

Site C Clean Energy Project

Regional Community Liaison Committee Meeting

Meeting Summary
September 6, 2017, 1:00pm to 3:30pm
Fort St. John

ATTENDEES <i>Regional Community Liaison Committee Members</i>	<p>Dan Davies, MLA, Peace River North Mayor Merlin Nichols, Chetwynd Carol Newsom, CAO, Chetwynd Mayor Dale Bumstead, Dawson Creek Mayor Lori Ackerman, Fort St. John Councillor Dave Heiberg, Hudson's Hope Tom Matus, CAO, Hudson's Hope Nathan Prince, McLeod Lake Indian Band Councillor Andre Lavoie, Pouce Coupe Director Karen Goodings, Area B, Peace River Regional District Director Brad Sperling, Area C, Peace River Regional District Director Dan Rose, Area E, Peace River Regional District Mayor Rob Fraser, Taylor Charlette McLeod, CAO, Taylor Dave Conway, BC Hydro Bob Peever, BC Hydro Ed Gohl, BC Hydro Nancy Pepper, BC Hydro Melanie Dame, BC Hydro</p>
ABSENT WITH REGRET	<p>Mike Bernier, MLA, Peace River South Jane Calvert, Blueberry River First Nation Duncan Redfearn, CAO, Dawson Creek Cec Heron, Doig River First Nation Dianne Hunter, CAO, Fort St. John Fay Masear, McLeod Lake Indian Band Christopher Leggett, CAO, Pouce Coupe Director Leonard Hiebert, Area D, Peace River Regional District Chris Cvik, CAO, Peace River Regional District Mayor Don McPherson, Tumbler Ridge Jordan Wall, CAO, Tumbler Ridge</p>
INVITED GUESTS	<p>Brian Hussain, ATCO Kahsha Patterson, ATCO Dean Daniel, Ministry of Transportation and Infrastructure</p>

	Brent Davies, Ministry of Transportation and Infrastructure Katherine Styba, Ministry of Transportation and Infrastructure Amber Harding, Peace River Hydro Partners Louis Brais, Peace River Hydro Partners Greg Coulter, Peace River Hydro Partners Andy Sanderson, Peace River Hydro Partners
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Documents Distributed (via email on September 5, 2017)

Agenda – September 6, 2017

Action Items Tracking Log – August 29, 2017

Site C Project Update Presentation – September 6, 2017

BC Hydro Site C Public Enquiries Report May – July 2017

1. Opening / Welcome / Agenda

- a) Dave Conway opened the meeting and noted that he would be acting as Chair. Dave reminded the Committee that Edie Thome has left BC Hydro and provided information on Site C's new Director of Regulatory and Environment, Shanna Mason, who will be joining BC Hydro on September 11.
- b) The agenda was reviewed and a request for any additional items was made by Dave Conway.
 - a. A member asked that an issue with a previously drilled well on the south bank of the dam site be added to the agenda.
 - b. Dave Conway confirmed that the item would be added to the agenda.

2. Review of Action Items

- a) Action item 2017-004 is still in progress. No comments were received on the completed action items.

3. BC Hydro Project Update

Dave Conway provided information on the British Columbia Utilities Commission's (BCUC) review of the project, including the timeline related to Site C construction activities and procurement activities. More information can be found on www.bcuc.com.

- a) A member asked if there was more information on the value of the contracts awarded to date.
- b) Dave Conway explained that BC Hydro did not have the information available for the meeting, but that it is publicly available in the BC Hydro filing on the BCUC website.

Bob Peever discussed the construction activities that were undertaken in spring and summer 2017, along with the current and upcoming construction activities on the Site C project. Bob Peever also introduced Ed Gohl, who will be acting as the Site C construction manager while Bob is on sabbatical.

- c) A member asked if there was a plan to twin the construction bridge on the dam site.
- d) Bob Peever confirmed that the intent is to move forward with upgrades to the throughput capacity of the construction bridge on the dam site however the full details are not yet available.

Andy Sanderson with Peace River Hydro Partners (PRHP) discussed the construction plan for the 85th Avenue Industrial Lands and provided a map of the area from PRHP's [Detailed Operations Plan](#). PRHP has received permission from the Ministry of Transportation and Infrastructure (MoTI) to erect gates on 107 Street and Shaman Way to close public access to the 85th Avenue Industrial Lands site. The Care of Water Plan for the site was also discussed, including how the drainage of water will occur along the site's slopes and the use of sediment ponds.

- e) A member asked if there had been changes to the drainage plan since the spring, when a meeting on the 85th Avenue Industrial Lands work was held with PRHP, BC Hydro, the Peace River Regional District and the City of Fort St. John. They mentioned that the water will move into the Wiltse Drive area and flood the subdivision.
- f) A member also said that the map provided does not provide clear details on the work occurring within the site. They would like to have more information on what work is occurring in each area of the site, the slopes on the land that will remain after the materials are removed and the remediation plan for the site. They said that there will be a loss of light industrial land due to the slopes around the excavation area being left at 2-to1 after construction.
- g) Nancy Pepper confirmed that BC Hydro would send the Committee members a link to Detailed Operations Plan for the 85th Avenue Industrial Lands.
- h) BC Hydro will schedule meetings with the Peace River Regional District (PRRD), City of Fort St. John, PRHP and MoTI to discuss the 85th Avenue Industrial Lands.

Dave Conway addressed the additional agenda item that was added at the beginning of the meeting. He explained that there is an oil and gas wellbore on the south bank of the dam site, which had been abandoned in 1967. Work is currently underway as planned to lower the surface casing of the wellbore by approximately five metres and permanently cap the wellbore. BC Hydro is coordinating this work with the well owner.

- i) A member asked what type of fluid is in the well and what happened with the well. They suggested that the BC Oil and Gas Commission (OGC) be invited to discuss the issue at a future meeting.
- j) Dave Conway explained that BC Hydro did not have that information available but that the information would be provided to the Committee. He confirmed that the OGC was aware of the issue and that BC Hydro would look at inviting the OGC to a future meeting to further discuss the gas well.

Dave Conway provided information on procurement, employment and regional business participation.

- k) A member asked if BC Hydro anticipates that the procurement strategy during the BCUC review period will limit the interest of potential bidders.
- l) Dave Conway explained that BC Hydro could not speak to that.
- m) A member asked how many of the PRRD workers (771 in June 2017) stay in the worker accommodation lodge. Another member asked if BC Hydro has statistics on how many of the PRRD workers are going home at night versus staying in the lodge.
- n) Dave Conway explained that BC Hydro does not have these numbers.
- o) Brian Hussain explained that ATCO had approximately 1000 people staying in the lodge per night, during this period.
- p) A member noted that the percentage of PRRD workers on the project has dropped and would like to know what the reasons could be.
- q) Dave Conway explained that the numbers can vary based on the type of work that is occurring on site. Work right now is focused on the placement of the roller-compacted concrete, whereas the excavation work is slowing down.

- r) A member asked if the Petrowest receivership had an impact on local hires and if there is less local interest in working on the project.
- s) Amber Harding said that the Petrowest receivership has not had an impact on local hires. PRHP tries to hire local first but also needs to look at the qualifications of the applicants. She also confirmed that PRHP has received fewer applications from local residents as oil and gas and mining projects have picked up.
- t) A member provided information on a business directory that has been launched by the South Peace Economic Development Commission. It would be a great source for the Project's contractors. The member provided BC Hydro with the link to the business directory.

Action: BC Hydro to provide the Committee members with a link to the Detailed Operations Plan for the 85th Avenue Industrial Lands, along with the map of the area (Appendix A).

Action: BC Hydro will schedule meetings with the PRRD, City of Fort St. John, PRHP and MoTI to discuss the 85th Avenue Industrial Lands Care of Water Plan and the site remediation plan.

Action: BC Hydro will share with the South Peace Economic Development Commission's business directory with Project contractors.

4. Peace River Hydro Partners Procurement Process

Amber Harding provided an overview of PRHP's procurement process and their engagement with businesses located in the Peace region. She mentioned that PRHP would be interested in accessing the South Peace business directory that has been launched by the South Peace Economic Development Commission.

- a) A member asked about the bidding process for contracts with PRHP. They have heard from local community members that a greater number of contracts were being awarded to PRHP's partner companies and that these partner companies may have had access to confidential PRHP information when preparing their bids. The member would like more information on PRHP's procurement process and how open it is to local businesses.
- b) Louis Brais, PRHP's Project Director, confirmed that PRHP's procurement process is an open process. PRHP has strict rules for their procurement process, which is controlled by their internal procurement team. With regards to Petrowest, they are no longer involved in the PRHP joint venture and are no longer involved in the day-to-day operations of the project. Petrowest and Petrowest-related companies are only a small percentage of the other contractors working with PRHP and they were predominately used in the provision of rental equipment, for example, when trucking from Wuthrich quarry and hauling on the dam site. PRHP is now mainly self-performing the work on site.
- c) A member asked if there is BC Hydro oversight of PRHP's procurements.
- d) Dave Conway explained that while BC Hydro liaises on an ongoing basis with PRHP on the contract, BC Hydro does not oversee their procurement process.
- e) A member commented on the procurement process and PRHP's decision to self-perform some of their work. They said that Site C is not providing benefits to the community with regards to opportunities for the development of sustainable local businesses and that BC Hydro is not meeting its requirements.
- f) Dave Conway explained that BC Hydro and the member have discussed the procurement process and PRHP's decision to self-perform previously. BC Hydro has looked at its contract with PRHP and PRHP is allowed to self-perform its work. BC Hydro

believes that it is doing what is necessary to promote business opportunities in the Peace region in accordance with the applicable requirements.

- g) Nancy Pepper added that BC Hydro works to support local businesses in being competitive for project opportunities but similar to local governments, BC Hydro is a public entity that must comply with the same public entity procurement rules set-out in provincial laws and trade agreements which prohibit preferential treatment.
- h) A member commented on PRHP's decision to self-perform work and the contracts that had been signed with local companies, which were ended.
- i) Louis Brais explained that PRHP completed an economic analysis of their work and they made a decision to self-perform. The contracts that were terminated were service contracts and they were not open-ended contracts and were not contracts for a specific number of years of work.
- j) A member asked PRHP to explain how they are going to provide benefits to the Peace region if they are self-performing the work.
- k) Louis Brais explained that it makes good business sense for PRHP to work and develop relationships with local businesses, as the service can be better. However, PRHP placed a competitive bid for the work on the Project and thus contracts with PRHP must be bid competitively to manage costs. PRHP does strive to provide work to those in the local communities.

5. Public Enquiries & FAQ report

Dave Conway reviewed the Public Enquiry and FAQ report with the Committee.

6. Community Concerns and Solutions Discussion

Timber mulching along the Highway 29 realignment work (PRRD):

- a) Nancy Pepper provided a response to the letter received from the PRRD in May 2017 regarding the timber mulching adjacent to the Highway 29 realignment works.
- b) The PRRD asked to receive the response in writing so that it can be shared with the full Board.

Future use of the lands south and west of the dam and their potential recreational value (Chetwynd):

- a) Merlin Nichols discussed the funding that Chetwynd received from BC Hydro to develop recreation sites on the south bank, as part of their Site C Community Agreement. Chetwynd identified an area for the development of a recreation site that includes three or four permanent campsites. They are working with Recreation Sites & Trails BC on its proposal and expect a response in a few months.

Action: BC Hydro will provide the Peace River Regional District with a written response to their letter regarding the timber mulching adjacent to Highway 29.

7. Roundtable

- a) Rob Fraser commented that on PRHP's procurement process and their commitment to work with local businesses. He asked what will be left as a legacy for the Peace region after the Project is complete. He said that a positive impact that would have longevity in the region is building the capacity of local businesses as a benefit to communities.
- b) Lori Ackerman also commented on the procurement process. She reflected on the conversations that occurred between Fort St. John and BC Hydro when the Project was

in its planning stages and the need to develop sustainable communities. She understands that a project must be run in a manner to meet its schedule and budget but she emphasized the importance of signed agreements being implemented as planned. Lori also commented on the development of the 85th Avenue Industrial Lands and the changes between what BC Hydro discussed with Fort St. John and what PRHP is planning.

- c) Brian Hussain explained that ATCO is promoting opportunities for local businesses and workers. ATCO has been working with BC Hydro on how to engage with local businesses and they like to engage with the local communities as much as possible.
- d) Dave Heiberg asked that the procurement process be looked at by BC Hydro and PRHP and that they report back to the Committee.
- e) Andre Lavoie mentioned the business directory developed by the South Peace Economic Development Commission and asked that PRHP look at using the directory.
- f) Dan Rose commented that work needs to be done to increase local hires and mentioned that ATCO's local employment numbers are lower than PRHP's. He would like to see the Project have 50% of its workers from the PRRD.
- g) Brad Sperling asked that BC Hydro look after the residents in Area C as they are affected by the Project.
- h) Karen Goodings commented that BC Hydro is slow in responding to questions. She also commented on transparency and the ability of communities to receive information on what is happening on the Project.
- i) Dan Davies commented on the amount of local hires and local business opportunities. He would like to attend the meeting on the 85th Avenue Industrial Lands. He asked that BC Hydro go above and beyond in being transparent and honest about the Project.
- j) Merlin Nichols commented that he is sympathetic to the comments raised by various members about the procurement process, opportunities for local businesses and impacts to local communities.
- k) Tom Matus asked if there are any businesses from Hudson's Hope that are bidding on work on the Project.
- l) Dave Heiberg added that Hudson's Hope is the only local community that does not have a business listed in the Site C Local Business Summary.
- m) Dave Conway said that BC Hydro would look into this.
- n) Dale Bumstead also commented on opportunities for local businesses and the impacts to local communities. He mentioned that BC Hydro has talked about the economic benefits of the Project and the thousands of jobs that would be created but that BC Hydro cannot build the Project without the Peace region communities. BC Hydro is leaning on these communities to provide services for its workers. Small businesses help build local communities and infrastructure in the Peace region. He added that whatever the industry, it would cost more to build projects if you do not have access to community infrastructure and services.
- o) Katherine Styba commented that MoTI is available to discuss the 85th Avenue Industrial Lands in further detail as necessary.

Action: BC Hydro to look into whether any Hudson's Hope businesses have been engaged to provide work or services on the Project.

8. Terms of Reference

- a) Nancy Pepper discussed the proposed amendment to the Terms of Reference, Section 3.6.5. The amendment would change the timing of the preparation of the annual report to occur approximately 90 days after January 1 of each year.

- b) The amendment was put to a vote of the Committee. Members voted to amend the Terms of Reference as presented by BC Hydro.

Action: BC Hydro will amend the Terms of Reference, Section 3.6.5, as agreed upon at the September 6, 2017 meeting.

9. Next Steps

- a) The next meeting date will be October 18, 2017, which will be a site tour.
 - i) A member suggested that a meeting be held after the tour.
 - ii) BC Hydro will follow up with the Committee on the suggestion of holding a meeting after the site tour on October 18.
- b) The action items will be sent to the Committee.

Action: BC Hydro will follow up with the Committee to determine whether a meeting will be held after the site tour on Wednesday, October 18.

Post-meeting note: BC Hydro has sought feedback from the Committee and has postponed the next meeting until the new year.