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July 24, 2009

Garry Alexander, Project Assessment Director
Environmental Assessment Office
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Victoria, BC V8W 9V1
glacier.howser@gov.bc.ca

RE: Glacier Howser Private Hydroelectric Project

Dear Mr. Alexander:

Thank you for the opportunity to ask questions and express concerns regarding the Glacier Howser private power project that have been brought to my attention from people in this region.

Overall there are areas in Axor's application for an Environmental Assessment Certificate about which people in this region have expressed :

- I. a need for further information, to better assess the project
- II. serious public concerns about the project
- III. serious concerns that may be outside the scope of the strict Environmental Assessment but also warrant attention.

I am interpreting the level of turnout and anger shown at public meetings to date to be a significant indication of public concern. When over 1100 people show up to a hearing in a remote town of 1000, it is cause for concern. As well, while I have received a letter from both a contractor and the proponent in favour of the project, to my knowledge, all other contacts to date with my office in Castlegar have voiced serious concerns about and against the project.

I: NEED FOR MORE INFORMATION

There have been concerns expressed for further specific information, instead of general references to best practices or mitigation standards, and where there are information gaps, to better assess the proposal, including:

- o Is the Application in keeping with the standards set in the *UN Convention on Environmental Impact in A Trans-boundary Context*, which Canada has ratified, given that Glacier Howser is part of the Columbia River watershed?



- What assurances have been provided that risk avoidance will be achieved around terrain instability? How were the terrain stability assessments made? How can residual impacts to any terrain or water flow instability be claimed to be reversible?
- Which specific best practices will be undertaken for the long term storage of excavated materials? What specific practices will be used to mitigate acid rock drainage from the disposal areas? Who will monitor the disposed material storage sites for any developing risks, if any (e.g. acid rock seepage into watershed) and how? Has or will the proponent make allowances in its initial development and on-going operational budgets for this? If so, how much? If not, why not?
- What are the Environmental Monitoring Plans for this project? Specifically, what will the qualifications be of the people carrying out the various monitoring tasks? What is the budget for these, and over what time period?
- What are the best management practices, specifically, that will mitigate any potential impacts to mountain caribou, moose, wolverine and grizzly? What has been budgeted for this? Who will monitor this and how, over what time period? What are their qualifications?
- Studies to fish and wildlife inventories and impacts to not seem complete enough to predict outcomes. What about studies of impacts to wolverine and mountain caribou?
- Studies of impacts to plant species and ecosystems seem cursory. Are they complete enough to fairly assess?
- Is there a bond or registered assurance in place by Axor to address any potential environmental problems in the future to our water and habitat? If so, how much? If not, why not?
- What are the cumulative effects of the Glacier Howser project with other developments and activities in the project areas? If they haven't been accounted for, how can a true sense of the impact of the project be assessed? (Jumbo Resort, recreation activities, logging, mining, other power projects developed and being developed in the area and region... and their footprint, impacts and transmission lines; the cumulative effects of the Duncan Dam (loss of Old Growth Forests and spawning habitat for Kokanee salmon) and the Libby Dam (blocking the flow of nutrients in Kootenay Lake and decreased productivity of Kokanee).
- What happens to the project after 40 years and /or if it is deemed unviable? It appears as if nothing is in place for deactivation and restoration in such a circumstance.

II: SUMMARY OF CONCERNS ABOUT THE APPLICATION:

Transmission Lines:

- There are important wilderness and forest Old Growth Management areas through which 92 kms of new power lines cross the Purcell Mountains from the West to the East Kootenays. It passes through habitat of threatened grizzly, wolverine, and mountain caribou, as well as mountain goat. There will be at least moderate to potentially greater impact to these critical species from construction and on-going

maintenance of these lines. The upper 15 km of Howser drainage is in Old Growth Management Areas - off limits to logging companies due to high ecological value and should be off-limit to transmission lines. Where is the independent academic analysis (not via the proponent) that speaks to the impact of high transmission lines through this area on wildlife?

- While the proponent may wish to save money through the Stockdale / Horsethief route to a power station in the East Kootenay, concern has been expressed that the transmission lines should find another route through less wilderness area, even though it may be more expensive to the proponent. The cumulative effects of transmission lines from other projects in the area and region should be taken into account.

Water flow

- It is unique and of concern that water taken out of the 4 creeks is never returned to the creeks, but dumped directly into Duncan Lake. This should put impacts much higher.
- Nutrients that flow with the creeks will be diminished in the lower creek areas for the 40 year duration of the contract.
- It is not clear that the mitigation strategies for impacts on a rare population of fish are sufficient, as minimum flow data may not be accurately assessed for future projections, due to climate change causing such a rapid melt of Kootenay glaciers. The significant melt is noted in a Columbia Basin Trust report and a David Suzuki Foundation report.
- Given the above, how can fish and wildlife habitat and flora downstream in the creek areas not be significantly adversely affected? The application refers to the potential need for compensation. What would compensation look like?

First Nations

- Any development should have the approval of all First Nations with claims to or interests in this area.

Fish

- It only takes one day of low water to destroy fish; and several to destroy a terrestrial habitat area. It is not clear that there is enough research of stream flows and hydrology, monitoring or safeguards to avoid this. Given the above, it appears the impact will be high.
- Bull trout are an endangered species and those resident in some of the streams are genetically unique. Other aquatic life will also be impacted.

Recreation and Tourism: Navigable Waters and Roads

- This is a region that is trying to diversify its economy. One growing sector is the outdoor / wilderness adventure recreation business. The damming of creeks that are

beginning to be opened up to kayakers, especially in an area of high recognition for spectacular wilderness hiking is a detriment to such development.

- Transmission lines through Old Growth Forest Management Areas, and reactivating de-activated roads will further erode the quality of wilderness recreation in this area, hurting local businesses.
- Further it is not clear what protections will be achievable, once roads and maintenance corridors are opened up, for All-Terrain Vehicles reaching much further into the back-country – further disturbing the fragile habitat of mountain caribou, grizzly and other species, and carrying the risks of further spreading invasive plant species.

Cumulative Effects:

- The cumulative effect in the Duncan Lake watershed has not been accounted for, in terms of water flow, Old Growth Forest values, fish and other habitat. As part of the Columbia River watershed, concerns were expressed that this should have been done.
- During Jumbo Resort's Environmental Certificate approval process (now approved), there was concern expressed that the Glacier Howser area of Jumbo Pass should be kept intact for grizzlies and other species, as a trade off. This is another indicator of how cumulative effects are not being taken into account.
- The cumulative impact of other IPP projects being proposed now and in the future for the area has not been accounted for, including projects such as Tenise Creek, a tributary of Howser (where AXOR has identified the possibility of a 4.9 and 9.5MW project), and the submitted water/power applications for Poplar, Cascade and Cooper Creeks.

III. OTHER CONCERNS - Higher costs for our electricity - Energy for export

- **A fair, democratic, comprehensive process and outcome?** With the BC government being the largest proponent in developing and promoting the IPP agenda, constituents have expressed grave concerns whether, in the end, a fair, balanced Environmental Assessment will result, given monetary and staff cutbacks to do a thorough, independent (from the proponent), well-studied assessment, and on-going monitoring and mitigation of environmental impacts. It is also noted that an area of large impact deals with the transmission lines, which fall outside the scope of any federal review comments – in this harmonized review approach. As well, with Electricity Purchase Agreements already signed by the Province, one can forgive the citizen who may think the outcome of an Environmental Assessment is a foregone conclusion.

Many people in the region have voiced concerns over what they see as senior government heavy-handedness by taking away from local governments a democratic say and control over developments that affect their communities – through zoning regulations etc. The provincial government's passing of Bill 30 took away local

government's power to have a say in the development of this project. This revoking of local decision-making power is being repeated throughout the province around other such developments in BC. This is a travesty.

Further, the federal government is now suspect, having made changes this spring to the *Navigable Waters Protection Act* – changing the definition of what is a navigable waterway – to smooth the way for developments and diminish the scope of what needs to be considered when reviewing applications for development. Luckily, this project was grandfathered in under the old Act.

- **Good for British Columbians?** Many constituents have a growing concern around an approach to energy production in their province that is based on secret contracts between BC Hydro and private power producers that directly impact their pocketbooks as both utility consumers and taxpayers – contracts that produce power that BC does not need and will export to the States, at prices we cannot afford. The fact that Electricity Purchase Agreements were signed with IPPs before any Environmental Assessments were completed seems autocratic, if not reckless; some constituents have concerns around liability to taxpayers if the projects do not go ahead. BC Hydro – publicly owned and controlled as one of the most efficient, cost-effective producers of power on the planet - is now increasingly compromised financially because it is being forced through these purchase agreements to buy private power from IPPs like Glacier Howser at prices which are higher than necessary, and sell at prices lower than necessary. The BC Energy Policy creates a surplus of IPP power, because of its freshet timing, and it will be exported.
- To date BC Hydro has been so cost-effective that it has been able to contribute anywhere from \$160 to \$300 million per year to the general revenues of our Province – money that helps pay for things like our hospitals and schools. What will happen when BC Hydro's economic future is compromised by these Purchase Agreements with private power producers? Will BC become a have-not Province that will need increased federal transfer payments? Private power proponents argue that all is well in the Purchase Agreements. If that is so, why doesn't the Provincial Government make them public? It is the taxpayer who is at risk. As well, other power providers in BC will have grounds to raise their rates, given market standards that will be set.
- **Good for the Environment?** Because there are no concurrent, tied regulations or stipulations around the displacement of greenhouse gas-intensive energy generation from the provincial government or beyond our borders (e.g. Alberta or the U.S.), the approach the Province is taking by developing IPPs gives no guarantees that it will achieve any greenhouse gas emission reduction. It will simply produce more energy for private producers to make money... a liquid gold rush of contracts "to print money" as one IPP proponent allegedly stated. The whole premise of the provincial government pursuing IPPs becomes false.
- **Good for our future?** It is interesting to note that some climatologists indicate that our glaciers are melting at a rate faster than we want to believe. Given that the Province has signed 40 year contracts with IPPs like Axor, will citizens be faced with

the future scenario of not only having to buy increasingly (needlessly) expensive electricity, but also seeing our hydro power supply

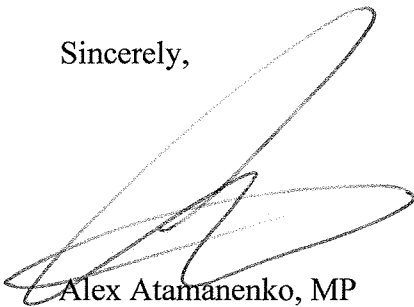
- dwindle as our glacial water flow decreases in volume
- be even more committed to the United States. Chapter 11 of the North American Free Trade Agreement states that the electricity flow supplied to the U.S. cannot be turned off if the power is privately supplied (by IPPs) - if the US wants and needs it. So... even if it hurts the citizens of BC, BC Hydro will be forced to first supply the U.S. at the historic levels of electricity supplied by IPPs. How much will our energy security be compromised?

- **Where's the Plan?** The cumulative effects and impacts of the Province's pursuit and support of IPPs, impacting hundreds and hundreds of creeks, rivers and streams throughout the province – and our watersheds, and wildlife corridors and areas of historic cultural significance for First Nations – have not been looked at in whole. An integrated production and transmission line plan for these hundreds of projects, to minimize impacts and find efficiencies and plan for needed supply to our Province has not been produced.

For all of the reasons above, I strongly urge the responsible federal authorities to call for a broader federal panel review.

Thank you, once again, for allowing me to pass on constituent concerns.

Sincerely,



Alex Atamanenko, MP

BC Southern Interior

AA/pah

CC: *via post* Premier Gordon Campbell
 Barry Penner, BC Minister of Environment
 Blair Lekstrom BC Minister of Energy, Mines and Petroleum Resources
 Steve Samis, Senior Program Officer, CEAA
 Michelle Mungall, MLA, Nelson-Creston