

Peace River Site C Hydro Project
Consideration of Input from Pre-Consultation
December 4, 2007 to February 15, 2008

Overview

Consistent with best practice in consultation, BC Hydro committed to producing a Consideration Memo, demonstrating how input received during the Pre-Consultation phase was considered in determining what should be discussed in the Project Definition consultation and in determining how people should be consulted.

The input received from Pre-Consultation has directly informed the upcoming round of Project Definition Consultation commencing May 2008. This document highlights how input was considered by BC Hydro and how it has informed the consultation program to date for the Peace River Site C Hydro Project. It is expected that input from Pre-Consultation will be reviewed on an ongoing basis as project evaluation continues.

Background

BC Hydro initiated Pre-Consultation for Site C as per the direction in the Energy Plan released in February 2007 by the provincial government.

Pre-Consultation was conducted from December 4, 2007 to February 15, 2008. The purpose of Pre-Consultation was to ask British Columbians how they wanted to be consulted about the potential Site C project, and what topics they would like to discuss during a consultation program for Site C.

Pre-Consultation has now concluded and the *Pre-Consultation Summary Report*, tabulating the input into the Pre-Consultation process, is complete and available at the Site C project website at www.bchydro.com/sitec. Meeting notes summarizing the 48 stakeholder meetings are available on the project website.

The *Pre-Consultation Summary Report* was written and prepared by Kirk & Co and Synovate Ltd. Kirk & Co. Consulting Ltd. is an industry leader in designing and implementing comprehensive public and stakeholder consultation programs. Utilizing generally accepted best practices in consultation, the firm designs consultation programs to maximize opportunities for input. Kirk & Co. works with polling firms to professionally manage, analyse and report on large volumes of public and stakeholder input. Synovate Ltd. is an internationally recognised market research firm. All consultation input received by feedback form and written submission was independently verified and analysed by Synovate.

Pre-Consultation input was collected through the following methods:

- Pre-Consultation Discussion Guide and Feedback Form

- Stakeholder meetings/Open House
- Online Feedback Form
- Submissions, e-mail and faxed correspondence
- Toll-free Site C information line
- Fort St. John Community Consultation Office

The public and stakeholders were advised of the opportunity to provide their input through ten newspaper advertisements in regional and community papers, a media release with resulting media coverage, and direct email invitations.

A total of 686 people participated in Pre-Consultation, with 400 attending stakeholder meetings representing local, regional and provincial interests. Additionally, 56 people attended a Hudson's Hope public meeting, there were 305 feedback forms collected, 31 submissions and approximately 200 visits to the Community Consultation Office in Fort St. John.

This feedback received from Pre-Consultation is intended to inform and help design the consultation program going forward, including the upcoming round of Project Definition Consultation commencing May 2008.

Consideration of Input

BC Hydro has reviewed the detailed *Pre-Consultation Summary Report* prepared by Kirk & Co. Consulting and Synovate Ltd. Kirk & Co. presented the results to the Site C project team, and also separately to a committee of the BC Hydro Executive, in March 2008. Additional briefings were held within BC Hydro, including the Energy Planning Group.

Stakeholder input from Pre-Consultation, has extensively informed the upcoming consultation program, and will continue to inform future project consultation. The consultation topics included in Round 1 of the Project Definition Consultation are all topics stakeholders raised as concerns or suggested as topics for discussion. In addition, the methods of consultation including stakeholder meetings, open houses, household mailers, newspaper inserts, an on-line feedback form, the Community Consultation Office in Fort St. John, and other methods will ensure that local, regional and provincial stakeholders as well as the public have a range of opportunities to participate and provide their input.

As a further example, the topic of comparing Site C to energy alternatives was added as a consultation topic, and will continue to form a part of consultation. As well, a household mailer was added as a communications tool to advise residents of the upcoming round of Project Definition Consultation.

The balance of this document will provide a summary of the key results from Pre-Consultation, and how this feedback has been considered and addressed to date.

1. Topics for Consultation

Participants regarded all nine topics presented in the feedback form as important topics of discussion in Project Definition Consultation (between 71% and 81% regard the topics as “somewhat” or “very” important).

The topics, ranked in order of overall importance were:

- Project design
- Water management
- Fish / wildlife
- Socio-economic
- Land use
- Infrastructure
- Local benefits / opportunities
- Recreation
- Local and provincial climate

In the next two rounds of consultation during Project Definition, BC Hydro will be consulting on specific elements of these topics. Specifically, in Round 1 of Project Definition Consultation in May and June 2008, the following topics will be discussed:

- Comparing Site C to energy alternatives
- Project design, specifically reservoir impact lines and water management issues
- Recreation; impacts on river recreation and opportunities for reservoir recreation
- Infrastructure, specifically worker housing and relocation of segments of Highway 29
- Environment including impacts to fish and potential increase of fog
- Land use, focusing on heritage resources such as archaeological sites
- Community and provincial benefits; employment and worker training, legacy investments, enhanced recreational opportunities, and infrastructure upgrades.

In Round 2, in fall 2008, potential consultation topics include, but are not limited to:

- Options for reservoir preparation, construction material and disposal sites, water management, and reservoir operating levels
- Infrastructure, which includes more detailed alignment options for relocation of segments of Highway 29 and use of the construction bridge
- Local climate and Greenhouse Gas, which includes discussion of local climate effects and Greenhouse Gas effects and evaluation
- Environmental, such as potential impacts on wildlife and wildlife habitat
- Land uses, such as potential impacts on agriculture, parks and protected areas
- Community and provincial benefits

2. Additional Topics of Interest

In an open-ended question asking respondents what additional topics they would like to be consulted about during Project Definition consultation, several additional topics were volunteered. These additional topics are listed below (other topics were also raised, but they have already been captured in the topics above):

- Possible alternative projects, energy sources or conservation (19%)
- Detailed management of construction and transmission costs (10%)
- Opposed to project (9%)
- Relocation of or compensation for affected residents (8%)
- First Nations consultation (6%)
- Maintaining low long-term hydro rates (5%)
- Integration / working with IPPs / IPPBC (3%)
- Require more info about companies involved in consultation (2%)
- Timelines re. construction (2%)

The highest ranking topic in the open-ended question that participants wanted to be consulted about was possible alternative projects or sources of energy, including conservation.

Analysis of energy alternatives is generally done as part of BC Hydro's energy planning process which incorporates developing Integrated Electricity Plans (IEP) and Long-Term Acquisition Plans (LTAP) on a regular basis. Both Plans are filed with the BC Utilities Commission for review and consideration.

Currently, BC Hydro is developing its Long Term Acquisition Plan (2008 LTAP) to be filed with the BCUC in Spring 2008. The 2008 LTAP will update the 2006 IEP / LTAP and will address and compare energy resource options, including Site C. In addition to these planning processes, BC Hydro is seeking input from stakeholders and the public in the Stage 2 review of Site C about key factors to consider in evaluating Site C as a potential resource option. This topic is expected to be reviewed in both rounds of Project Definition Consultation.

With respect to conservation, BC Hydro is aggressively promoting conservation and energy efficiency among its customers, including residential and commercial customers. Through its PowerSmart program, BC Hydro is a global leader in conservation, providing programs and incentives to help customers use less power, with a target to realize 50 per cent of our future energy needs through conservation by 2020. BC Hydro has established two committees made up of stakeholders to advise BC Hydro – the Energy Conservation and Efficiency Committee and the Conservation Potential Review Committee.

With respect to cost estimates for construction and transmission, and timelines for construction, BC Hydro will be updating the interim project cost estimate for the Site C project at the end of each stage of project review. The updated interim project cost estimates will be publicly available as they were in the Stage 1 report. These estimates will undergo a peer review, and BC Hydro will work with BCTC to develop the estimates for transmission-related costs.

Some participants (9%) stated their **opposition to Site C** in this particular open-ended question. Later in the questionnaire, some participants also expressed their opposition (32%) in the last open-ended question on the feedback form.

It's important to note that no decision has been made to build Site C. Much more analysis and technical work needs to be done to review the project before a decision can be made. Project Definition Consultation is an important part of the project work that will be undertaken in Stage 2 to continue to understand and study the features of the potential Site C project including its potential benefits and impacts.

Some participants proposed the topic of **relocation of, or compensation for, affected residents** (8%) as a consultation topic. BC Hydro is engaging and consulting directly with potentially impacted property owners, and in fact has project staff dedicated to this important area. Part of work during Stage 2 is to update the information about the potential land impacts.

Six per cent of participants raised the topic of **First Nations consultation**. BC Hydro is committed to effective communications and consultation with First Nations, with the goal of building positive relationships. As part of the evaluation of Site C, BC Hydro is consulting with First Nations about the project and how, moving forward, First Nations would like to be involved and consulted.

3. Evaluating Site C

Participants were asked about the factors that were important to them when evaluating Site C as a potential option. All topics rated 70 per cent or higher in being "very important" or "somewhat important". The factors included:

- Managing local environmental impacts (80%)
- Managing local social and infrastructure impacts (78%)
- Providing dependable energy throughout the year (79%)
- Providing clean electricity (78%)
- Providing renewable power for more than 100 years (76%)
- Providing affordable power (73%)
- Becoming energy self-sufficient in BC (73%)
- Understanding transmission requirements (71%)

All of these factors continue to be important considerations as BC Hydro evaluates Site C as a potential option. A number of these factors are also topics for consultation in the upcoming round of Project Definition Consultation (e.g. local environmental and infrastructure impacts).

4. Community Benefits

In an open-ended question, participants mentioned opportunities for recreation (27%), employment (19%), upgrades to infrastructure (19%), and a lasting legacy similar to the Columbia Basin Trust (16%) as community benefits they would most like to see from the development of Site C. Employment opportunities are of particular importance to participants from the Peace region.

Close to one-quarter (23%) of participants who responded to the question mentioned their opposition to Site C rather than specifying any community benefits they would like to see from the project.

The results of the open-ended question regarding potential Community Benefits are summarized below:

- Recreational benefits/facilities/opportunities (27%)
- Infrastructure upgrades (19%)
- Employment/contracting opportunities/economic opportunities (19%)
- Establish Legacy Fund Trust/similar to Columbia Basin Trust (16%)
- Reduced/subsidized energy costs (9%)
- Appropriate compensation for First Nations/other people directly impacted (9%)
- Social benefits (education/healthcare) (6%)
- Increased tourism/tourism focus/opportunities (5%)
- Better water system/supply (3%)
- Low housing cost for those residents dislocated (1%)
- Protect/control bank stability near residential sites (1%)
- Other (14%)
- Opposed to Site C/No benefit (23%)

The topic of community benefits from the Site C project, should it proceed, is of high interest and is part of Project Definition Consultation in Rounds 1 and Round 2 in 2008.

5. Consultation Methods

During Pre-Consultation, BC Hydro sought input on stakeholders' likelihood to participate using various methods of consultation. As there was a notable difference between Peace River stakeholders and provincial stakeholders on this question, the table below breaks down the feedback by region. The table notes

each consultation method, and the likelihood of participation, measured by responses that participants were ‘very likely’ or ‘somewhat likely’ to participate.

Consultation Method	Peace River Stakeholders	Provincial Stakeholders
Stakeholder meetings	79%	57%
Public open houses	82%	38%
Online feedback form	46%	58%
Fort St. John Community Consultation Office	59%	18%
Online stakeholder meetings	39%	39%
Newspaper insert with feedback form	50%	18%
Online bulletin boards	39%	23%

Participants were also asked if there are other methods of consultation they would likely participate in. Peace River stakeholders offered Public Open Houses as a highly preferred method (34%), as well as mailout feedback forms / letters, stakeholder meetings, radio call-in shows and meetings with Chambers of Commerce (6% each). Provincial stakeholders offered the following suggestions: industry meetings (19%), political or regulatory meetings (15%), and meetings with BC Hydro staff (15%).

BC Hydro is planning to use a broad variety of methods of consultation in the upcoming round of Project Definition Consultation to directly respond to this feedback and to ensure local, regional and provincial participants have a variety of opportunities to provide input:

- Stakeholder meetings – local, regional and provincial
- Public open houses – local and regional
- Online discussion guide and feedback form – all regions
- Fort St. John Community Consultation Office – local and regional, open Monday to Saturday
- Online stakeholder meetings – not in upcoming round, but under consideration for future rounds of consultation
- Newspaper insert with feedback form – under consideration for upcoming round
- Online bulletin boards – not planned for upcoming rounds of consultation

6. Public Notice of Consultation

BC Hydro asked participants how likely they are to read further information about the Site C Project Definition Consultation program and how they prefer to receive that information. The results are broken down below by provincial and Peace region stakeholders.

Public Notice Method	Peace River Stakeholders	Provincial Stakeholders
Email	86%	87%
Mail	93%	70%
Website	72%	77%
Newspaper ad	78%	53%
Fort St. John Community Consultation Office	65%	16%

BC Hydro is currently planning to use all of these methods to communicate information and provide public notice about the Project Definition Consultation program. Specifically, BC Hydro is adding the use of a mailer to households in the Fort St. John and Hudson's Hope areas. At 93%, household mailer was the highest noted method that Peace region participants were most likely to use to read further information about consultation on Site C.

7. Additional Comments

Among participants who provided open-ended feedback under an "Additional Comments" section of the feedback form, 32% stated their opposition to the Site C project or a desire to use alternative energy sources or energy conservation instead. A higher percentage of participants from the Peace region express this sentiment than do those from outside the Peace (35% versus 19%, respectively).

Having an honest consultation process with full disclosure is volunteered by 15% of participants who provided additional comments in the feedback form. The comments are summarized below, along with some comments on BC Hydro's consideration to date of this input, where appropriate.

- *Don't build it/use alternative energy sources/conserves current energy supplies (32%)*

It's important to note that no decision has been made to build Site C. Much more analysis and technical work needs to be done to review the project before that decision can be made. Project Definition Consultation is an important part of the project work that will be undertaken in Stage 2 to continue to understand

and the study the features of the potential Site C project including its potential benefits and impacts.

With respect to conservation, BC Hydro is aggressively promoting conservation and energy efficiency among its customers, including residential and commercial customers. Through its PowerSmart program, BC Hydro is a global leader in conservation, providing programs and incentives to help customers use less power, with a target to realize 50 per cent of our future energy needs through conservation by 2020. BC Hydro has also established two committees made up of stakeholders to advise BC Hydro – the Energy Conservation and Efficiency Committee and the Conservation Potential Review Committee.

- *Have honest consultation/ensure full disclosure/keep promises (15%)*

BC Hydro will continue to manage the consultation process in a manner that is fair, transparent, and consistent with best practice. A broad range of consultation methods will encourage as much participation as possible so that BC Hydro and the Government of British Columbia can make an informed decision about whether to proceed to Stage 3, which is the regulatory stage.

- *Build it (9%)*

As mentioned above, it's important to note no decision has been made, and further analysis needs to be done.

- *Ensure environmental concerns are addressed (land, climate, wildlife) (9%)*

Environmental concerns continue to be a key area for consultation and project definition work. If the project were to proceed to Stage 3 of evaluation, it would undergo a full environmental assessment and review.

- *The project will bring many benefits (financial/power production) (8%)*
- *Good workshop/thanks for the information (7%)*
- *Continue with consultation process (6%)*
- *Ensure full disclosure regarding project costs (4%)*

BC Hydro will be updating the interim project cost estimate for the Site C project at the end of each stage of project review. The updated interim project cost estimates will be publicly available as they were in the Stage 1 report.

- *Ensure integration of wind/hydrogen generation/small hydro projects into Site C planning (3%)*

BC Hydro will continue to evaluate the Site C project within the overall context of energy planning for the future, including how Site C would work with other energy sources that are coming online.

- *Ensure that First Nations is involved/has issues addressed (3%)*
- *Concerned about preferential treatment for First Nations (3%)*

With respect to both comments above, BC Hydro is committed to effective communications and consultation with First Nations, with the goal of building positive relationships. As part of the evaluation of Site C, BC Hydro will consult with First Nations about the project and how, moving forward, First Nations would like to be involved and consulted.

- *Create/implement a Legacy Fund (2%)*
- *Ensure that the local community benefits (2%)*

With respect to both comments above, community and provincial benefits continue to be a topic of Project Definition consultation.

- *Have an independent/neutral committee or group doing the consultation/have a neutral location (1%)*

BC Hydro has engaged a public consultation firm that is a recognised industry leader in its field. This firm, Kirk & Co, further makes use of internationally recognised market research firms to tabulate consultation input. The consultation reports are prepared by this third party firm and provided to BC Hydro for consideration of input.

In almost all cases, the consultation firm will provide facilitation and note-taking of stakeholder meetings. In most cases, the meetings will be held in a 'neutral location' wherever possible.