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GSX Hearing begins Feb 24

After several months' delay waiting for the completion of consultations with local First Nations, the National Energy Board/ Canadian Environmental Assessment Agency hearings on the proposed Georgia Strait Crossing (GSX) gas pipeline are to resume on Monday, February 24th, 2003 at 10am. The Hearings will be held at the Mary Windspear Centre (Sanscha) on Beacon Avenue in Sidney.

The Panel acknowledges that consultation with the Sencot'en Alliance has not taken place, but this will not delay the hearing. However, the Panel says, 'The Panel advises Parties that it will ask to hear from the Applicant (GSX PL Ltd., owned by BC Hydro and Williams Pipelines), First Nations intervenors and the Crown about the status of consultations before the end of the oral portion of the proceeding. Further, the Panel advises that if it is not satisfied at the conclusion of the evidentiary phase of the hearing that meaningful consultations have been carried out, it does not intend to proceed to its final deliberations in respect of this application.'

Review Panel Will Give Greater Consideration to Alternatives

As a result of a motion brought last fall, the GSX Concerned Citizens Committee persuaded the Joint Review Panel that there was reasonable doubt about the legal validity of the Panel's reasons that it gave to justify refusing to order GSX PL Ltd. to respond to various questions on alternatives to GSX and greenhouse gas emissions assessments associated with GSX.

The Panel no longer claims it would be constitutionally 'inappropriate' to look at energy alternatives, i.e. it would not constitute an unjustifiable infringement of provincial jurisdiction.

The Panel will now consider the existing sub-sea cables under the NEB Act and under the CEA Act. It will accept evidence on coalbed methane or other gas resources that might compete with GSX. It will also consider further information on the environmental effects of emissions from the proposed Duke Point plant. But it will not consider evidence on other alternatives including wind, tidal, and demand-side management.

BCUC Application for VIGP on Hold, Says Hydro

About the same time as this announcement was made, BC Hydro announced that their parallel application to the BC Utilities Commission for a Certificate of Public Convenience and Necessity for their proposed Vancouver Island Generation Project (VIGP) was to be put 'on hold.' The requirement for a CPCN was referenced in the provincial government's new Energy Plan, with BC Hydro working towards a January 15 application date.

Over the past few months, BC Hydro has placed a renewed emphasis on the 'PowerSmart' program to reduce electricity consumption on Vancouver Island. In particular, it has been talking with its industrial customers (who presently use large amounts of power at a price that is substantially less than that paid by residential customers). These customers, particularly pulp mills, now see an opportunity to generate their own power at a cost less than what BC Hydro might charge them in the future, and in some cases even sell new power back to BC Hydro. This means that Vancouver Island's power requirements from BC Hydro might be considerably reduced.

Hence the delay in the BCUC application. 'This delay is required to allow assessment of some opportunities involving customer generation that have recently been brought to BC Hydro's attention,' said BC Hydro's Senior Vice-president, Distribution, Bev Van Ruyven. 'We seek proposals from our customers every six weeks on a competitive basis. These opportunities are similar to the one announced today with Weyerhaeuser in Kamloops, which will provide BC Hydro with 155 gigawatt-hours (GW.h) of electricity at the low cost of 1.5 cents per kilowatt-hour (kW.h).'

So Do We Need GSX?

The NEB/CEAA Review Panel, aware that the major argument for the GSX was to provide natural gas for proposed VIGP generating plants, asked BC Hydro whether they still wished to go ahead with the hearings. B.C. Hydro has spent about \$62 million so far on the Duke Point project. Some of that money went toward the purchase of two power-generating turbines.

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BC Hydro replied that it was still ready to go ahead with the hearings. 'Nothing has changed in terms of the purpose, justification for, and the markets to be served by, the GSX Canada Pipeline. There is accordingly no reason for the Panel to postpone the hearing of the GSX PL application. Indeed, as explained in the BC Hydro letter, it is critical to ensuring reliable electricity supply to Vancouver Island that the hearing proceed, as scheduled, on February 24, 2003.'

GSX and VIGP not on Hold, says Hydro

The BC Hydro letter says: 'BC Hydro remains committed to serving the load requirements of Vancouver Island with natural gas from the proposed GSX pipeline and with electricity from the proposed VIGP. ...the change in the January 15 date for completion of our application [to the BCUC] ... was considered necessary to evaluate a proposal by Norske Canada to provide electricity directly and through conservation. While this evaluation is continuing, BC Hydro nevertheless will file the CPCN application for VIGP ... in a matter of weeks to ensure the reliable supply to Vancouver Island in a timely fashion. VIGP is not being put on hold.'

Hydro continues: '...The regulatory process for both GSX and VIGP are on the scheduling 'critical path' ... the earliest

achievable in-service dates for GSX is October 2005 and VIGP is spring/summer 2006. BC Hydro believes that adherence to these dates is critical, given past delays and the supply concerns noted above. Any further delay in the GSX regulatory process could compromise the ability of BC Hydro to reliably meet its load requirements on Vancouver Island.'

Meanwhile, Provincial Environmental Assessment Goes Ahead

The implementation of the new provincial Environmental Assessment Act has resulted in a new process for environmental review of the VIGP.

Anne Currie, officer in charge of this assessment, says she expects the EAO (herself) to refer her report to the Minister (Joyce Murray) on April 17. There are no formal opportunities for public input. However, Ms. Currie is having closed meetings with various parties, like local/regional governmental bodies and Environment Canada.

That report will summarize technical analysis of the project and say what the public input to date has been. This referral could perhaps include recommendations to the Minister: to approve, reject OR refer for more scrutiny.

As we said before, stay tuned. ☞