

# **Hands off Hydro!**

## **By Rudy Lawrence**

With the third lowest rates in North America and a stable supply of non-polluting energy, BC has an electricity system that is the envy of the world. Now, the BC government is preparing to break-up BC Hydro, privatize future power generation, and hand over one third of all jobs to Accenture, a private international corporation with head offices in Bermuda - all without public consultation and without the support of British Columbians.

Instead of focusing on the province's needs, the government is driven by giant energy companies who will be the only winners under the proposed restructuring. We need to look no farther than Alberta to see why this is a bad idea. Alberta was once one of the cheapest electricity jurisdictions in North America. After their energy restructuring, prices have skyrocketed and are 300% more than here in BC.

So why do it? Energy Minister Neufeld claims BC is out of power. This is a manufactured crisis not supported by the evidence. We have the tremendous advantage of storing energy behind our dams. We buy power when price is cheap and sell the stored energy when the price is high. The 2002 BC Hydro annual report shows that almost half of imports are turned around for export. Importing power is only done as a shrewd business move or like last year, when water levels are extremely low. This year, water levels are expected to be 106% of normal. We currently have such a surplus of power that we are spilling water at the Peace and Columbia River dams. We also have 1400 megawatts per year that will return to us from the downstream benefits of the Columbia River Treaty starting in 2003. This will power 500,000 BC homes a year.

Of course we need to continue to develop new sources of power, but there is no need to break-up BC Hydro to do it. There are many possibilities including 'run of the river' projects, wood waste, wind power and other green projects which, in combination with a beefed up Power Smart program, could meet our needs well into the future.

Any project - public or private - will be supported by debt and BC Hydro is in a perfect position to make these future investments. While Minister Neufeld has said that the company is broke, investment houses continue to rate BC Hydro highly with an AA- credit rating. If we privatize future power generation, we allow someone else to own the asset and we pay rent, through our electricity rates. If we invest publicly, we make mortgage payments and own the asset at the end of the day. Clearly, BC Hydro remains our best choice to meet future energy demands.

Providing electricity is not the same as selling toasters. Every single British Columbian relies on electricity to power their homes and businesses. Stability and reliability are key features that would be lost if we dismantle BC Hydro and privatize future generation. When private energy companies say they want "the right climate" for investment, they mean higher rates for everyone. That will make a few energy companies happy, but the rest of us will pay the price. Email, write or visit your MLA - it is time to speak out before it is too late.

Rudy Lawrence is a director of the BC Citizens for Public Power and is also president of COSCO.

For information on COSCO, contact Ernie Bayer 604-576-9734

## **Seniors Warn Provincial Government: Hands Off Hydro BC's Largest Seniors' Organization Joins the BC Citizens for Public Power**

June 25, 2002

For immediate release

Vancouver Seniors are warning the provincial government to keep their hands off BC Hydro, said Rudy Lawrence, President of the Council of Senior Citizens' Organizations (COSCO).

Momentum against the provincial government's plans to break-up, sell-off and deregulate BC Hydro is growing as BC's largest seniors' organization joined the BC Citizens for Public Power this week.

"The provincial government's own Energy Policy Task Force is predicting rate increases of 30% - 60%. Seniors, especially those on fixed incomes, simply cannot afford this," said Lawrence.

"We want a full public consultation before any changes are made to BC Hydro. We don't want the government to do to BC Hydro what they have done to health care," said Lawrence.

"Seniors have invested for decades into BC Hydro.<sup>3</sup> Their investment should not be squandered by a government whose agenda seems to be driven more by energy companies than the shareholders of BC Hydro - British Columbians," said Lawrence.

"Citizens from all over British Columbia are standing up to the government's plans to break-up and sell-off BC Hydro," said Jim Sinclair, spokesperson for the BC Citizens for Public Power. Mr. Sinclair is also the President of the BC Federation of Labour.

Seniors have joined municipal leaders, environmentalists, consumer advocates, trade unions, and academics in a citizens group opposed to the provincial government's direction for BC Hydro. BC Citizens for Public Power was formed in May 2002 out of concern over the future of British Columbia's publicly owned power company. COSCO, BC's largest seniors' organization, represents 40 seniors' associations with a membership of 42,000 throughout BC. COSCO has been representing seniors since 1950.

Public investment and energy conservation have led to the third lowest rates in North America. In Alberta, market pricing resulted in rates 300% more than what we pay in BC. In a recent poll, 68.1% of British Columbians oppose privatization and deregulation, 76.1% oppose the sell-off of BC Hydro, and 83.8% of British Columbians support full public consultation before any changes are made.

-30-

[www.citizensforpublicpower.ca](http://www.citizensforpublicpower.ca)

Contact: Mark Veerkamp Coordinator, BC Citizens for Public Power  
604.790.3352