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## OPINION-EDITORIAL

### PLANNING FOR ELECTRICITY SELF SUFFICIENCY

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In the last week there has been more attention to electricity issues than I've seen for a long time. This is a positive development. The time we are taking now to consider BC Hydro's Integrated Electricity Plan (IEP) will be a good opportunity to talk about our goal of electricity self-sufficiency – something important to every British Columbian. We are fortunate to have hydro-electric power generation that is clean, reliable and low cost. However, we are approaching a crossroads.

While we have done an excellent job of maintaining our existing assets and managing demand through PowerSmart, the fact is little investment was made in expanding our capacity over the last 20 years. The result is that in each of the last five years British Columbia has been a net importer of electricity.

In fact, in 2004/05 BC Hydro imported 6,900 GWh, or 12% of its needs - enough electricity to power 690,000 homes. When this is coupled with the fact that a 50% increase in electricity needs is expected over the next 20 years it is clear new sources of supply will be required. The good news is government and BC Hydro have begun planning in time to meet this need before we have any significant challenges meeting demand.

To that end last month I announced we are working on a new Energy Plan. Our 2002 Energy Plan provided the policy direction needed to make good decisions on power issues. A good example is the legislation that preserves public ownership of BC Hydro, while also encouraging run-of-river hydro, wind, and other independent power producers (IPPs). It's time to update and expand that Plan to ensure we meet our energy needs into the future. We will be doing that in 2006.

BC Hydro prepares an IEP every two years, but this year is different because Hydro has started to focus on becoming self-sufficient in electricity with a 20 year vision to no longer rely on imported power. It is important to ensure British Columbians understand what the government's role is in this process. Government provides BC Hydro with a broad policy mandate, through the Energy Plan, and BC Hydro provides their best advice on how to manage the system through the IEP.

In the meantime BC Hydro will file their IEP with their regulator, the British Columbia Utilities Commission (BCUC) by March 31, 2006. As well, they have already issued their 2005 Call for Power from IPPs as directed by the 2002 Energy Plan - which will ensure we continue to add to our production capacity.

We will also work with BC Hydro over the next few months to better engage British Columbians in a dialogue about electricity self-sufficiency. Much has been made of BC Hydro's current status as a net importer. With demand for electricity expected to only increase it is becoming more important than ever that British Columbia become self sufficient in meeting its electricity needs and this includes conservation by all.

As well, we have alternative energy options to choose from to produce more power: geothermal, wind, biomass, tidal, and solar. And BC Hydro will maximize generation at existing hydro electric dams.

In addition, large-scale power projects are needed whether they are fossil fuel or hydro. In the last week there has been much discussion about Site C, a third dam on the Peace River. Let me be clear, we will review all options. Once government fully reviews the long-term costs and benefits, Cabinet will decide if Site C is a reasonable solution. BC Hydro and government will be gathering information, through consultations with First Nations, stakeholders and experts. How to keep the BC advantage of low cost electricity is an important decision that merits time for consideration.

Before making an important decision that will impact generations to come, we want to talk to British Columbians about the need for more power. We will talk to BC Hydro, stakeholders, the Alternative Energy and Power Technology Task Force, BC Progress Board and the Competition Council - and we will work on our new Energy Plan.

We will take the time the public would expect us to take in making decisions on electricity self-sufficiency. It's important we get it right. British Columbians deserve nothing less.