



ROBERT J. PELLATT
COMMISSION SECRETARY

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August 10, 1995

Mr. Larry Nissen
Executive Director
Central Okanagan Indian Friendship Society
442 Leon Avenue
Kelowna, B.C.
V1Y 6J3

Dear Mr. Nissen:

Re: BC Gas Utility Ltd.
Representation on BC Gas IRP Stakeholder Committee

In your letter of March 19, 1995 to BC Gas Utility Ltd., you mentioned several issues concerning your role as a member of the BC Gas IRP Stakeholder Committee, and asked BC Gas for a written response. Some of the issues you raised were also directed to the B.C. Utilities Commission and that is the reason for this letter.

The first concern raised in your letter suggests that consideration of the environmental and social objectives for the IRP has been insufficient in your view, and that satisfactory solutions to these issues, which are of major concern to Aboriginal People, have not been found. BC Gas is expected to file its IRP in early August, and the Commission will be better able to assess the importance placed on these objectives in the IRP. A report from the Stakeholder Committee is anticipated to be filed with the report, and the Commission would hope that, if your concerns remain upon completion of the IRP, they are noted in the Stakeholder report. If they are not recorded, you have a further opportunity to bring them to the attention of the Commission during the upcoming BC Gas hearing at which the IRP will be discussed along with several other issues. If you wish to participate in the hearing, please contact me for a timetable of events and deadlines leading up to the hearing itself. (Participation in a hearing may be either by personal appearance or in writing.)

Second, your letter informs the Stakeholder group and BC Gas that you do not speak for the majority of Aboriginal people living in B.C., and that you represent only certain specified groups. The Commission appreciates your bringing this to the attention of BC Gas and the other stakeholders. The Commission is aware that no stakeholder can presume to speak for any large and diverse group, and that the clarification of representational roles is an important aspect of any stakeholder process.

As a related point, your letter also states that, insofar as your participation is concerned, your participation must be deemed to have no significance with the B.C. Treaty negotiations or any Policy Table negotiations currently underway with the B.C. Government. Here the Commission would simply point out that the BC Gas Stakeholder Committee is sponsored by an investor-owned utility rather than either the government or the Commission.

Third, you suggest that more effort be made on the part of both BC Gas and the Commission to include all Aboriginal Groups in the Stakeholder Meetings. The Commission would like to see all utilities' public involvement efforts be as inclusive as possible, but recognizes that beyond a certain size the ability of a stakeholder group to work together effectively becomes limited. Therefore, while it is certainly desirable that utilities have adequate representation from all relevant groups, including Aboriginal groups, that representation may not necessarily include all groups. Moreover, the Commission believes that, as a criterion for inclusion in consultative or collaborative processes, utilities should make every effort to include those groups or representatives of stakeholders who are most directly impacted by proposed utility actions.

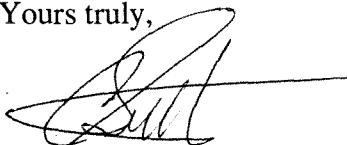
Your letter also recommends that the Commission should identify the importance of Aboriginal participation in IRP, and should make such participation a mandatory part of all IRP processes. The Commission is currently very aware of the importance of Aboriginal participation, and would be concerned if it heard that Aboriginal groups who had an interest in participating had not been given the opportunity.

Fourth, on page four of your letter, you raise several questions related to social, economic and environmental issues of importance to communities throughout the province. These 'social costing' issues recently have been the subject of some discussion, including a public workshop on the subject hosted by the Commission. The Commission's intent is that these should be identified and included in the IRP process, but recognizes that it is very difficult to measure or determine a social value to be placed on some of these items. Commission staff are preparing a discussion paper on the various methods and approaches that have been suggested for dealing with social costing issues, and hope to publicly circulate that paper for comment in the near future.

Finally, your letter strongly recommends that all future stakeholder groups should have the opportunity for real, meaningful and binding input into IRPs. The Commission agrees that input into an IRP should be both real and meaningful, but the Commission cannot make Stakeholder input into an IRP binding. However, if a utility does not choose to follow the advice of its stakeholders, it must carefully show its reasons for differing from that advice. Nevertheless, in the final analysis the IRP is the utility's plan, and the utility must be allowed to at least bring a different view to the Commission than the view of its stakeholders, if opinions differ. Moreover, the Commission must be able to assess whether or not the Stakeholder group as convened by the utility is a 'fair' representation of those segments of the public who have an interest in its plan, and whether the plan itself is in the public interest even if supported by the stakeholders.

In concluding, I wish to thank you for your thoughtful views on the IRP process and particularly public involvement processes. Public involvement in B.C. and elsewhere is an evolving process and letters such as yours aid in the advancement of stakeholder processes. By way of a copy of this letter, the Commission is informing BC Gas of its views and requests a copy of BC Gas' reply to your letter when one is available.

Yours truly,



for: *Constance M. Smith*
Robert J. Pellatt

JF/ssc

cc: Mr. D.M. Masuhara
Vice President
Legal and Regulatory Affairs
BC Gas Utility Ltd.

BCG/Cor/Nissen&IRP Stakeholder