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May 2, 2006
For immediate release

**Re: Independent Power Production
Bill 30 – 2006 Miscellaneous Statutes Amendment Act (No. 2), 2006**

The SLRD board has passed the following resolution at its May 2 Special Meeting:

Whereas the Province of British Columbia and the Union of BC Municipalities, by Memorandum of Understanding signed Sept 22, 2004, are committed to:

- *Fostering co-operative inter-governmental relations,*
- *Recognizing the jurisdiction and accountability of both orders of government,*
- *Facilitating the responsible development of clean, renewable energy sources to meet the energy needs of British Columbians,*
- *Providing efficient and effective IPP review and approval processes for both orders of Government, and*

Whereas the amendments to the Utilities Commission Act proposed by Bill 30 will serve to:

- *eliminate local government involvement and engagement in IPP review and approval processes,*
- *remove jurisdiction of local government over IPP's on Crown Land,*
- *remove local government from the responsible development of clean, renewable energy sources,*
- *impair co-operative inter-governmental relations, and*

Whereas these amendments will have significant impacts for local governments throughout the province when the full scope and potential of IPP's are considered (e.g. wind, geo-thermal, coal bed methane and run of river projects)

Therefore be it resolved that the Province of British Columbia be requested to immediately set Bill 30 aside and return to working with UBCM to complete the commitments of the MOU on Independent Power Projects as quickly as possible.

The Board has taken this action because on Thursday April 27, the provincial government gave first reading to Bill 30 which will contains a provision which would effectively eliminate local government decision making with respect to independent power projects on crown land.

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This Bill will affect local governments throughout the province. Local Government IPP zoning control on crown land would be eliminated. Local forums for determining and addressing resident concerns and community issues previously addressed through a rezoning or public hearing process, would also be eliminated.

The SLRD Board finds itself at the centre of the IPP controversy, due to the over 60 water license applications already filed in our region for independent power production. These are in addition to the 11 projects which have already been constructed and are currently operating within the SLRD. Based upon the issues which have been raised to date during consideration of independent power projects, the SLRD has requested development of a regional energy strategy.

The board is confident that a regional energy strategy will:

- promote planned development of energy projects,
- identify areas where energy development appears unimpeded by potentially significant issues,
- promote efficiency and utilisation of existing power distribution infrastructure,
- provide a framework for evaluation of Independent Power Project (IPP) proposals by classifying watersheds based upon their general degree of suitability for development and identifying any potentially significant issues which might impede projects or require mitigation,
- complement project specific review processes by determining regional resource allocation issues and cumulative impacts of energy projects across watersheds within the SLRD,
- provide valuable information which provincial and local governments could use to guide land use decisions, and
- provide greater certainty for governing bodies, project proponents and the community.

In 2004, the Province of BC and the Union of BC Municipalities signed a Memorandum of Understanding to work together cooperatively, recognizing the jurisdiction and accountability of both orders of government, to work through issues related to privately-owned independent power production. It was anticipated that this work would result in an efficient and effective process for review and approval of Independent Power Projects (IPP's) for both orders of government

The introduction of Bill 30, more particularly Section 56 appears to jeopardise these efforts and resulted in the board's decision.

Contact: John Turner (604) 894-6371

Background:

UBCM / Provincial Government MOU – Energy
Letter to Minister Neufeld



**MEMORANDUM OF UNDERSTANDING
ON
INDEPENDENT POWER PROJECTS**

BETWEEN

**THE PROVINCE OF BRITISH COLUMBIA (the Province)
AND
THE UNION OF BRITISH COLUMBIA MUNICIPALITIES (UBCM)**

The Province and UBCM share the common goals of:

- Fostering co-operative inter-governmental relations;
- Recognizing the jurisdiction and accountabilities of both orders of government;
- Facilitating the responsible development of clean, renewable energy sources to meet the energy needs of British Columbians,
- Providing efficient and effective IPP review and approval processes for both orders of government.

The purpose of this agreement is to establish:

- Means through which local governments and the Province can co-operate and collaborate to realize the common goals.

The Province and UBCM agree to work toward achieving our common goals by:

- Creating an IPP coordinating group with a member from Land and Water British Columbia, Community Aboriginal and Women's Services, Energy and Mines and UBCM. This group will work cooperatively with related groups such as the "one window regulatory approach steering/working committee";
- Participating in a workshop facilitated by the Fraser Basin Council to bring proponents, Federal, provincial and local authorities together to discuss IPP development;

- Developing best practices to coordinate efficient project reviews through harmonization of provincial and local review processes;
- Working to ensure that local, regional and provincial interests are appropriately considered in the review of projects and to work toward harmonization of provincial and local government project review mechanisms, including the Waterpower Project Guidebook, provincial operational policies, Land and Resource Management Plans, Sustainable Resource Management Plans, Regional Growth Strategies, and local government planning and zoning processes; and
- Jointly communicating the outcomes of the work to all interested parties including IPP developers, local governments and provincial agencies.

SIGNED on behalf of the PROVINCE OF BRITISH COLUMBIA by:

George Abbott

The Honourable George Abbott, Minister of Sustainable Resource Management and Minister responsible for Land and Water B.C.

Date Sept. 22/04

Murray R Coell

Date Sept 22/04.

Richard Neufeld

The Honourable Richard Neufeld Minister of Energy and Mines.

Date Sept 22/04

SIGNED on behalf of the UNION OF BRITISH COLUMBIA MUNICIPALITIES by:

Frank Leonard

His Worship Frank Leonard, Mayor and President of Union of British Columbia Municipalities

Date Sept 22/04



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May 2, 2006

Honourable Richard Neufeld
Minister of Energy, Mines and Petroleum Resources
PO BOX 9060 STN PROV GOVT
Victoria, BC V8W9E2

Dear Minister Neufeld:

By resolution adopted at an emergency meeting today, the SLRD Board urges you to reconsider Bill 30. We ask that you suspend the Bill until local government is consulted via UBCM to consider the province-wide ramifications of Bill 30.

The Board also requests a meeting at your earliest convenience with representatives of the SLRD to address aspects of the Bill as they apply to decision making within the SLRD. As our previous correspondence has consistently stated, we believe that there are other ways in which to resolve IPP Issues and move forward in a positive manner for all concerned.

We don't believe that Bill 30 is the answer. Rather, we feel that working together to integrate our approval processes and completing a regional energy strategy (as set out in our concept paper provided to you last week) are the way in which to resolve this contentious matter.

We are hopeful that you will honour this request and that we can return to working in the cooperative manner to which the board is whole heartedly committed.

Yours truly,

Original signed by

John D. Turner
Chair

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cc.: Premier Campbell
UBCM
All BC local governments
All provincial MLAs