



The Sheltair Group

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Haida Gwaii Community Electricity Plan

Notes of June 1 Working Group Meeting

AGENDA

1. Old business
2. Update on HaidaLink Project
3. General Discussion
4. Presentation and Decision Analysis Exercise by Compass Consultants

In Attendance

Working Group	
Old Massett Village Council	Elizabeth Moore
Skidegate Village Council	None
Village of Masset	Barry Pages
Village of Port Clements	Travis O'Brien
Village of Queen Charlotte	Greg Martin
Skeena / Queen Charlotte Regional District Area "D"	Travis Glassman
Skeena / Queen Charlotte Regional District Area "E"	Ian Hetman
Haida Hereditary Chiefs	None
BC Hydro	Andrea Kennedy (néé Estergaard) Pun Chu Greg Hamilton
Council of the Haida Nation	Kevin Brown Bill Beldessi Arnie Bellis (until 10:30am)
Guests	
Guest of Village of Queen Charlotte	Jacques Morin

<i>From Sheltair</i>	Angela Griffiths (facilitator) Esmeralda Cabral Samantha Petticrew
<i>From Compass Resource Management</i>	Michael Harstone Graham Long

DISCUSSION

1. Old Business

- Meeting notes vs. Meeting minutes - Meeting notes, not official minutes, summarizing the meeting are acceptable to the group, as long as they accurately reflect the proceedings.

2. Update on HaidaLink Project

Arnie Bellis provided an overview of the history of the HaidaLink project.

- Conversations had been on-going with NaiKun regarding the possibility of providing electricity to the islands rather than just a one-way connection to the mainland, however up until spring 2007, NaiKun had indicated that connection to Haida Gwaii was not financially feasible;
- There is a need to address the on-island situation – highest pollution generation per capita, due to usage of diesel; wind project is an opportunity to provide cleaner energy;
- NaiKun states that it is technically feasible to connect Haida Gwaii to the provincial grid via a link to the NaiKun project;
- Local ownership of the link for \$55 million, or can lease instead;
- This MOU doesn't stop smaller initiatives from developing other proposals. HaidaLink is just another option or potential project;
- CHN felt strongly that the HaidaLink proposal should not circumvent the CEP process; it should be addressed or incorporated in the most appropriate way;
- The HaidaLink and NaiKun wind project still needs to go through and Environmental Impact Assessment and public consultation process.
- The HaidaLink and NaiKun wind project would still need to go through a competitive bidding process to supply energy to the integrated (mainland) grid

- A suggestion was made that Arnie make a presentation to the Working Group, outlining the details of the proposed project.

3. General Discussion

Discussion centered on the following questions:

- How do the HaidaLink project and the MOU affect the CEP process currently underway?
 - HaidaLink was not within the original framework but does not fundamentally change the process since it is another option to consider as part of a planning process; will still follow the process as initially outlined by Sheltair;
 - Environmental Impact Assessment will be conducted as part of the Federal and Provincial requirements. If the project does not adequately address environmental impacts, CHN will not support it;
 - Once CEP is finished, BC Hydro will do an energy call for Haida Gwaii. That particular call will be for supply into a non-integrated area.
- Has BC Hydro done any work to determine economic feasibility of this project?
 - It will be up to NaiKun to provide information on economics and to determine economic feasibility.
- Will HaidaLink be a two-way line? It seems that it would be better to have a package of energy projects [that could sell excess energy on the main grid] rather than individual projects trying to compete.
 - Arnie stated that the power would go both ways so there is potential to export electricity as well.

Facilitator's note: There have been subsequent discussions on this matter between CHN, BC Hydro and Naikun. At this point, it has not been confirmed whether the HaidaLink would be a one-way or two-way line.

- BC Hydro pointed out that it is very difficult for small projects that would be competitive in non-integrated areas to compete economically with small projects on the integrated (mainland) grid. Cost of energy (and price paid for energy) on the mainland grid is much lower than on Haida Gwaii.
- Was this CEP process not developed to get an understanding of what all people on the island want for energy supply? Doesn't the

CHN involvement in, and support for, the HaidaLink project not compromise the CEP process?

- BC Hydro explained that CHN involvement does not change the process. Once the CEP is complete, there will be an implementation plan created, and there will be a subsequent energy call. The relevant criteria must still be met – social/economic, financial and environmental issues must be addressed. In addition, the technology must be proven and reliable and must also have participation or consent from the First Nation involved.
- Arnie explained that the NaiKun project falls within Haida traditional territory. The CHN has talked with Tsimshian, and Hesquiat First Nations but there is no overlap of territories.
- There was discussion around the table and questions as to whether the NaiKun project 'makes sense' and the issue of perceived conflict of interest was discussed.
- Is the current line from Prince Rupert to Prince George large enough to accept electricity from NaiKun?
 - No.

Facilitator's note: BC Hydro has informed that in subsequent meetings with Naikun, the proponent has stated that the answer to this question is yes, if the project is less than 320 MW.

- When is the tidal feasibility study going to happen?
 - Research is happening now and then a site visit is planned in August. **Kevin to bring an update on the study to the Working Group**

4. Presentation and Decision Analysis Exercises –

Compass Resource Management Consultants

Report from Compass RMC appended to these notes (Appendix 1).

- BCH noted that some of the diesel generators in Masset will be replaced. New fuel efficiency estimated at 3.7-3.8 kWh/L. Old diesel engines' fuel efficiency is approximately 3.2 kWh/L.

Results of Decision Analysis exercises will be provided in a separate report by Compass RMC and will be sent to WG and posted on the website.

ACTION ITEMS

1. **Arnie** to make a formal presentation on the HaidaLink project to the Working Group.
2. **Kevin** to bring update on tidal feasibility study to the table.
3. **Samantha** to find dependable capacity factor for Mitchell Inlet

APPENDIX 1: Compass Resource Management report from Working Group Session June 1, 2007