

Executive Summary:

KEY ISSUES WITH RESPECT TO SITE C

In 2016, a team of researchers led by Dr. Karen Bakker began producing a series of reports on the Site C Project. These reports assessed First Nations issues; environmental impacts; regulatory process; greenhouse gas emissions; economics; and employment. UBC's Program on Water Governance has now published 6 research reports on Site C (available below), and made 6 technical submissions to the BC Utilities Commission (available at: <http://www.sitecinquiry.com/submissions-and-comments/>). The UBC research reports were reviewed by independent academic experts and extensively cited by the BCUC during its Site C Inquiry (which cited the UBC research more than that of any other intervener).

ECONOMICS: SITE C REMAINS THE MOST EXPENSIVE OPTION, AND FURTHER COST OVERRUNS ARE LIKELY.

- Site C is:
 - at least as expensive as the BCUC alternative portfolio which includes geothermal and wind resources, as well as additional Demand Side Management (conservation)
 - more expensive than export market prices, so Site C surplus energy will be sold at a loss
 - much more expensive than the effective cost of the Canadian Entitlement (Columbia River Treaty)
- If it weren't for the sunk costs and the termination costs, the BCUC alternative portfolio would be dramatically cheaper than Site C. But even taking these costs into consideration, Site C is not less expensive than the alternatives, because of the high cost of producing Site C electricity

RISKS: SITE C HAS SIGNIFICANT RISKS, INCLUDING GEOTECHNICAL AND FIRST NATIONS LITIGATION RISKS.

- The risks of completing Site C are asymmetrical, with more downside than upside:
 - Risk of cost overruns and delays (due in part to geotechnical risks) which could lead to high rate increases
 - Risk of First Nations litigation: Site C was approved without any assessment of treaty rights infringement (Treaty 8), which creates financial risks from a potential future cost award
 - Risk of further deterioration to the long-term plan
 - BC Hydro has consistently and significantly over-forecast future demand for the past 30 years
 - Lower load growth means more years of low-priced exports, and greater rate impacts
 - The costs of the alternative resources are expected to decline considerably

JOBS: THE BCUC ALTERNATIVE PORTFOLIO GENERATES SIGNIFICANTLY MORE JOBS THAN SITE C.

- In the short term, cancelling Site C creates modest job losses, but in the medium and long term, Site C creates far fewer jobs than the alternative portfolios
 - Site remediation and monitoring provide approximately 10,000 jobs in the short term.
 - By 2030, the BCUC alternative portfolio creates 22% more employment than Site C
 - By 2054, the BCUC alternative portfolio will have created three times as many jobs as Site C
 - Many of those jobs are in the Peace region, which has the best wind resources in the province
 - Demand Side Management (conservation) and construction of alternative energy facilities (e.g. wind power) will create thousands of jobs each year on an ongoing basis

CLIMATE CHANGE: SITE C GENERATES MEANINGFUL GREENHOUSE GAS EMISSIONS, WHICH CANNOT BE COMPLETELY OFFSET BY EXPORTS.

- Site C's reservoir will create meaningful GHG emissions, primarily in the 2020s and 2030s. While emissions will decline after that, Site C will make it harder to meet Canada's 2030 GHG reduction commitments
- The BCUC's alternative portfolio (geothermal, wind and conservation), BC Hydro's alternative portfolio and our alternative portfolio all have lower GHG emissions
- The GHG benefit that would result from exporting Site C surplus power to Alberta is not enough to make up for Site C's emissions. Site C's net emissions (after discounting the hypothetical Alberta benefit) would still amount to 0.6 to 2.1 megatonnes, equivalent to running 50,000 cars for 10 years
- Electrification will increase demand but not quickly enough to justify Site C on the current timeline. By the time the electricity is needed, alternative portfolios can be developed

SITE C'S NEGATIVE ENVIRONMENTAL EFFECTS ARE UNPRECEDENTED IN BC AND ACROSS CANADA.

- Site C has more significant negative environmental effects than any other project ever reviewed under the Canadian Environmental Assessment Act (including oil sands projects)
- The scale of impacts results from the rare and ecologically important biodiversity of the Peace Valley