC Hydro is able to direct award contracts to First Nations businesses and contractors. BC Hydro is developing a procurement approach and looking at how to package contracts to maximize opportunities for regional businesses. This includes looking to see if smaller contracts provide better opportunities, as well as the

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opportunity for smaller businesses to subcontract from larger contractors. The aim will be to seek opportunities for regional firms to work on the project.

- D. Anderson confirmed that the meetings that are presently being held with local businesses and contractors will help BC Hydro see the total value of local organizations and that local knowledge will be invaluable.
- D. Bumstead asked if local business groups would be of help.
 - S. Yurkovich confirmed that BC Hydro will be working with various business groups and will have all members of the current Site C business directory re-sign up online to the new business directory. Businesses and contractors will be advised to check the box to enable BC Hydro to share their information, to ensure BC Hydro can connect businesses who can explore the possibilities to partner up accordingly.
- C. McLeod offered to provide a link to the Site C business directory on the District of Taylor website.
- G. Johansson asked if there are specific requirements for businesses, for example do they have to be bonded.
 - D. Anderson confirmed that there are no requirements at this time, but BC Hydro will be sure to notify businesses if something is implemented.
- D. Bumstead inquired about First Nations consultation and procurement.
 - S. Yurkovich explained that consultation with First Nations began in 2007 and BC Hydro has met with various groups. The Treaty 8 Tribal Association has elected to speak as a group. Other bands that are not part of Treaty 8 have been met with individually. In total, BC Hydro has invited 60 First Nation groups to meet with the Site C team. BC Hydro has focused on First Nations located nearest to the dam site. D. Anderson has also been meeting with First Nation groups and businesses on procurement. BC Hydro wants to understand what their capacity is and what equipment they have.
- P. Crook asked about consultation BC Hydro has done with Métis groups.
 - S. Yurkovich confirmed that the province does not recognize the Metis but the federal government does. Since the Joint Review Panel is also partly a federal process, BC Hydro has met with the BC Métis Association and the Kelly Lake Métis. BC Hydro can provide more information on these meetings to P. Crook.
 - Action – Provide information to P. Crook regarding what work the Site C team has done with the BC Métis Association and Kelly Lake Métis.

Action Items:

- J. Bodnarchuk to follow up with F. Banham to receive the PRRD's input on sewer infrastructure.
- S. Jackson to update P. Crook on the work BC Hydro has done with First Nations on

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skills training initiatives.

- BC Hydro to provide P. Crook with information on meetings the Site C team has had with the BC Métis Association and the Kelly Lake Métis.

3. Integrated Resource Plan

S. Yurkovich provided a summary of the draft Integrated Resource Plan, which is updated every 2-3 years, to meet the growing demand for electricity in the province. BC Hydro plans to meet the electricity gap with conservation, the advancement of Site C and upgrades to existing facilities.

Discussion:

- G. Johansson asked if the IRP will be reviewed by the BCUC.
 - S. Yurkovich responded that the IRP will be sent to the Cabinet. In the past BC Hydro has sent it to the BCUC but that has changed.
- D. Bumstead asked about the drop in electricity on the chart used in the IRP presentation.
 - S. Yurkovich responded that the drop shows when Burrard Thermal Generating Plant was removed from planning. BC Hydro can now only operate Burrard Thermal in emergency situations.
- K. Goodings asked if a discussion has taken place about the Columbia River Treaty. How much power would be available if BC were to request the power back?
 - S. Yurkovich responded that the Columbia River Treaty does not lapse until 2024 so it would be too late to help with the electricity demand gap.
 - D. Conway confirmed that the downstream benefits last year were 1335 MW or 4400 GWh and that the MW will continue to decline to zero and that the GWh will also decline but not below 2000 GWh.
- K. Goodings asked if BC Hydro would remain a Crown Corporation. She commented that if LNG doesn't materialize the government may choose to sell BC Hydro to deal with the provincial debt.
 - S. Yurkovich responded that it is written in legislation that BC Hydro is held publicly. She said that it would be doubtful that BC Hydro would be sold and that BC Hydro's debt is not in a place where it can't be managed. Rates are going up but BC Hydro still has the third lowest rates in Canada. BC Hydro's debt in relation to its assets is manageable, since BC Hydro is reinvesting in its system.

Action Items:

- None.

4. Round Table

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Discussion:

- G. Johansson made a formal request for the shape files for Hudson's Hope.
 - S. Yurkovich responded that the information includes private property and cannot be provided without permission from the property owner.
- G. Johansson asked for clarification on who is paying for the realignment of Highway 29.
 - S. Yurkovich responded that anything that is related to the Site C project will be paid for by the Site C project. It is quite possible that BC Hydro will engage MOTI to manage the work but BC Hydro would pay for it.
- G. Johansson asked if she could see an analysis of the impact the Site C project would have on the rate structure.
 - S. Yurkovich responded that even though Site C is exempt from BCUC review, Site C would be reviewed by the BCUC as part of a Rate Application prior to the commissioning of the project.
- G. Johansson asked that during the round table each member describe the possible impacts of Site C post-construction.
 - C. McLeod responded that Taylor is not sure of post-construction impacts, but is curious as to how the dam will affect their water system. Also, population growth will be something to watch as some workers will stay in the north and some will leave and there are pros and cons for population growth.
 - F. Jarvis commented that if everyone works well together it would be tremendous to have a legacy that would benefit the entire region. Site C may help with the coordination.
 - B. Ponto commented that Taylor is looking at many things but to pinpoint just one would be difficult.
 - P. Crook confirmed that Mackenzie would be concerned that Site C would create greater Williston reservoir fluctuations that would affect industry in Mackenzie.
 - S. Yurkovich confirmed that Site C would not change Williston reservoir fluctuations.
 - D. Bumstead said it would be difficult to anticipate post-construction concerns. Transformation is a result of many things in the region not just Site C. At this time his focus is on trades training as there is a need to develop skilled people in the region. Dawson Creek needs to work on a coordinated effort with logging, gas, mining and industry.
 - K. Goodings stated that the regional district is concerned about sewer and the number of people impacted. She also mentioned that a resolution was passed at UBCM to ensure dam owners are responsible for emergency preparedness.
 - F. Banham said his concern post-construction would be the effects on the Charlie Lake sewer outfall, the North Peace landfill and the Old Fort community.

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- C. McLeod asked who owns the land where BC Hydro will armour the river bank.
 - S. Yurkovich responded that this would have to be looked at for each property, however generally the Crown owns the foreshore.
- K. Goodings mentioned that the new Taylor boat ramp is amazing. She commented that while watching the jet boat races she could see how well it worked for users but there was some concern about the tie up area for boats.
 - Action – D. Conway to speak with Bob Gammer regarding looking into the tie up area for boats.
- G. Johansson asked K. Goodings what the PRRD is doing in regards to mitigation.
 - K. Goodings responded that mitigation is strictly between land owners and BC Hydro.

Action Items:

- D. Conway to speak with B. Gammer to investigate alternative tie up solutions for the Taylor Boat Ramp.

Meeting Closing Comments:

- S. Yurkovich thanked Hudson's Hope for hosting the meeting and bid farewell to John Locher, whose last day with the District of Hudson's Hope is September 30th.
- Meeting adjourned at 2:30 PM.

SUMMARY OF ACTION ITEMS FROM MEETING	RESPONSIBLE
<ul style="list-style-type: none">• J. Bodnarchuk to follow up with F. Banham to receive the PRRD's input on sewer infrastructure.	BC Hydro
<ul style="list-style-type: none">• S. Jackson to update P. Crook on the work BC Hydro has done with First Nations on skills training initiatives.	BC Hydro
<ul style="list-style-type: none">• BC Hydro to provide P. Crook with information on meetings the Site C team has had with the BC Metis Association and the Kelly Lake Metis.	BC Hydro
<ul style="list-style-type: none">• D. Conway to speak with B. Gammer to investigate alternative tie up solutions for the Taylor Boat Ramp.	BC Hydro