



GSX Concerned Citizens Coalition

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Appeal to fund an Appeal!

Dear friend:

Since our last mail-out and our AGM last December, things have been exciting:

An update on the Duke Point Power Plant ...

In January and February 2005, we intervened in the BC Utilities Commission review of the Duke Point Power electricity purchase agreement ("EPA") that BC Hydro signed. We showed that BC Hydro continues to make murky and exaggerated forecasts of the Island's electricity needs. Our evidence indicated that there is a big risk that BC Hydro (and consequently BC's electricity ratepayers) will be hit with big costs from greenhouse gas liability charges for the natural gas fuel.

That's on top of fuel price volatility for ever more expensive natural gas. Add that risk to the \$35 million per year that BC Hydro would pay - for 25 years - just to ensure that power from the plant is available on call.

At the same time as BC Hydro was arguing for this long-term deal, its sister company, BC Transmission Corp, was gearing up to build a new cable system to Vancouver Island, to be in service in 2008. This confirms that there is only a short-term "bridging" issue between 2007 and 2008, and not a long-term capacity problem. Duke Point Power is a very expensive square peg for a round hole.

We made a strong case, together with the opposition of industrial groups, particularly the Joint Industrial Electricity Steering Committee ("JIESC"), which should have defeated the EPA, based on the merits of the evidence.

But the BCUC had already picked a winner...

During the review, the Utilities Commission created strong grounds for a "reasonable apprehension of bias," i.e. that a reasonable person would think the Commission had made up its mind to approve the EPA, before all the evidence and arguments were in.

On 17 February, the Commission approved the EPA, with reasons to follow. Ordinarily, this would give the green light for Duke Point Power to start construction immediately, for an in-service date in 2007.

However, GSXCCC, the BC Sustainable Energy Association and SPEC, have jointly applied to appeal the Commission's decision to the BC Court of Appeal. JIESC has also filed for leave to appeal.

On April 12, Judge Thackray of the Appeal Court dismissed the applications.

So we appealed that decision.

And on June 13, a panel of three judges from the BC Court of Appeal decided that the two appellants, GSXCCC et al, and JIESC, could file an appeal of the BCUC decision, based on the narrow issue of disclosure of confidential information. The Court will hear the appeal on July 8, 2005.

Duke Point Power has delayed the start of construction, until the appeals are resolved. Every day of delay puts the power plant deal in serious jeopardy because BC Hydro may not still want the plant if it can't be in service by October 2007.

A serious chance of killing the Duke Point Power project...

On March 3, BC Hydro and the Duke Point Power Partnership signed a letter of agreement that contains two key points.

- If an appeal is allowed (as it was on June 13), then BC Hydro may terminate the EPA.
- If the appeal is not resolved, and construction has not started, by July 31, 2005, the EPA is cancelled.

As of June 13, a window of opportunity has opened up to cancel the Duke Point generation project without penalty.

And the appeal of the BCUC decision which approved the EPA, to be heard on July 8, could overturn that decision, resulting in sufficient delay to make the project no longer useful to BC Hydro.

We need your help, with two things:

- contact Richard Neufeld, the Minister of Energy and Mines; Larry Bell, the Chair of the Board of BC Hydro, and all the Board members, and tell them to cancel the Duke Point project immediately. That window of opportunity, to withdraw without penalty, has opened up. More appropriate, less expensive and more environmentally benign energy alternatives are available. More information about contacting these key decision makers is available at www.sqwalk.com
- We need help with our legal costs for the July 8 hearing with the BC Court of Appeal. We are looking for some heavy hitters to help with the legal costs of the appeal. We need about \$8,000. There are two ways you can make a contribution.
 1. make out a cheque to "GSXCCC Appeal Fund" and send it to Phil Marchant, GSXCCC Treasurer, 950 Carmen Crescent, Gabriola Island, BC, V0R 1X2; or
 2. go to any branch of the Coastal Community Credit Union, and say you want to donate to the GSXCCC Appeal Fund.

Amounts over \$100 will be repaid on a pro-rata basis, if we raise more than needed.

This is likely to be the last act in the drama that began for many of us in 2000, when we discovered plans to put the GSX natural gas pipeline through our back yards in Cobble Hill, and which continued with the Port Alberni rezoning struggle, the North Cowichan rezoning attempt and finally the power plant proposals for Nanaimo.

As things stand, the GSX Pipeline was killed by BC Hydro in December 2004. That decision is in substantial degree attributable to you and many others who have supported the ongoing efforts of the GSXCCC.

The second gas plant died, briefly, in Port Alberni. It died again in September 2003 when the BCUC denied BC Hydro's first application for the Duke Point Plant (remember VIGP?).

Third time lucky, dear friends. If we are successful with lobbying decision makers, and with the BC Court of Appeal on July 8, then the Duke Point Project will (almost certainly) not be resurrected again.

Join us, with letters to decision-makers, and money for the appeal. Thank-you.

For more information, call
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