
NEWS RELEASE

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Office of the Premier
Ministry of Energy, Mines and Petroleum Resources
BC Hydro

PROVINCE ANNOUNCES SITE C CLEAN ENERGY PROJECT **Project to create 35,000 jobs, lasting benefits**

HUDSON'S HOPE – The B.C. government announced today that it will move forward with the Site C Clean Energy Project (Site C). The Site C project will be the third dam on the Peace River in northeast B.C., and will be a source of clean and renewable energy for over 100 years, producing enough electricity to power approximately 410,000 homes per year.

“Hydroelectric power helped develop our province and Site C will build on B.C.’s heritage of clean, renewable and affordable, power,” said Premier Gordon Campbell. “Site C will be a publicly owned heritage asset and will ensure that British Columbia has reliable sources of clean electricity, while contributing to our goal of electricity self-sufficiency.”

The government’s decision to advance Site C is based on the project’s benefits to British Columbians. These include:

- Site C will help meet B.C.’s future electricity needs by providing 900 megawatts of capacity and 4,600 gigawatt hours of electricity each year.
- Site C will produce among the lowest greenhouse gas emissions per gigawatt-hour, when compared with other forms of electricity generation. This will help B.C. further displace fossil fuel-generated electricity with clean energy.
- As the third project on one river system, Site C will generate 30 per cent of the electricity produced at the W.A.C. Bennett Dam with only five per cent of the reservoir area.
- Site C will contribute to the local and provincial economy by creating an estimated 7,650 direct construction jobs through the construction period, and up to 35,000 direct and indirect jobs through all stages of the project.
- As a source of firm energy, Site C will facilitate the development of clean energy projects by providing additional capacity to back up intermittent resources, such as wind, run-of-river hydro and solar.

“The Province and BC Hydro are committed to providing lasting economic and social benefits for northern communities, First Nations and all of British Columbia,” said Blair Lekstrom, Minister of Energy, Mines and Petroleum Resources. “Site C will also energize our potential as a clean energy powerhouse, encouraging new investment, industry and jobs.”

The decision to pursue Site C comes at a time when BC Hydro forecasts that B.C.’s electricity needs will grow by 20 to 40 per cent over the next 20 years. The Province and BC Hydro are planning now so that British Columbians will continue to enjoy the benefits of clean, reliable and affordable electricity in the future.

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“Based on our work, we believe it is in the best long-term interests of our customers to move forward on Site C,” said Dan Doyle, chair of BC Hydro. “Site C will provide clean, reliable and low-cost power in British Columbia for generations to come.”

Construction of Site C will be subject to required regulatory approvals, and ensuring that the Crown’s constitutional duties to First Nations are met.

Site C will now advance to the regulatory review phase, which will include an independent environmental assessment. The regulatory review phase is expected to take about two years, and it is anticipated that Site C will be available for domestic electricity need by 2020.

The regulatory review for Site C will involve consultation processes, including opportunities for input and participation by the public, First Nations, stakeholders, communities and customers.

In addition, as part of the environmental assessment process, the project will consider potential environmental and socio-economic effects, impacts to land and water, and options for regional benefits, such as infrastructure and supporting recreational opportunities. Where impacts cannot be avoided, BC Hydro will identify and evaluate potential options for mitigation.

The Site C Clean Energy Project has been evaluated using best practices in project planning and development. This includes a five-stage process that provides multiple milestones for assessing the project and deciding whether to proceed to the next stage.

The provincial government decision to advance Site C to the third stage of project planning and development, including an environmental review, is based on two years of work by BC Hydro that included comprehensive consultations, as well as environmental and engineering studies.

The BC Hydro report, ‘Stage 2 Report: Consultation and Technical Review’, along with 35 appended studies and reports, is available at: www.bchydro.com/sitec.

For many years, nine other sites have been available for consideration of large scale hydro-electric storage dam projects, including two on the Peace River system. Although these sites have never been part of BC Hydro’s plan, they have remained legal options for consideration. The new Clean Energy Act will change this. It will enshrine in law B.C.’s historic Two Rivers Policy by prohibiting future development of large scale hydro-electric storage dam projects on all river systems in British Columbia, such as the Liard River system. It will also preclude further dams on the Peace River system other than Site C.

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To download a rendering of the Site C Clean Energy Project and B-Roll, please visit <http://www.gov.bc.ca/cleanenergy>

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SITE C CLEAN ENERGY PROJECT BACKGROUND

THE SITE C CLEAN ENERGY PROJECT

The Site C Clean Energy Project (Site C) will be a third dam and hydroelectric generating station on the Peace River in northeast B.C. It will be an earthfill dam, approximately 1,100 metres in length, and 60 metres high above the river bed. The reservoir will be approximately 83 kilometres long and will be, on average, two to three times the width of the current river.

Once built, Site C will be a source of clean and renewable electricity for over 100 years. It will provide approximately 900 megawatts (MW) of capacity, and produce about 4,600 gigawatt hours (GWh) of electricity each year – enough electricity to power about 410,000 homes.

As the third project on one river system, Site C will gain significant efficiencies by taking advantage of water already stored in the Williston Reservoir. This means that Site C would generate about 30 per cent of the energy produced at W.A.C. Bennett Dam, with only five per cent of the reservoir area.

Once built, Site C will be a publicly owned facility, providing a new heritage asset for the benefit of all British Columbians.

Meeting B.C.'s Future Electricity Needs

B.C.'s electricity needs are forecast to increase by 20 to 40 per cent in the next 20 years, as the province's population is estimated to grow by more than one million people. As extensive as BC Hydro's hydroelectric assets are, they will not be enough to meet this future demand. With Site C, the Province and BC Hydro are planning now so that British Columbians will continue to enjoy the benefits of clean, reliable and affordable electricity in the future.

Preparing for a Changing World

Site C is also helping B.C. prepare for a changing world. The emerging electrification of the transportation sector – including rail, ports and electric plug-in vehicles – and other technologies aimed at reducing fossil fuel dependency will eventually place new demands on our electricity system. For example, early forecasts suggest that between 10 per cent and 60 per cent of vehicles purchased by 2025 will be plug-in hybrid electric or all electric.

Considering Environmental and Socio-Economic Effects

Today's approach to Site C will consider potential environmental and socio-economic effects, impacts to land and water – including fish and wildlife – and opportunities for regional benefits. Where impacts cannot be avoided, BC Hydro will identify and evaluate potential options for mitigation.

Meeting our Obligations to First Nations

Consultation with Aboriginal groups will continue with a greater focus on impact assessment, mitigation and accommodation. Construction of Site C will be subject to required regulatory approvals, and ensuring that the Crown's constitutional duties to First Nations are met.

Mapping Properties in the Site C Project Area

Mapping work indicates that there are approximately 9,310 hectares in the Site C reservoir surface area, comprising 5,340 hectares of flooded land. Of this flooded land area, approximately 81 per cent is Crown land (4,318 hectares), a further 12 per cent is owned by BC Hydro (662 hectares) and seven per cent is privately owned land (360 hectares comprising 20 land holdings).

PROJECT BENEFITS

The Site C Clean Energy Project will provide lasting economic and social benefits for northern communities, Aboriginal groups and the province.

- **Providing Clean and Renewable Power for Generations**

Site C will have an upfront capital cost followed by low long-term operating costs. Once operational, it will be a source of clean and renewable electricity for over 100 years.

- **Creating Jobs and Business Opportunities**

Site C will provide economic benefits for northern B.C., First Nations and the entire province. The project is estimated to create 7,650 person-years of direct construction employment during the construction period and up to 35,000 direct and indirect jobs through all stages of the project.

- **Reducing our Carbon Footprint**

Site C will produce among the lowest greenhouse gas emissions (GHGs), per gigawatt hour, when compared to other forms of electricity generation. Preliminary study results indicate that Site C will produce significantly less GHGs per gigawatt hour than fossil fuel sources such as natural gas, diesel or coal. Emissions from Site C would fall within the ranges expected for wind, geothermal and solar energy sources.

- **Supporting the Development of Clean Energy Projects**

Site C will help facilitate the development of clean energy projects in B.C. by providing additional reliable backup to those renewable resources that are intermittent, such as wind, run-of-river hydro and solar. An advantage of a large hydro project like Site C is that generation can be reduced when intermittent resources are available and the water can be stored in the reservoir for later use. When intermittent resources are not available, the generation from large hydro can be increased to meet our electricity needs.

- **Lasting Benefits for Northern Communities and Aboriginal groups**

Site C provides an opportunity to benefit northern communities and Aboriginal groups. Regional benefits of interest may include new lake-based recreational opportunities and upgrades to infrastructure. There is also an opportunity for skills training, jobs and economic development. BC Hydro and the Province will continue to consult and work with Aboriginal groups and regional communities about lasting economic and social benefits from the project.

SITE C CLEAN ENERGY PROJECT FACT SHEET 1

PLANNING, EVALUATION AND DEVELOPMENT

Consistent with best practices for large infrastructure projects, BC Hydro adopted a multi-stage approach for the evaluation of the Site C Clean Energy Project. This process provides the Province with multiple milestones for assessing the project and deciding whether to proceed to the next stage.

Stage 1 Review of Project Feasibility

During Stage 1, existing studies and historical information related to engineering, costs, environment, consultation and First Nations were reviewed. At the end of Stage 1, BC Hydro determined that Site C was feasible and recommended to the B.C. government that the project advance to the next stage of planning and development.

Stage 2 Consultation and Technical Review

Stage 2 of the Site C project included consultations with the public, Aboriginal groups, communities and property owners, as well as a technical review involving engineering and environmental studies.

Stage 3 Environmental and Regulatory Review

The regulatory review phase will include an independent environmental assessment. An environmental review will include opportunities for consultation and input by the public, Aboriginal groups, stakeholders and communities.

Stage 4 Detailed Design and Engineering

Stage 4 would involve detailed engineering design work, project procurement and could include early construction, such as roads, bridges and diversion tunnels.

Stage 5 Construction

The final stage is construction, which is estimated to take approximately seven years.

SITE C CLEAN ENERGY PROJECT FACT SHEET 2

STAGE 3: ENVIRONMENTAL AND REGULATORY REVIEW

Stage 3 of the Site C Clean Energy Project (Site C) is the regulatory review phase, which includes an independent environmental assessment. This will include further opportunities for consultation and input by the public, stakeholders, Aboriginal groups and communities.

Key regulatory processes that will apply include independent federal and provincial environmental assessment processes delivered by the B.C. Environmental Assessment Office (BCEAO) and the Canadian Environmental Assessment Agency (CEAA). BC Hydro is also regulated by the British Columbia Utilities Commission under the Utilities Commission Act. Further information on these key regulatory agencies is available on the following websites:

- B.C. Environmental Assessment Office www.eao.gov.bc.ca
- Canadian Environmental Assessment Agency www.ceaa.gc.ca
- British Columbia Utilities Commission www.bcuc.com

WHAT'S NEXT

BC Hydro's Stage 3 work will include:

- Refining and updating the historic project design to reflect current environmental, seismic and safety guidelines.
- Updating the interim project cost estimate based on an updated project design.
- Advancing environmental and socio-economic studies from baseline work to impact assessment, including measures to avoid or mitigate impacts.
- Consulting with Aboriginal groups, the public, communities and property owners, as well as the Province of Alberta and Northwest Territories.
- Continuing community relations and public communications through community consultation offices in Fort St. John and Hudson's Hope, web and email updates, and responding to inquiries through a toll-free telephone line, email, mail and fax.

Construction of Site C will be subject to required regulatory approvals, and ensuring that the Crown's constitutional duties to First Nations are met. The regulatory review is expected to take approximately two years, and it is anticipated that Site C will be available for domestic electricity need by 2020.

SITE C CLEAN ENERGY PROJECT FACT SHEET 3

STAGE 3 PUBLIC AND STAKEHOLDER CONSULTATION

Stage 3 of the Site C Clean Energy Project (Site C) includes an environmental and regulatory review. This will include several phases of consultation with the public, communities and property owners, as well as the Province of Alberta and Northwest Territories. In addition, BC Hydro and Aboriginal groups are engaged in a thorough consultation process that will continue through all stages of the project.

The following public and stakeholder consultation will be included in Stage 3:

- Local Government Liaison
- Property Owner Consultation
- Environmental Assessment and Regulatory Processes
- Pre-Design Consultation.

A range of consultation methods will be utilized during Stage 3, including the Fort St. John and Hudson's Hope Community Consultation Offices, stakeholder meetings, open houses, print and online feedback forms and written submissions.

LOCAL GOVERNMENT LIAISON

BC Hydro will engage key municipal, regional and provincial government stakeholders to ensure they are kept up to date on the status of the project, and are consulted on key issues, particularly those that are directly related to local governments.

PROPERTY-OWNER CONSULTATION

Following up on property-owner consultation held in Stage 2, BC Hydro will continue to consult with property owners during Stage 3. Key topics of consultation are expected to include reservoir impact lines and Highway 29 realignment options.

ENVIRONMENTAL ASSESSMENT AND REGULATORY PROCESSES

Prior to construction, Site C must first undergo a thorough and independent environmental and regulatory review process. BC Hydro will meet environmental requirements defined by legislation, regulation and government directives. It is anticipated that the project will be subject to independent federal and provincial environmental assessment processes delivered by the B.C. Environmental Assessment Office (BCEAO) and the Canadian Environmental Assessment Agency (CEAA). BC Hydro is also regulated by the British Columbia Utilities Commission under the Utilities Commission Act.

Two public comment periods would be held as part of the environmental assessment process:

- **Draft Information Requirements** – gathering input about the scope and nature of environmental studies to be completed for the Environmental Assessment Application
- **Application for Environmental Assessment Certificate** – gathering feedback regarding the results of environmental effects-assessment studies

PRE-DESIGN CONSULTATION

Building on two rounds of Project Definition consultation conducted in Stage 2, Pre-Design consultation will gather stakeholder and public input on a range of topics, including, but not limited to:

- Agriculture
- Fish and wildlife
- Highway 29 realignment options
- Impact lines
- Recreation
- Regional community benefits
- Reservoir clearing
- Socio-economic study topics

In addition to the consultation processes mentioned above, BC Hydro will continue to provide information about the project through the Fort St. John and Hudson's Hope Community Consultation Office, the project website (www.bchydro.com/sitec) and an inquiry-response program.

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