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Site C Dam – still on life support as opposition continues

By [Warren Bell](#) in [Opinion](#), [Energy](#) | February 9th 2018



File photo of Site C dam by the Canadian Press

The December 11, 2017 approval of construction of the Site C Dam by B.C. Premier John Horgan has set off a wave of intense protest that is growing in depth and breadth. Building the dam – whose sole justification is clearly supplying to the fracking industry – appears to be by no means a done deal.

4 stories left

Already a [struggle has emerged](#) within the ranks of the NDP itself over this issue.

John Horgan's decision was put firmly under the microscope in late January, as critics of Site C, a majority of whom are - or were - members of the NDP itself (I myself am not), [gathered in Victoria for two days](#) of discussion about next steps.

I attended this "Site C Summit – Accountability and Action" at the downtown Metropolitan United Church, because I wanted to find out what the stance of those who questioned the Premier's decision might be.

Resistance to Site C is multi-faceted

What I found was a powerful momentum and a sustained and growing resolve to halt this ill-founded project and replace it with something better.

These sentiments were amplified when the 400 or so participants watched a video of the December 11 press conference announcing the decision; the distress and anger it stirred up in the room was palpable, and audible. It was clear that green-lighting this third dam on the Peace River – a dam planned in the 1950's when scientific understanding of such projects was still limited and superficial – stirred up a huge wave of skepticism and anger in the audience.

Torn to ribbons first – after the video ended – were the economic arguments with which Premier Horgan attempted to buttress his decision to let the megaproject to go ahead – arguments [already under fire](#) long before December 11.

But when participants at this gathering came to articulate Site C's massive damage to both human communities and the ecosystem, set against the rapidly expanding supply of renewable energy from wind, geothermal and especially solar, the joined voices of local residents, experts and especially Indigenous leaders were strong and cogent.

[Dr. Judith Sayers](#), lawyer and former chief of the Hupacasath First Nation, as well as business professor at UVic's Peter Gustavson School of Business, laid out some telling statistics: 30 First Nations communities in B.C. have already gone ahead and developed a total of 78 operational renewable energy projects – 61 per cent run-of-river hydropower, 17 per cent solar, 10 per cent geothermal and nine per cent wind – all poised to replace the energy from Site C.

4 stories left



Chief Judith Sayers outlining existing Indigenous renewable energy projects - Peace Valley Solidarity Initiative

As she put it: “First Nations are ready, willing and able to provide clean energy as an alternative to Site C.”

Sayers said attempts to have a conversation with the Minister of Energy, Mines and Petroleum Resources Michelle Mungall have so far not borne fruit.

That much misused word “clean” has been relentlessly associated with Site C, especially by former premier Christy Clark and her development-addicted cabinet, but the idea that mega-hydro power is clean is simply a favoured myth of large dam enthusiasts. The notion was roundly debunked at this meeting, as speakers cited new evidence that [methane](#), a greenhouse gas 40-80 per cent more potent than carbon dioxide, is [produced in substantial quantities](#) from dam reservoirs. They also reminded participants that for Site C in particular, the only current purpose of the dam is to provide energy for B.C.’s [notoriously leaky](#) fracking wells that produce methane gas (and a host of contaminants) – methane being the fracked gas that’s processed into LNG in processing plants – in both [B.C.](#) and [Alberta](#).

4 stories left

So not only are mega-dams far from clean themselves, but the role of Site C in particular is to power the fossil fuel industry, a major cause of planetary warming.

Economic arguments for Site C are just wrong

Strong negative reactions to the Site C approval came from leading economic analysts like [Robert McCullough](#) – arguably one of the most experienced energy project consultants in North America, and advisor to governments, utilities and First Nations – and [Harry Swain](#), former federal deputy minister of industry, and now Associate Fellow at the Centre for Global Studies, who in 2013 chaired a federal-provincial Joint Review Panel examining the environmental impact of Site C.



Harry Swain demolishing economic arguments for Site C - Peace Valley Solidarity Initiative

McCullough and Swain systematically unmasked the [spurious reasons](#) for approving Site C laid out by NDP spokesman, Attorney General David Eby, as follows:

4 stories left

Myth #1: not going ahead with the dam means “sunk costs” (money already spent) of about \$2.4 billion, that will block the construction of schools and hospitals.

Reality: sunk costs are there whether the dam is built or not – the money’s spent, and taxpayers are on the hook for it, right now. And those sunk costs are actually almost the same as the loss in revenue from [cutting MSP premiums](#) in half – something the government did with great alacrity and enthusiasm. In addition, if \$2.4 billion is such a problem, why is the government planning to spend at least another \$8 billion to complete the dam? – especially since the BCUC said multiple smaller alternative renewable energy projects, more in tune with future energy needs, can be constructed for the same amount of money but with much less environmental damage and social disruption?

Myth #2: not going ahead with the dam means taxpayers will have to start paying a new [\\$150 million a year](#) in interest charges.

Reality: these interest charges are already being levied right now – and will continue whether the dam goes ahead or not. If the dam is built, those charges will clearly rise much further. But the \$150 million in current interest charges only amount to 0.3% of the provincial budget of about \$52 billion, and is comparable to the revenue loss associated with [cancelling tolls](#) on the Port Mann Bridge, a step the NDP, once again, did not hesitate to make, even though that particular cost was brand new.

Myth #3: B.C.’s bond rating by agencies like Moody’s and Standard & Poor will be threatened, and will likely decline, resulting in large increases in the cost of borrowing money.

Reality: this opinion was greeted with derision by both McCullough and Swain. First, they noted, bond rating agencies don’t set government policy, they just make reports and issue opinions, and they supply only one perspective among many. Second, in Canada, provincial bond ratings vary from AAA (B.C., Alberta and Saskatchewan) to A (PEI), but the effect on borrowing rates is [absolutely miniscule](#) (about a 0.04 per cent change per rating point). Third, the size of a province’s budget and debt has a much bigger influence on borrowing money than its bond rating – the bigger the provincial debt, the lower the rate (it’s called the “liquidity premium” by economists); that’s because it’s easier for investors to find bonds to buy and sell. So Ontario with a \$300 billion debt borrows at 3.2 per cent, while PEI with \$2 billion in debt borrows at 3.5 per cent.

Finally, and most importantly, the biggest effect on a government’s borrowing comes from its overall financial picture, not the ratings of agencies like Moody’s and

4 stories left

Standard & Poor. BC has had a healthy economy – because of its diversity, by the way, not because of its energy sector – for some years (mostly in the service and real estate sectors). B.C.’s borrowing rate is already low for that reason, not because of some faraway rating agency’s opinion.

Harry Swain summed up the economic arguments against Site C by saying “Mr. Eby is a fine lawyer, but he’s an awful economist.” His remark was greeted with a sustained round of applause.

Now here’s a skill-testing question: what is the single quibble voiced by bond rating agencies regarding the B.C. economy?

It’s not the costs associated with cancelling the Site C dam – that doesn’t raise a flicker of concern.

What the agencies really don’t like is the parlous state of the financial management of BC Hydro, twisted for years around the finger of the BC Liberal government of Christy Clark. It is increasingly well known that Clark quietly used Hydro as a [depository for indebtedness](#) that she didn’t want on the government’s books (she did this to ICBC as well, impoverishing that agency also). Now the level of debt hidden in Hydro’s books has ballooned from \$8.1 billion in 2008 to [\\$18.1 billion in 2017](#), and in the words of Moody’s report, BC Hydro is now “among the [weakest](#) of Canadian provincial utilities”.

And if Site C is actually built, Hydro’s debt load will rise by another \$6-8 billion – or possible much more. That’s because an [in-depth analysis](#) of mega-dams has shown they’re almost never cost effective in the long run, and nearly always suffer from major cost over-runs.

To put it simply, if there is *any* threat to BC’s credit rating, it comes from [completing Site C](#), not terminating it.

Indigenous spokespeople slam Site C decision-making

Indigenous leaders were scathing in their assessment of the decision to go ahead with Site C. Chief Roland Willson of the West Moberly First Nation, former chief Art Napoleon from the Saulteau First Nation, and Bob Chamberlin, vice-president of the Union of BC Indian Chiefs, were just three of the informed voices who pointed out that when it comes to Site C, the constitutional notion of “free, prior and

4 stories left

consent” for First Nations had been turned into a laughing-stock by BC and federal governments, and by BC Hydro.

Reference was repeatedly made to the empty promises enshrined in Treaty 8, the 1899 document that promised to allow First Nations to retain and practice their way of life – and then systematically ignored that provision.

Today, even without the Site C dam, the cumulative impact of industrial-scale extractive development – timber harvesting, mining, and in particular fracking for oil and gas, as well as the roads, pipelines, power lines and water withdrawals that service them – has been astonishing; in large swathes of the Treaty 8 landscape, disturbances (roads, mills, clearcuts, power lines, mines and oil and gas wells, not to mention the two massive dams already built on the Peace River) occur on average [every 250 metres](#), and signs of [air](#) and [water](#) pollution are present and growing. For these developments, the only “free, prior and informed consent” is sometimes a letter in the mail telling local Indigenous residents that a project is going ahead.

Chief Willson hearkened back to the actual wording of Treaty 8, which states that there should be “no interference in [First Nations] way of life”. Yet he noted that Indigenous leaders offered ways to achieve the energy output of Site C by substituting less disruptive technologies, like run-of-river hydropower, they were rebuffed. “Treaty 8 Nations were not free to make a decision about Site C”; they were simply told the project was going to go ahead, even though “we’re people of the land – that’s who we are – we’re not going away.” To underline the vulnerability of land-based Indigenous communities, he pointed out that years after the construction of the WAC Bennett Dam, “we tested all the fish – they had too much mercury” thanks to leaching into the reservoir of that mammoth upstream obstruction on the Peace River.

Saulteau Nation spokesperson Art Napoleon offered several telling points: “the cumulative impacts [in Treaty 8 lands] are incredible; they wouldn’t get away with these activities if they were in the Lower Mainland.” He suggested that “Canada can’t continue to do things the way they’re doing them – some people don’t see Canada as a developed country!” And reflecting a balanced attitude towards business development, he declared: “It’s time to start reframing the ideas around capitalism – without killing the spirit of entrepreneurship.”



Art Napoleon outlining Saulteau Nation (Treaty 8) perspective - Peace Valley Solidarity Initiative

A wide range of eloquent voices challenge Site C

There were other voices present at the gathering as well.

Futurist [Guy Dauncey](#), founder of the BC Sustainable Energy Association, author of *Journey to the Future* and *The Climate Challenge: 101 Solutions to Global Warming*, energetically advanced the cause of truly renewable energy in detail, pointing out how B.C. could meet its energy needs without fossil fuels or mega-projects.

Seth Klein, BC Director of the Canadian Centre for Policy Alternatives, and a prolific writer on policy issues in general, described the Site C dam as “a poisoned pill” thrust upon the NDP/Green coalition by a pro-fracking, pro-LNG BC Liberal government. He disclosed that the CCPA was calling for a full inquiry into fracking – the driving force behind building Site C – and made the important point that to be fair, the large debt created by building the dam should be borne by tax

4 stories left

(everybody) and not just by rate payers (those who use Hydro's services). Better, of course, was to not build the dam at all.

Journalists with special insight into energy affairs were in no shortage at the Victoria meeting.

Andrew Nikiforuk, arguably the journalist and author most conversant with energy policy in Canada, was blunt in his assessment of Site C: "It's a slow-moving train wreck...that undermines democracy in B.C.." He also pronounced the "Iron Law of Megastructure Projects", which dictates that 90 per cent of such projects go over budget, citing Muskrat Falls Dam in Labrador (\$6 billion to \$12 billion) and Keeyask Dam in Manitoba (\$6.5 billion to \$10.5 billion) as obvious Canadian examples.

Emma Gilchrist, editor of [Desmog Canada](#), which has published dozens of pieces on Site C and the fossil fuel industries it is designed to service, commented on how Canada's highly monopolistic media often turn their focus away from detailed coverage of controversial subjects like Site C, making the role of independent "watchdog" journalism increasingly important if Canadians are to be fully informed. The Tyee, the National Observer, Commonsense Canadian and her own Desmog Canada emerged as exemplars of this new journalistic world. Emma also pointed out that in Canada there are now four public relations personnel for every journalist, skewing public discourse sharply in the direction of pre-programmed propaganda. In her words: "old media is gone, and it's not coming back". She suggested independent, reader-funded journalism as the "way of the future."

4 stories left



Emma Gilchrist, editor of Desmog Canada, speaks about the "new media" - Peace Valley Solidarity Initiative

Steve Gray, one of the organizers of the Summit, and a retired public health and family physician, spoke for 15 minutes, with rapid fire intensity, about the need for sustained advocacy work on multiple fronts, in particular to counteract “capture of the politicians by the bureaucrats”. His presentation of dozens of different angles to employ in shaping future advocacy work was truly a tour de force, and participants responded warmly.

Kai Nagata, communications officer for the Dogwood Initiative, which monitors the risks from tanker traffic along the B.C. coastline, suggested that addressing John Horgan’s decision to approve the Site C dam was all about “revenge, and about transformation”. He quickly made it clear that the short-term satisfaction of revenge took a distant second place to steps that favoured transformation of this decision into a series of better actions.

How could this have happened?

In a bevy of working groups, participants bent their minds on Saturday the NDP decision to approve Site C, and to look at next steps.

4 stories left

Numerous long-time NDP members stood up and offered explanations for what they all felt to be a grave mis-step.

First, knowledgeable political observers pointed out that the NDP had only been in power for a few months before this challenge was presented to their leadership. They might well not have had time to feel their way into the role of governing, after over a decade and a half in opposition. As a consequence, they could have made the decision to go ahead with Site C – despite knowing that it would be very unwelcome to their own rank and file – out of fear of being attacked as a naysayer government (perhaps mindful of perceptions of their steadfast opposition to the Kinder Morgan pipeline). “Fear” was mentioned over and over as a driving force behind the dam approval. Moreover, as with most long-established political parties, there is often a core of insiders who dictate policy; they might have felt more comfortable with reaching back to, say, the “jobs” tag line of past NDP campaigns (even though Site C would provide very few permanent full-time jobs)

Second, and serving to underly and reinforce this fear, there was evidence that the core of the high level staffing of many ministries, set in place for years and shaped by the wild and unabashed Site C boosterism of the BC Liberals, probably manifested a strong bias in favour of the Site C’s role in supporting the fracking/LNG industries. ([Christy Clark’s infamous vow](#) to push Site C construction “past the point of no return” was, in this setting, the relevant mantra.) These senior bureaucrats undoubtedly would have become accustomed to working unusually closely with industry and absorbing the sometimes [alarming bias](#) entrenched in elected BC Liberal minds in favour of fossil fuel industry priorities.

Third, despite rhetoric to the contrary, it seemed self-evident to all participants that First Nations rights and needs were still subservient to the demands of large corporate players and high-level regulators. This awareness extended throughout the entire two-day gathering, intensified by obviously close and respectful relations between Indigenous and non-Indigenous participants.

When Indigenous lawyer Caleb Behn spoke of needing “an antivenin against a corrosive time”, and then added that “when we do right by the land, we do right by ourselves”, he was greeted with enthusiastic cheers and applause.

Next steps

In the end, though, Site C Summit participants focussed on elaborating plans and strategies for moving forward with robust challenges to the construction

4 stories left

These included:

- actions within the core of the NDP designed to return it to a stronger and more committed internal democracy ([already happening](#)).
- sustained dissemination of accurate information about the Site C dam – and in particular emerging information about the [profound geophysical challenges](#) of the actual dam site on the Peace River – a subject not even considered by the BC Utilities Commission in its report last year – and one that may, ultimately, *spell the end of the entire project*.
- ongoing and intensified advocacy work – from direct action to more nuanced approaches, and limited only by the collective creative imagination of the hundreds of Summit participants and the hundreds of thousands of like-minded British Columbians
- promotion and support of Indigenous voices and communities, as they strive to establish the importance of ecosystem values and fair and respectful treatment – two steps that are not just aspirational goals, but keys to their survival and ultimately to the survival of the rest of Canadian society. As several speakers pointed out at this seminal gathering, referring to the Treaty 8 commitments, and to the fact that Treaty 8 was drawn up between the federal and provincial governments and our First Nations neighbours:

I came away from this gathering of energized and committed B.C. citizens feeling that I had been surrounded for two days by people who believed that democracy is not a passive state, but an active process of working towards the good of all, in recognition of the fact that helping others is the best way to ensure one's own security.

I felt I was witnessing an embodiment of the ancient and universal golden rule: “do to others what you want them to do to you”.

At the end of this meeting, I concluded that wanting to build Site C is a manifestation of the influence of vested interests, pure and simple. It represents a view of human society that is out of date – set apart from natural systems, and governed by narrow, short-term self-interest, rather than long-term, collective thriving.

I sense that this project will founder, sooner or later, as humanity – or at least, that portion of humanity that lives in this part of the world – wakes up and assumes its proper role as “keepers” of one another, and stewards of all life forms.

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February 9th 2018



Warren Bell

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John Hill | 6 days ago

Very well articulated, as usual, Warren Bell! There is no doubt that virtually no informed person without vested interest supports this dam(n) project, so we must indeed keep disseminating the facts to broaden the public opposition. But when many of the above are erstwhile NDP voters, volunteers, donors and/or members, we must also keep getting in their faces and reminding them of the political stupidity of alienating so much of their base. The

4 stories left

will be very thankful to the NDP for the stamp of approval of their grand folly in the next election. But they can still say no!

John Hill | 6 days ago

I might add that as a former donor, I will be donating instead to the West Moberly and Prophet River First Nations in their lawsuit against the government for violation of their Treaty rights via www.stakeinthepeace.com

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