



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-21-93

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3
CANADA

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AN ORDER IN THE MATTER OF the Utilities Commission
Act, S.B.C. 1980, c. 60, as amended

and

A Public Review of the Kemano Completion Project

BEFORE: L.R. Barr, Deputy Chair;)
P.A. Larkin, Commissioner;) March 10, 1993
J.A. McVey, Commissioner; and)
A.J. Scow, Commissioner)

WHEREAS:

- A. Pursuant to Sections 2 and 6 of the Utilities Commission Act ("the Act") and in conformance with Order in Council No. 0033, 1993 dated January 18, 1993 ("the OIC") Lorna R. Barr, Deputy Chair of the Commission and Peter A. Larkin and J. Alistair McVey, Temporary Commissioners were ordered to undertake a public review of the Kemano Completion Project ("KCP"). OIC No. 0239, 1993 dated March 5, 1993 appointed Alfred John Scow as Temporary Commissioner; and
- B. The OICs requested the Commission to undertake the KCP Review in the same manner as for a review under Section 20 of the Act and issued Terms of Reference, which are attached as Appendix A to this Order; and
- C. The Commission has determined that in accordance with Item No. 6 of the Terms of Reference, written and oral comments on the type and extent of the Commission's Review are requested.

NOW THEREFORE the Commission orders as follows:

1. The Commission will hold Community Meetings at the locations, dates and times as set out in the Notice attached as Appendix B in order to determine where and when public hearings are to be held, the scope of the review and issues related but not limited to river hydrology, fisheries issues, cost-benefit analysis, First Nations (aboriginal) issues and other issues identified by the Commission (Terms of Reference No. 3).
2. The Commission encourages individual participation in the community meetings and public hearings.
3. The Notice of Community Meetings will be sent to interested parties known to the Commission and will be published in local community newspapers in the service area.

DATED at the City of Vancouver, in the Province of British Columbia, this 10th day of March, 1993.

BY ORDER

Lorna R. Barr
Deputy Chair and
Chair of the Division

Attach.

BCUC/Orders/KCP-CommunityMtgs.

TERMS OF REFERENCE

IN THE MATTER OF THE UTILITIES COMMISSION ACT (the Act)
S.B.C. 1980, C.60
and

IN THE MATTER OF A PUBLIC REVIEW OF KEMANO COMPLETION
PROJECT (the Project)

WHEREAS, the Aluminium Company of Canada (Alcan) and the Government of British Columbia (the Province) entered into the 1950 Agreement supported by a Conditional Water Licence dated December 1950 and began construction of a hydroelectric facility in British Columbia;

and

WHEREAS, in 1987, the Government of Canada, the Province and Alcan resolved a legal dispute by signing a Settlement Agreement, in which all parties modified and clarified their rights;

and

WHEREAS, after signing the Settlement Agreement, Alcan began construction of the Project;

and

WHEREAS, before and after concluding the Settlement Agreement, no formal public review of the Project was undertaken;

and

WHEREAS, the Province recognizes that, although the benefits of the Project will be enjoyed by all British Columbians, the direct impacts and costs of the Project will be borne primarily by local communities;

The British Columbia Utilities Commission (the Commission) shall conduct a public review of the Project in accordance with the following Terms of Reference.

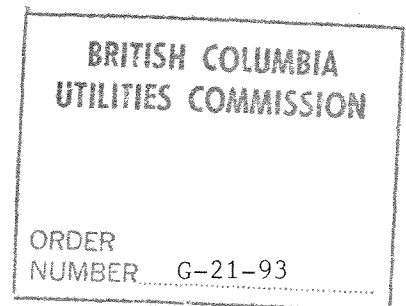
1. In the context of the Industrial Development Act, the Conditional Water Licence, the 1950 Agreement, Order in Council 2883/50, the Settlement Agreement and the Amendment Agreement, the Commission shall review and assess the nature and extent of the effects of the Project on the physical, biological, social and economic environments in the Kemano and Nechako river watersheds and the Nechako Reservoir.

This review and assessment shall include impacts of the Project on the Aboriginal communities in the Kemano and Nechako river watersheds and the Nechako Reservoir. In particular, the Commission shall consider:

- (a) options for addressing impacts associated with the Project;
 - (b) appropriate mitigation measures to address unavoidable impacts; and
 - (c) strategies for maximizing the positive impacts of the Project that balance the potential for enhancing the economic stability of local communities with the greatest possible range of benefits to the Province from the Project.
2. The Commission shall consider whether or not establishing a local benefits fund is the appropriate mechanism to assist in achieving the objectives of Term 1.
3. The Commission may review issues related to:
 - (a) river hydrology;
 - (b) fisheries issues;
 - (c) cost-benefit analysis;
 - (d) Aboriginal issues; and
 - (e) any other issues identified by the Commission.
4. The Commission shall consider all available current and historical information that it considers relevant to these proceedings.
5. The Commission shall invite written and oral comments from all interested parties.
6. The Commission shall receive, in a manner deemed appropriate by the Commissioners, written and oral comments from all interested parties before determining:
 - (a) when hearings shall be held;
 - (b) where hearings shall be held;
 - (c) the scope of work to be completed by persons appointed or engaged for the purposes of the review specified at Term 3 and whether those persons shall work at the direction of interested parties or be neutral persons and available to all interested parties; and
 - (d) in which order the issues before the Commission shall be considered.
7. In its review of the Project, the Commission shall consider any other matters that may be specified in supplementary Terms of Reference by the Lieutenant Governor in Council (LGC).
8. On conclusion of the review, the Commission shall submit a report and recommendations to the LGC by September 30, 1993, or as soon thereafter as may be practical.



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NOTICE OF COMMUNITY MEETINGS
PUBLIC REVIEW OF KEMANO COMPLETION PROJECT

By Order in Council No. 0033, 1993, the Provincial Government has ordered the Commission to undertake a public review of Alcan's Kemano Completion Project ("KCP") pursuant to the issued Terms of Reference. In the Terms of Reference the Commission is asked to "review and assess the nature and extent of the effects of the project on the physical, biological, social and economic environments in the Kemano and Nechako river watersheds and the Nechako reservoir". The review and assessment are to include the project's impact on the First Nations' communities in the Kemano and Nechako River watersheds and in the Nechako Reservoir.

Prior to the holding of public hearings, the Commission will hold a series of community meetings in the region to receive comments on the following procedural matters:

- (i) when hearings shall be held;
- (ii) where hearings shall be held;
- (iii) the scope of work to be completed by persons appointed or engaged for the purposes of the review of the issues noted below and whether those persons shall work at the direction of interested parties or be neutral persons and available to all interested parties; and
- (iv) in which order the issues before the Commission shall be considered.

The issues identified in the Terms of Reference are:

- (a) river hydrology;
- (b) fisheries issues;
- (c) cost-benefit analysis;
- (d) Aboriginal issues; and
- (e) any other issues identified by the Commission.

Following community meetings and the public hearings, a report is to be sent to the Government by September 30, 1993.

COMMUNITY MEETINGS

In order to address the procedural items in (i) through (iv) above, the Commission will be holding Community meetings in the areas listed below. The format for these Community meetings will be informal and it is hoped that the hours selected will be convenient for active participation by all interested parties.

PRINCE GEORGE - April 2, 1993

Yellowhead Inn
1445 West Central Street
Prince George, B.C.

Staff Information Session

1:00 p.m. to 3:00 p.m.

Presentation to Panel

3:00 p.m. to 5:00 p.m.
6:00 p.m. to 8:00 p.m.

FORT FRASER - April 3, 1993

Fort Fraser Elementary School
#1 - 5th Avenue
Fort Fraser, B.C.

Staff Information Session

1:00 p.m. to 3:00 p.m.

Presentation to Panel

3:00 p.m. to 5:00 p.m.
6:00 p.m. to 8:00 p.m.

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KITIMAT - April 5, 1993

River Lodge Community Centre
654 Columbia
Kitimat, B.C.

Staff Information Session
1:00 p.m. to 3:00 p.m.

Presentation to Panel
3:00 p.m. to 5:00 p.m.
6:00 p.m. to 8:00 p.m.

A video and audio tape of each community session will be available for review by the Commission and other interested parties. For those parties unable to attend any community meeting session, written submissions will be received by the Commission and given consideration. Written submissions are to be sent to the Commission Secretary no later than April 8, 1993 at the following address:

Mr. R.J. Pellatt
Commission Secretary
B.C. Utilities Commission
Box 250, 900 Howe Street
Vancouver, B.C. V6Z 2N3

The review panel will be comprised of the following Commission members:

Ms. Lorna R. Barr, Deputy Chair and Chair of the Division
Dr. Peter A. Larkin, Commissioner
Mr. J. Alistair McVey, Commissioner
Mr. Alfred J. Scow, Commissioner

Those intending to attend should advise the Commission Secretary either in writing or by telephone no later than March 31, 1993.

Clarification

Persons intending to participate in the community meetings to make presentations or written submissions on the procedural matters and who are uncertain as to the manner in which to proceed may contact Mr. Rob Pellatt, Commission Secretary or Mr. Neptune Smith, Manager Electrical Engineering by telephone at 660-4700 or B.C. Toll-Free 1-800-663-1385, by fax 660-1102 or in writing to the above-noted address.

BY ORDER



Robert J. Pellatt
Commission Secretary

/ssc