# VILLAGE OF PORT ALICE COUNCIL MEETING AGENDA



# TO BE HELD WEDNESDAY JULY 8, 2020 at 7:00 pm IN THE LARRY PEPPER ROOM

#### (1) CALL TO ORDER

We are privileged to acknowledge that this meeting is being held on the traditional territory of the Quatsino First Nations.

#### (2) ADOPTION OF AGENDA:

THAT the Agenda for the Meeting of the Village of Port Alice for July 8, 2020, be approved; AND THAT all delegations, reports, correspondence and other information set to the agenda be received for information.

#### (3) DELEGATIONS:

a.) Price Waterhouse Coopers LLP – Lucas Masuta, LIT

#### Pg 3-4 (4) MINUTES:

a.) THAT the Minutes from the Regular Meeting of June 24, 2020, be approved.

(5) OLD BUSINESS: N\A

#### (6) COMMUNICATIONS:

Pg 5-6 a.) June 29, 2020, Investing in Canada Infrastructure Program, Funding Announcement

b.) June 29, 2020, Youth Community Partnership Program, Funding Announcement

Pg 7-9

Pg 11-12 c.) July 2, 2020, UBCM meeting requests, Letter from Minister Selena Robinson

#### (7) NEW BUSINESS:

Recommendation from Closed Meeting June 24, 2020

THAT Bob Barbour, Dave Parker, and Elizabeth Thompson be appointed to the Board of Variance for a three-year term

#### (8) REPORTS:

Pg 13 a.) <u>Comr</u>

a.) Community Centre Report

June 30, 2020 Report from Bonnie Danyk, CAO

b.) 2020-2025 Garbage Collection Contract

July 8, 2020, Report from Bonnie Danyk, CAO

#### (9) BYLAWS:

#### (10) QUESTION PERIOD:

#### (11) ADJOURNMENT:

THAT the meeting of the Village of Port Alice Council held July 8, 2020, be adjourned

#### **INFORMATION ITEMS:**

a.) June 28, 2020, Clean Energy BC, Media Backgrounder, Bill 17 – 2020 Clean Energy Amendment Act, 2020

# VILLAGE OF PORT ALICE COUNCIL REGULAR MEETING MINUTES

Port Alice
Gateway to the Wild West Coast

WEDNESDAY JUNE 24, 2020
IN THE LARRY PEPPER ROOM

Present

Mayor Kevin Cameron Councillor Holly Aldis Councillor Sean Watson Councillor Bruce Lloyd

Staff

Bonnie Danyk, CAO / CFO

Tanya Spafford, Admin Assistant

**Absent** 

Councillor Angela Yunker

CALL TO ORDER: 6:30 pm

RESOLUTION TO PROCEED TO CLOSED MEETING (6:30 pm)

THAT the meeting be closed to the public to consider matters pursuant to the following sections of the Community Charter:

Section 90 (1) (a)personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;

Section 90 (1) (c) labour relations or other employee relations;

Section 90 (1) (k)negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public;

**RECONVENE - 7:00pm** 

60/20 Adoption of Agenda

**ADOPTION OF AGENDA:** 

Moved, seconded and CARRIED

**THAT** the Agenda for the Meeting of the Village of Port Alice for June 24, 2020, be approved AND **THAT** all delegations, reports, correspondence, and other information set to the agenda be received for information.

**CARRIED** 

**DELEGATION: N\A** 

61/20 Minutes

**MINUTES:** 

June 10

Moved, Seconded and CARRIED

**THAT** the minutes for the Regular Council Meeting held on June 10, 2020 be adopted.

**OLD BUSINESS: N\A** 

**COMMUNICATIONS: N\A** 

**NEW BUSINESS:** 

R	F	D(	n	R	Tς	
$\mathbf{n}$	_	г.		г.		ì

**CAO Report** 

June 18, 2020, Report from Bonnie Danyk, CAO/CFO

Accounts Payable Listing for May 2020

June 18, 2020, Report by Bonnie Danyk CAO/CFO

Summary of Revenue & Expenses for May 2020

June 18, 2020, Report by Bonnie Danyk, CAO/CFO

Annual Report for the Year 2019

62/20 Annual Report

June 15, 2020, Report from CAO, Bonnie Danyk

THAT the Annual Report for the year 2019 be approved as presented

**BYLAWS: N\A** 

ADJOURNMENT:

Moved, Seconded and CARRIED

63/20 Adjourn

**THAT** the Regular meeting of the Village of Port Alice held June 24, 2020, be adjourned at 7:26 pm

I hereby certify the preceding to be a true and correct account of the Regular meeting of the Village of Port Alice Council held June 24, 2020.

Mayor	<b>Chief Administrative Officer</b>



Local Government Infrastructure and Finance Branch PO Box 9838 Stn Prov Govt (4<sup>th</sup> Floor - 800 Johnson St) Victoria BC V8W 9T1

#### **CIRCULAR**



Circular

No. 20:11

June 29, 2020

To:

All Chief Administrative Officers

Re:

Investing in Canada Infrastructure Program:

Community, Culture and Recreation Program and

Rural and Northern Communities Program - Open for Application

The Province of British Columbia and Canada have partnered on the Investing in Canada Infrastructure Program (ICIP) to fund Green; Community, Culture and Recreation; Public Transit; and, Rural and Northern Communities Infrastructure. The ICIP provides communities across British Columbia a variety of funding opportunities to build sustainable communities, to help create long term economic growth, and to support a low carbon, green economy.

On June 25th, 2020 an announcement was made that Canada and the Province are committing up to \$100 million for a second intake of the Community, Culture and Recreation Program (CCR) and up to \$59 million for the Rural and Northern Communities Program (RNC).

The application intake opened on June 25th, 2020 for both programs and will have staggered submission deadlines of October 1<sup>st</sup>, 2020 for CCR and October 22<sup>nd</sup>, 2020 for RNC.

The **Community, Culture and Recreation Program (CCR)** will focus on projects that improve citizen's access to and quality of cultural, recreational and community spaces, including for Indigenous people and vulnerable populations. The CCR Program provides an opportunity for eligible ultimate recipients that are Local Governments, Indigenous applicants, and not-for-profit organizations to seek funding for eligible infrastructure for public use and benefit.

The Rural and Northern Communities Program (RNC) will support infrastructure projects for public use and benefit in communities with populations less than 25,000 and will provide additional funding towards projects in communities with populations less than 5,000. The Program is focused on infrastructure that will improve the quality of life in rural communities including food security; reliable road, air or marine infrastructure; broadband connectivity; efficient and reliable energy; Indigenous health and educational facilities; community, culture and recreation; local public transit; improved resilience to natural disaster events; and, environmental quality. Eligible applicants for the RNC Program are Local Governments, Indigenous applicants, Not-for-Profit organizations and For-Profit organizations (when supported by a local government or Indigenous government).

Program information, for both new programs, including Program Guides, Application Instructions

and links to the Applications are now available on the ICIP website: <a href="www.gov.bc.ca/Investing-in-Canada-Infrastructure-Program">www.gov.bc.ca/Investing-in-Canada-Infrastructure-Program</a>.

The Infrastructure Planning Grant Program is available to assist local governments in preparing for future grant programs.

The Infrastructure Planning Grant Program provides an opportunity to obtain grant funding up to \$10,000 to help local governments plan, design and manage infrastructure. The Program can assist in the development of long-term comprehensive plans and feasibility studies that will improve public health and safety, enhance environmental protection and increase infrastructure sustainability. The next deadline is July 15,2020.

Program information can be found on the Ministry of Municipal Affairs and Housing's website at: <a href="https://www2.gov.bc.ca/gov/content/governments/local-governments/grants-transfers/grants/infrastructure-planning-grant-program">https://www2.gov.bc.ca/gov/content/governments/local-governments/grants-transfers/grants/infrastructure-planning-grant-program</a>.

The Union of BC Municipalities (UBCM) administers the Asset Management Planning Grant Program (AMPG). This program is jointly funded by the Ministry and UBCM and assists local governments in advancing asset management planning and practices. Capital project applications that are based on sound asset management decision making processes are assessed as lower risk through the Ministry's infrastructure funding programs.

The current AMPG intake is open until fall. Please refer to the following link for program information regarding the program on UBCM's website: <a href="http://www.ubcm.ca/EN/main/funding/lgps/asset-management-planning.html">http://www.ubcm.ca/EN/main/funding/lgps/asset-management-planning.html</a>

Both the CCR and RNC Programs are designed to target projects that will be ready for construction in 2021/22 and that will take up to five years to complete. Grant approvals are anticipated in late Summer 2021.

Every grant application is assessed in the context of published program eligibility guidelines and consideration is given to compliance with the conditions for a grant. This reinforces the expectation that grant funds are allocated fairly and equitably between competing projects.

The Ministry is pleased to provide advice on what is looked for in a successful application. For more information, please contact the Local Government Infrastructure and Finance Branch by telephone at: 250 387-4060, or by email at: <a href="mailto:infra@gov.bc.ca">infra@gov.bc.ca</a>.

**Brian Bedford** 

Acting Executive Director

Local Government Infrastructure and Finance Branch

Ministry of Municipal Affairs and Housing

**9** B.C. has declared a state of emergency. Learn about <u>COVID-19 health issues.</u> | <u>B.C.'s</u> <u>Response to COVID-19.</u>

×

British Columbia News

# New community program empowers youth to 'Build Back Better'

https://news.gov.bc.ca/22523 Monday, June 29, 2020 10:15 AM

Vancouver - Engaging youth to work on community service projects so they can help their communities "build back better" from the impacts of the COVID-19 pandemic is the goal of a new \$5-million Youth Community Partnership program.

"We recognize that COVID-19 continues to dramatically impact young people's prospects for work, which they typically use to leverage future job prospects or to pay for their education or training," said Melanie Mark, Minister of Advanced Education, Skills and Training. "Now, more than ever, young people are looking for ways to support themselves, while giving back to their communities. Engaging in safe, physically distanced local projects is an incredible opportunity for young people to acquire new skills, earn money and contribute to building back an even better B.C."

Communities around B.C. can apply to fund a community-service project of their choosing – like trail building, beach clean-up or invasive species removal, upgrading local parks or working for a local charity. In turn, they provide skills and work experience to young people who are unemployed, between 15-29 years of age, through the project. These young participants will benefit by applying the work-related skills and experience they gain on various projects in further education, employment or future careers.

"I encourage communities around B.C. to take advantage of the Youth Community Partnership program," said Shane Simpson, Minister of Social Development and Poverty Reduction. "These grants will help youth build their skill sets, gain work experience and help rebuild their communities as the province begins economic recovery from COVID-19."

Local governments, non-profit community and environmental organizations, employer associations, chambers of commerce and Indigenous communities are encouraged to apply.

"Our youth are the future of our Nations," said Robert J. Dennis, Sr., Chief Councillor of Huu-ayaht First Nations. "Opportunities like this not only give us a chance to rebuild our communities following COVID-19, but allow us to invest and build capacity in the next generation of leaders. Students face an uncertain future in the wake of this pandemic and participating in this innovative program will give them an opportunity to do something positive while gaining skills they can use in their education path or in a future career."

Applicants can receive grants of up to \$10,000 per youth for projects running up to 16 weeks. The youth then receive a training stipend of up to \$2,000 per four-week period (to a maximum of \$8,000) for work between June and October 31.

Participants can also receive wraparound supports like bus passes, child care, work boots and personal protective equipment for the work, which will incorporate physical distancing and

It is anticipated that up to 500 youth and more than 50 communities in B.C. could benefit from the grant.

#### **Quotes:**

#### Chief Don Roberts, Kitsumkalum Band, Tsimshian Nation -

"Kitsumkalum Band is fully in support of this unique and innovative response to both post COVID-19 impacts, and youth and community capacity-building and development. Kitsumkalum Band is excited about the ministry's ongoing commitment of First Nations youth and community engagement as demonstrated through such programming. We are confident other B.C. communities will follow the ministry's lead by joining in with this Youth Community Partnership program and help their youth and community recover from the impacts of COVID-19."

# Colleen Giroux-Schmidt, vice-president corporate relations, Innergex Renewable Energy Inc. –

"At Innergex we believe that nurturing a resilient COVID-19 recovery that gives youth the opportunity to care for the environment in their communities is the best investment into a sustainable future for all. This program is an opportunity to help build a new normal that both addresses COVID-19 recovery and tackles climate change. We at Innergex support this as it aligns with our mission to build a better world with renewable energy."

#### Allyson Graf, vice-president, community and strategic initiatives, YMCA of Okanagan -

"The successful transition to adulthood depends on a young person's ability to attain employment. Yet right now, youth are at a particular disadvantage, not only due to high unemployment, but also due to the isolation they have experienced over the past few months. As a charity that is a large employer of youth and one that delivers youth employment services, YMCA of Okanagan supports programs that invest in youth, teach skills and enable them to be part of the solution as we recover from this pandemic."

#### Adriana Laurent Seibt, projects administrator, UBC Climate Hub -

"This new initiative is an important way to respond to both the impacts of COVID-19 and provide more support for youth. It's great to see an initiative like this that aims to create paid opportunities for youth, while uplifting communities on a path toward recovery for a safe, inclusive and just society. I am hopeful that there will be further supports from the B.C. government for youth-driven organizations and initiatives, especially those working on issues like racial justice, climate justice, food security and youth empowerment."

#### **Quick Facts:**

- The funding is being provided by the Ministry of Advanced Education, Skills and Training (\$2 million) and the Ministry of Social Development and Poverty Reduction (\$3 million) through the Canada-BC Workforce Development Agreement and Labour Market Development Agreement, which helps Canadians get training, develop their skills, gain work experience and find employment.
- Many of the programs funded under these agreements help members of under-represented groups, such as Indigenous peoples, youth, older workers and newcomers to Canada

- The unemployment rate for youth in B.C. aged 15 to 24 years was 28.9% in May 2020, up from 24.2% in April.
- Compared to May 2019, the unemployment rate for youth has risen 20.2 percentage points. (BC Stats)

#### Learn More:

Visit WorkBC to learn more about this provincial Youth Community Partnership program: <a href="https://www.workbc.ca/Employment-Services/Community-Workforce-Response-Grant.aspx">https://www.workbc.ca/Employment-Services/Community-Workforce-Response-Grant.aspx</a>

Learn more about the federal Canada Student Service Grant: https://www.jobbank.gc.ca/volunteer

#### **Media Contacts**

Sean Leslie
Communications Director
Ministry of Advanced Education, Skills and Training
250 356-8485



July 2, 2020

Ref: 255149

Dear Mayors and Regional District Chairs:

In this unprecedented time, I believe it is more important than ever that we continue to connect and work together. I have deeply appreciated our calls throughout the pandemic and hearing directly from you about how you are supporting your communities, and how we can support you. Your feedback has been invaluable and has informed our government's responses to COVID-19 as we all work together to keep the people of British Columbia safe.

While this year's UBCM Convention will be different in many ways, I am looking forward to the opportunity for all of us to come together and to spend time discussing the needs of your community.

I am writing to provide you with some initial information regarding the process for requesting a meeting with me during the UBCM Convention, taking place this year from September 22 to 24, 2020.

As the UBCM Convention for 2020 will be held in a virtual and abbreviated format, Provincial Government meetings will be held by conference call and will likely occur outside of the shortened program to allow delegates to fully focus and participate in the Convention.

You will receive a separate letter from the Honourable John Horgan, Premier, containing information about the online process for requesting a meeting with the Premier or other Cabinet Ministers.

If you would like to indicate your interest in meeting with me around Convention time, please complete the online request form at: MAH Minister's Meeting and submit it to the Ministry of Municipal Affairs and Housing before August 4, 2020. Meeting times and dates will be confirmed by early September. In the event that I am unable to meet with you, arrangements may be made for a meeting post-Convention.

To get the most out of your delegation's meeting with me, it continues to be helpful for you to provide as much detail as possible on the topic you wish to discuss in the online form. Providing this information in advance gives me a better understanding of your delegation's interests and helps us to make progress on delivering for the people of your community.

Regarding staff meetings, ministry staff will email you shortly with the Provincial Appointment Book. This document lists all government, agency, commission and corporation staff expected to be available to meet with delegates around Convention time, as well as details on how to submit an online staff meeting request.

.../2

Mayors and Regional District Chairs Page 2

This year's UBCM will be my fourth Convention as Minister responsible for local government, after four years attending as the opposition spokesperson for local government and four years of attending as a City Councillor, and I believe this will be the most important Convention yet. The pandemic has shown how important governments are in keeping people healthy and safe, and all of the work that local governments do for the benefit of British Columbians. As we move forward with restarting B.C., I am looking forward to hearing more about your communities and exploring ways we can continue to work together to make life better for British Columbians, now and for the future.

Sincerely,

Selina Robinson

Minister

pc: Honourable John Horgan, Premier

Her Worship Mayor Maja Tait, President, Union of BC Municipalities



# VILLAGE OF PORT ALICE REPORT TO COUNCIL

To:

Mayor & Council

From:

CAO / CFO

Date:

June 30, 2020

Subject:

**Community Centre** 

The Province of BC is now in Phase 3 of it's Covid-19 reopening plan. Council needs to consider whether to reopen the Community Centre this summer or defer opening until the Fall. Currently the Community Centre is available for meeting bookings with social distancing in place and we request that the groups booking the room have a Covid-19 safety plan.

Residents are interested in accessing the Community Centre and I have had six people call in the last week to ask when it is opening again. Leanne Watson would like to offer yoga again. This wouldn't require staffing, but it would require cleaning twice a week after the class.

As per previous discussions, Council may want to consider charging fees for Community Centre use. The average rates in BC are:

	D	Drop In		Monthly		Annual	
Child	\$	3.00	\$	36.00	\$	265.00	
Youth	\$	4.25	\$	50.00	\$	357.00	
Adult	\$	6.00	\$	66.00	\$	479.00	
Family	\$	12.00	\$	143.00	\$1	,048.00	

Most of the municipalities that were used to calculate the average rate include the use of pools, ice arenas and fitness centres in their recreation fee. If the Village decided to charge a fee there would need to be a discussion whether to include the weight room and /or the computer room on the passes. Also, we should consider offering more programming, so residents feel that they are getting value for their money. Depending on what is included with the recreation passes the fees could be 1/4 to 1/3 of the average prices.

Respectfully submitted,

Bonnie Danyk

CAO / CFO



#### **REPORT TO COUNCIL**

To:

**Mayor & Council** 

From:

**Chief Administrative Officer** 

Date:

July 8, 2020

Subject:

**Report Regarding 2020-2025 Garbage Collection Contract** 

A Request for Quotes was issued for local Garbage Collection Services for a five-year contract to run from July 16, 2020 through July 15, 2025. One bid was received, from North Island Waste Management, which is the current service provider. The cost paid to the contractor includes residential curb side collection to approximately 310 households and commercial collection from three-yard bins located at local businesses and at the approximately 255 multifamily residential units. The contractor must collect the garbage as part of the services and is entitled to charge a rental and tipping fee for the use of the commercial bins. North Island Waste Management Services has held the contract since 2007 and continues to provide reliable service.

The current contract cost is \$6,667/month. The proposed cost for the next five-year period represents no increase for the first year and a 2.5 % increase per year for the next for years.

#### Recommendation:

**THAT** the Village accept the bid from North Island Waste Management Services for the provision of garbage collection services for the period of July 16, 2020 to July 15, 2025 at the following cost:

Contract Period	Monthly Payment Rate		
July 16, 2020 – June 30, 2021	\$6667.00		
July 1, 2021 – June 30, 2022	\$6834.00		
July 1, 2022 – June 30, 2023	\$7005.00		
July 1, 2023 – June 30, 2024	\$7180.00		
July 1, 2024 – July15, 2025	\$7360.00		

Respectfully submitted,

Bonnie Danyk

CAO / CFO



**Gateway to the Wild West Coast** 

# INFORMATION ITEMS

	a .		



#### **MEDIA BACKGROUNDER**

## Bill 17 - 2020 Clean Energy Amendment Act, 2020

Created in 1961, BC Hydro (BCH) has enjoyed a near monopoly of the generation and distribution of power in the province. Like crown corporation utilities in other provinces, BCH takes seriously its mandate to deliver inexpensive, reliable electricity to ratepayers. Historically, that has meant big hydro megaprojects. Those legacy assets are considered the crown jewel of BC's power system and hydropower is BCH's preferred method of generating power.

The provincial government decided in 2007 to support the wind and solar in addition to small hydro. The new guiding principle was "self-sufficiency," the requirement that there always be enough power generated within BC to meet provincial needs, at a predictable cost. Imported electricity prices were very high, and at 18% of its portfolio, BCH deemed import levels were too high. BCH created the Standing Offer Program and entered into energy purchase agreements (EPAs) with Clean Energy BC members, the independent power producers. The utility was forecasting steady demand growth and welcomed the new supply, even though its pricing reflected the earlier phase of technology development.

Then the global financial system collapsed in 2008. The subsequent Great Recession reduced demand for electricity and consumption did not return to former levels until 2017. Suddenly, BCH had too much electricity.

Two years ago, BCH began terminating "mom and pop" small hydro projects that had supplied clean electricity for decades. Last year the Standing Offer Program was suspended. Then, the 2019 *Zapped* report alleged that BCH had bought too much electricity at excessive prices, leading to suspicions that the contracts were "sweetheart deals" for friends of the government. Although Clean Energy BC used BCH and BC Utilities Commission data to credibly refute Zapped's data and conclusions shortly after it was published, the public relations damage was done.

Now the BC government wants to end self-sufficiency, effectively putting independent power producers out of business even if that means stranded assets and in some cases, bankruptcy. Without self-sufficiency, if BCH needs extra electricity, it would revert back to buying it on the Mid C spot market.

Clean Energy BC applauds the government for requiring that power to be certified as clean. That's the part the government got right. The rest of the strategy that underpins Bill 17 is a poorly conceived mess.

By trying to fix problems created by previous governments, Victoria is instead making a bad situation much, much worse.

1



#### Where BC went wrong

The problem started with the government's 2007 decision to shift the cost of developing a renewable energy sector to BCH, essentially hiding that cost on the utility's balance sheet rather than the Province's.

This is not how other jurisdictions have stimulated renewables development. The most common tool is some form of a feed-in tariff. These are long-term contracts based upon the cost to produce power from nascent energy technologies. They often include the option to lower the price paid as those technologies mature and produce ever cheaper electricity.

Texas, for example, implemented renewable energy portfolios under Gov. George W. Bush in the late 1990s and now gets 17 per cent of its electricity from wind and a growing percentage from solar. Germany, Denmark, California, Ontario - the list is a long one of national and subnational governments that paid more for renewable energy in order to kick start the technology and the industry.

One of the advantages of feed-in tariffs is that the financial support is provided by governments - not directly by ratepayers - and acknowledged as a subsidy. And reporting in public budgets is transparent. Had the BC government taken this approach and not shifted financial responsibility for EPAs to BCH, the British Columbia IPP narrative would likely be very different.

As it stands now, in part because of the disputed analysis in *Zapped*, IPPs are viewed by the government as a costly and unnecessary burden, contracts that must be shed to help BCH reduce costs and repair its damaged balance sheet. In fact, this is probably the dominant narrative within the province.

Judging by Friday's story in *Victoria Now*, this is already Minister Bruce Ralston's narrative: "It will give a certain flexibility to the utility so that it will be able to import, particularly from jurisdictions where there is a 100-per-cent clean standard, rather than the self-sufficiency requirement, which was basically designed to make sure that private power companies were able to prosper," Ralston said.

Another wrinkle to the existing narrative is the preference for public ownership by many members of the BC NDP caucus.

From Clean Energy BC's point of view, Bill 17 damages far more than it repairs. Below are four arguments for scrapping the legislation and embracing IPPs as partners, not adversaries.



#### Undermining BC's energy security

Minister Ralston argues that BC can import power any time it needs to. Will that always be true in the future?

British Columbia isn't the only jurisdiction electrifying its economy in order to reduce greenhouse gas emissions. US states like Washington and California, from which Powerex imports electricity, are preparing to aggressively shift transportation, industry, and buildings off fossil fuels. Just like BC.

Will those jurisdictions have enough inexpensive, clean power generation to electrify their economies and surplus for British Columbia? The BC government is gambling that they will and that cheap power will continue for decades, conveniently forgetting other times - such as the early 2000s - when prices spiked as high as \$250/MWh.

What if electricity demand in those states outstrips supply and prices rise? What if climate change continues to exacerbate California wildfires, increasing the threat of taking the state's power supply offline? What about when drought inevitably returns to the Western United States, reducing hydro generation and raising prices?

Increasing dependence upon the Mid C spot market just as regional jurisdictions begin to electrify their economies in response to the climate crisis is a short-sighted strategy that could easily backfire, leading to decreased energy security and higher rates for BC ratepayers.

## Wind and solar are lowest cost power generation options

Feed-in tariffs in other jurisdictions provided important support that allowed wind costs to decline from \$101/MWh in 2009 to \$28/MWh in 2019; the drop in costs is even more dramatic for solar, which fell from \$323/MWh to \$32/MWh, according to Lazard's levelized cost of energy study. Compare those numbers to new natural gas combined cycle at \$44 and new coal at \$66.

Last year, an Alberta government renewables auction saw a record low price of \$37/MWh for wind power.

Please note that these costs are unsubsidized and do not include the effect of carbon taxes, which would further favour wind and solar. Furthermore, a recent Wood Mackenzie study estimates that wind costs will fall another 17% by 2025. Factor in the rapidly falling cost of battery storage and there is no doubt renewables are the least cost option for British Columbia.

British Columbia's approach to building out IPPs may not have been as effective as other jurisdictions, but the province now boasts a robust IPP industry just as wind and solar have

## Clean Energy BC

become the world's lowest-cost form of power generation. By comparison, power from Site C is estimated to cost as much as \$83/MWh - or even higher if billion dollar cost overruns continue.

The BC government is sabotaging the potential for abundant cheap electricity in favour of some of the highest cost power in the world. It doesn't have to be like this.

Clean Energy BC members are ready and willing to help the BC Government and BCH achieve the ambitious electrification strategy set out in CleanBC while keeping electricity prices low for ratepayers.

In fact, IPPs are the BC government's only chance of producing enough power to electrify the provincial economy over the next 30 years.

## Meeting CleanBC targets impossible without wind, solar

"Will BC have enough electricity to support electric vehicles? The answer was no. Mungall asserted BC will need the equivalent of five Site C dams to power the transition from fossil fuels that is envisioned in CleanBC. Heyman said BC has enough electricity for 5-10 years but will need to work now to develop offshore wind power, geothermal and solar resources as well as developing better battery storage technology." - Kathy Hartman, The Valley Voice, November 21, 2019.

The ministers may be optimistic about needing just five Site C dams. Site C will produce 5,100 GWh of electricity per year, roughly 10 per cent of BC's current requirements. In a 2017 submission to the BC Utilities Commission, energy consultant Davis Swan estimated that converting provincial consumption of gasoline (diesel was not included) and natural gas would require just over 90,000 GWh of generation capacity, or roughly 18 Site C dams.

Whether it's the equivalent of five or 18 Site C dams, CEBC agrees with Minister Heyman that BC has a very short runway to begin building a tremendous amount of renewable energy capacity if CleanBC goals are to be achieved.

To the best of CEBC's knowledge, an actual plan to electrify the BC economy as called for by CleanBC has never been developed. But the comments from Ministers Mungall and Heyman suggest the BC government has done at least some preliminary analysis that concluded non-BCH power generation of renewable energy will be required.

There are only two ways to acquire the necessary amount of electricity: import risky electricity from the United States as contemplated by Bill 17 or build the generating capacity in BC.

Clean Energy BC members have already invested \$9 billion and are ideally positioned to further invest in new capacity. In fact, the culmination of the IPP program begun in 2007 has perfectly

## Clean Energy BC

positioned British Columbia to create a strong working partnership between the provincial crown utility and the small private power producers.

If the BC government chooses not to take this route, how will the CleanBC electrification objectives be met? The only sensible answer is that they most likely will not be achieved.

### First Nation and community economic development opportunities

First Nations are leading developers of renewable energy in British Columbia. Feedback in 2017 from 102 BC First Nations and three tribal councils identified 78 operational projects with a total generation of 1,836 MW, while two-thirds of respondents had 48 projects in planning or construction. Overall, 98% of respondents indicated existing involvement or a desire to be involved with the renewable energy industry.

The business and job opportunities in First Nations and remote communities are invaluable. Local power generation displaces expensive, polluting diesel generators.

Clean power is aligned with Indigenous ways and the desire to live in harmony with fragile ecosystems. Now that British Columbia has formally adopted the United Nations Declaration on the Rights of Indigenous Peoples, enabling First Nations to continue investing in renewable energy projects is an important component of reconciliation. The BC Utilities Commission recently recommended that BC amend the Utilities Commission Act to align with UNDRIP.

First Nations investment in renewable energy is an opportunity that British Columbia cannot afford to miss.

#### Conclusion

Last year, highly respected Canadian think tank Pembina Institute convened a forum of key stakeholders to discuss how CleanBC should be implemented. The subsequent report contains three key recommendations. The third recognizes "the need for a diversity of clean energy solutions to reduce fossil fuel dependence across B.C.'s economy."

Ministers Heyman and Mungall publicly acknowledge BC needs renewable energy equivalent to at least five Site C dams to meet CleanBC goals. At the same time, Minister Ralston is pushing Bill 17 to kneecap independent power producers, the only sector that has the capacity to build the required renewable capacity. The government's own cabinet ministers are sending mixed messages to British Columbians.

That confusion is reflected in the interim report of the Phase 2 review of BC Hydro. The review was expected to provide a roadmap for implementing CleanBC, especially addressing how electrification goals would be achieved. Instead, it "bogs down in vague discussions of secondary issues, makes several oddball proposals and invites a further round of public input

## Clean Energy BC

on a list of largely rhetorical questions," as the BC Sustainable Energy Association aptly describes the report.

The government's strategy for power generation and distribution is a mess. One thing, however, is clear: Clean Energy BC members represent the future of the global energy system. Across the planet, hundreds of billions are being invested in wind and solar farms. Wind/solar + storage + legacy systems like natural gas and hydro = the 21st century electricity model.

The low cost of renewable energy tells the story: BCH is building Site C at a cost of \$83/MWh while ignoring wind at \$28/MWh and solar at \$32/MWh.

Why are the BC government and BCH stuck in the 20th century?

June 28, 2020 6