

Clean & green, but not cheap

Wind generation now has place in B.C. energy future

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Independent power producers will light more B.C. homes in the coming years, but buying their electricity will mean bigger bills for consumers, Energy Minister Richard Neufeld said yesterday.

B.C. Hydro said it has offered 38 contracts to buy power from independent producers across the province. If they are all completed, the projects will provide enough power to supply 700,000 homes.

The projects are expected to be producing by 2010, reducing B.C.'s need to buy electricity from the U.S.

But the locally produced power -- three-quarters of it clean and green -- will come at a price.

"New generation is obviously going to cost money," Neufeld said. "You don't get it for nothing. So obviously there will be some rate increases."

He said B.C. Hydro will try to minimize rate increases but said B.C. pays less than nearly all jurisdictions in North America.

Bob Elton, Hydro's president and CEO, said the contracts awarded yesterday will continue for an average of 30 years.

This will mean stable prices for electricity and will also encourage more development by the industry. They will also reduce B.C.'s reliance on outside sources for power.

"When you look at the [electricity] rates charged today, they reflect assets that were built a very long time ago," Elton said.

"When you're buying anything new, construction costs are up, labour is in short supply, interest rates are higher -- it's just one of those things."

He said B.C. has the second-lowest electricity rates in North America and Hydro is paying independent producers competitive prices for their power.

"We anticipate electricity will be more expensive and harder to find in future," Elton said. "I think we are achieving energy security with these projects."

The contracts are mostly for small hydro projects, but they also include projects that generate power using wind, coal, wood waste, construction and landfill material.

Wind-energy producers were delighted by the announcement.

"This is a great day for B.C. and a great day for wind," said Ron Percival, president of Dokie Wind Energy Inc. "Wind now has a place in B.C.'s future."

He said the Dokie Wind project will use wind-turbine generators set on high windswept ridges in the Rocky Mountain foothills, which will produce enough electricity per month to supply 50,000 homes.

"We've been working on this project, carrying it uphill, for three years and we can finally set the load down," he said.

Bear Mountain Wind Park will be located near Dawson Creek and will generate enough electricity to supply about 38,000 homes.

"This is a phenomenal signal to the wind energy industry," said project spokeswoman T.J. Schur. "It is an incredible experience to come into a province with no wind energy to date and come to the point where wind is now a viable industry."

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HYDRO'S TOP 10 NEW SUPPLIERS

Plant

Nearby Energy capacity

Rank Project name city source (megawatts)

1. East Toba and Montrose Hydroelectric Project Powell River Water 196
2. AESWapiti Energy Corporation Tumbler Ridge Coal / Biomass 184
3. Dokie Wind Project Chetwynd Wind 180
4. Bear Mountain Wind Park Dawson Creek Wind 120
5. Canada - Glacier/Howser/East - Project Nelson Water 90.5
6. Gold River Power Project Gold River Biomass 90
7. Kwalsa Energy Project Mission Water 85.9
8. Anyox and Kitsault River Hydroelectric Projects Alice Arm Water 56.5
9. Princeton Power Project Princeton Coal / Biomass 56
10. Upper Stave Energy Project Mission Water 54.7

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WHERE YOUR ELECTRICITY COMES FROM

- Run-of-river hydroelectric plants harness the power in river water as it passes through the plant. The systems are built on small dams that divert little water so there is little change in river flow or water level.
- Wind energy generates electricity by using a series of turbines mounted on towers to turn the wind into power. It is a renewable resource and causes no pollution or hazardous waste.
- Coal and biomass projects burn coal or wood waste and other refuse such as construction and landfill material to generate steam that drives turbines to create electricity.
- Waste heat projects harness the heat generated by compressors in a natural-gas pipeline. The energy normally evaporates, but power producers have figured out how to collect the heat to generate electricity.
- The average household consumes 10,000 kilowatt hours of electricity in a year.

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