

May 2nd, 2008

Via facsimile: 604-623-4556

BC Hydro
17th Floor, 333 Dunsmuir
Vancouver, BC V6B 5R3

Attention: Scott Macdonald

Dear Mr. Macdonald

Re: Correspondence related to the WestPac LNG project

Pursuant to the *Freedom of Information and Protection of Privacy Act*, (“the Act”, RSBC 1996, c. 165), I hereby request the following documents:

- All records, including email, memos, letters, minutes or other documents whatsoever, sent or received, or in the possession of BC Hydro touching on or relating to WestPac LNG Corporation’s proposed Liquefied Natural Gas (LNG) project on Texada Island. This includes correspondence to or from Geoff Plant on the subject of LNG generally, or the WestPac project specifically.

Best regards,



Eric Swanson
Corporate Campaigner
Dogwood Initiative

(250) 381-3226 ext. 27
eswanson@dogwoodinitiative.org







FOR GENERATIONS

Scott B. Macdonald
Freedom of Information
Manager
Phone: (604) 623-3880
Fax: (604) 623-4556

Request Number: 200920

9 July 2008

Eric Swanson
Dogwood Initiative
PO Box 8701
Victoria, BC, Canada
V8W 3S3

Dear Mr. Swanson:

**Re: Freedom of Information and Protection of Privacy Act ('the Act') Request
for Records**

I am writing in response to your request for records under the Act. Please find attached the records you requested. We have severed some information from the records under sections 14, 17, 21, and 22 of the Act.

Under section 14 of the Act, a public body may refuse to disclose information if it is subject to solicitor-client privilege.

Under section 17 of the Act, a public body may refuse to disclose information if the disclosed information could reasonably be expected to harm the body's financial or economic interests. Some of the information in the enclosed records could, if disclosed, harm BC Hydro's economic interests by compromising its negotiating position. Consequently, we have removed this information under section 17 of the Act.

Under section 21 of the Act, BC Hydro must not disclose information the disclosure of which could reasonably be expected to harm the business interests of a third party. The release of some of the requested information could reasonably be expected to harm a third party's competitive position and or result in undue financial loss or gain to a third party. Consequently, we have removed this information under section 21 of the Act.

If you have any questions concerning our response to your request for records, please call Philip Tom at (604) 623-3965. You may also ask the Information and Privacy Commissioner to review our response to your request. You have 30 business days from the receipt of this letter to request a review by writing to:

Information and Privacy Commissioner
3rd Floor, 756 Fort Street
Victoria, B.C.
V8W 9A4

If you request a review, please provide the Commissioner's office with a copy of this letter and a copy of your request for records.

Yours truly,



Scott Macdonald

/encl.

McKenna, Joanne

From: Baum, Judy
Sent: 2007, January 15 4:17 PM
To: Kusnierczyk, David
Cc: Lin, Frank
Subject: Meeting with [REDACTED]

Attachments: [REDACTED] Confidentiality Agreement

Dave,

This is to let you know that we will go for lunch first at the Water Street Café with [REDACTED] before sitting down for the meeting later in the afternoon.

Regarding the Confidentiality Agreement (CA), I explained to Rick Kline that [REDACTED]

[REDACTED] In terms of the possibility of BCH building its own gas-fired generating facility on Texada Island, I assured Rick that we would not be doing that as BCH is not allowed under the current Energy Plan to build new greenfield generation to meet future energy demand. Rick [REDACTED]

[REDACTED] With the resolution of the non-competition issue, we should be prepared to sign the CA.

For your information, attached is the CA we are expected to sign tomorrow.



TransAlta
Confidentiality Agre..

Judy S. Baum
Power Acquisitions
BC Hydro, 333 Dunsmuir Street, 10th floor
Vancouver, BC V6B 5R3
Phone: (604) 623-4318
Fax: (604) 623-4335
Cell: (604) 619-5958
email: judy.baum@bchydro.com

Section 14

McKenna, Joanne

From: [REDACTED]
Sent: 2007, January 09 3:42 PM
To: Baum, Judy
Subject: [REDACTED]

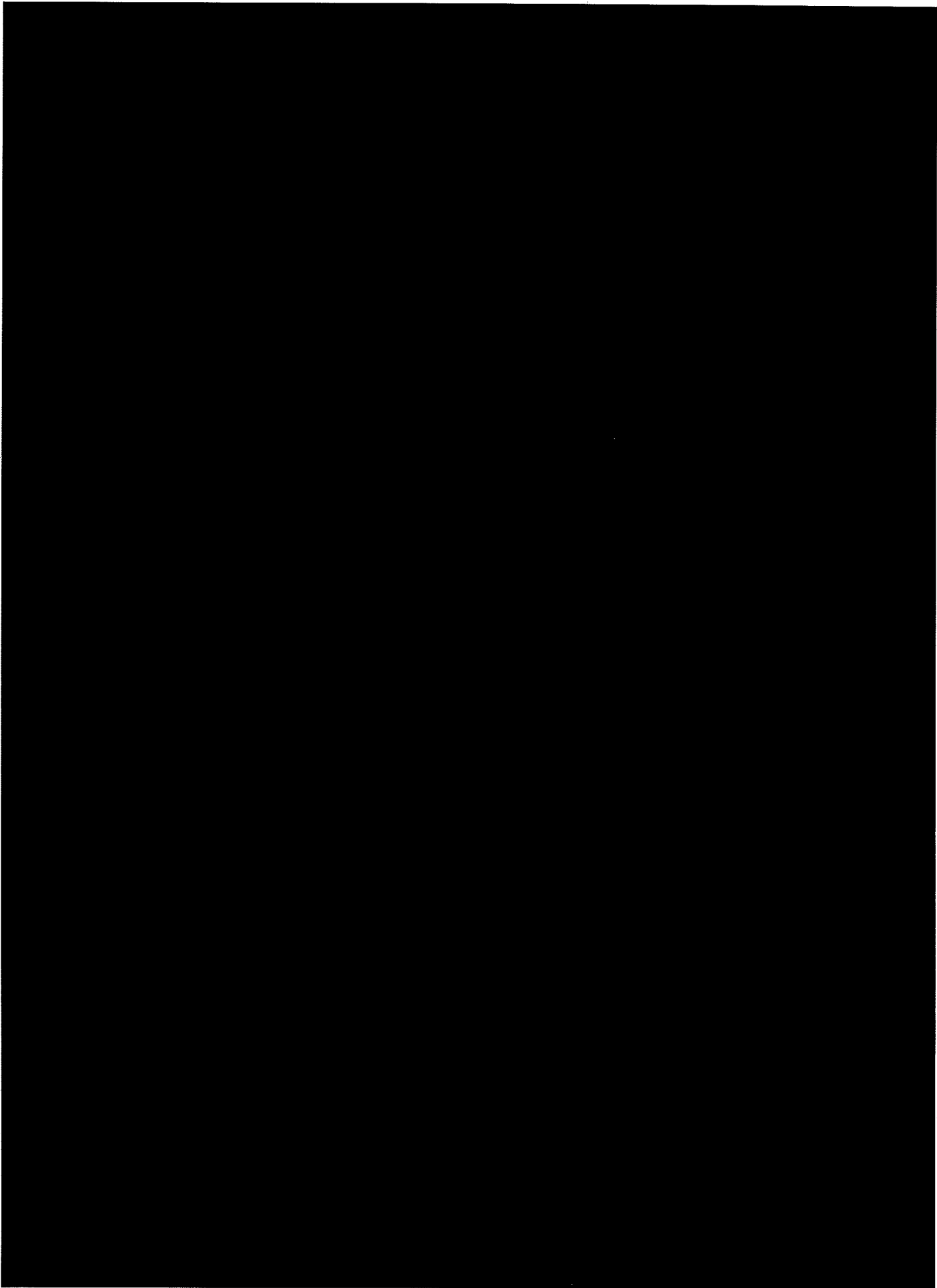
Attachments: [REDACTED]

[REDACTED]

Judy,

[REDACTED]

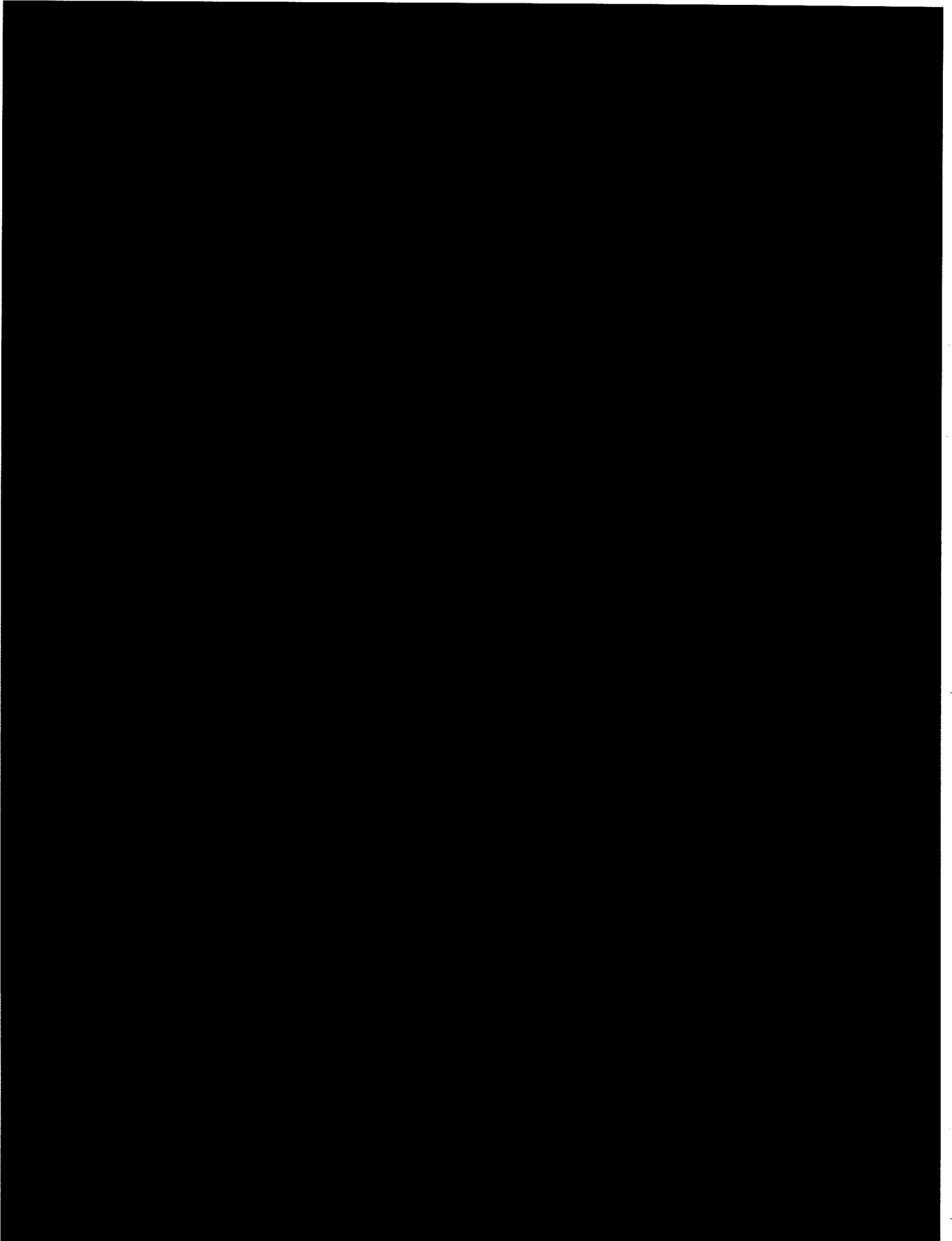




Section 14

Section 17

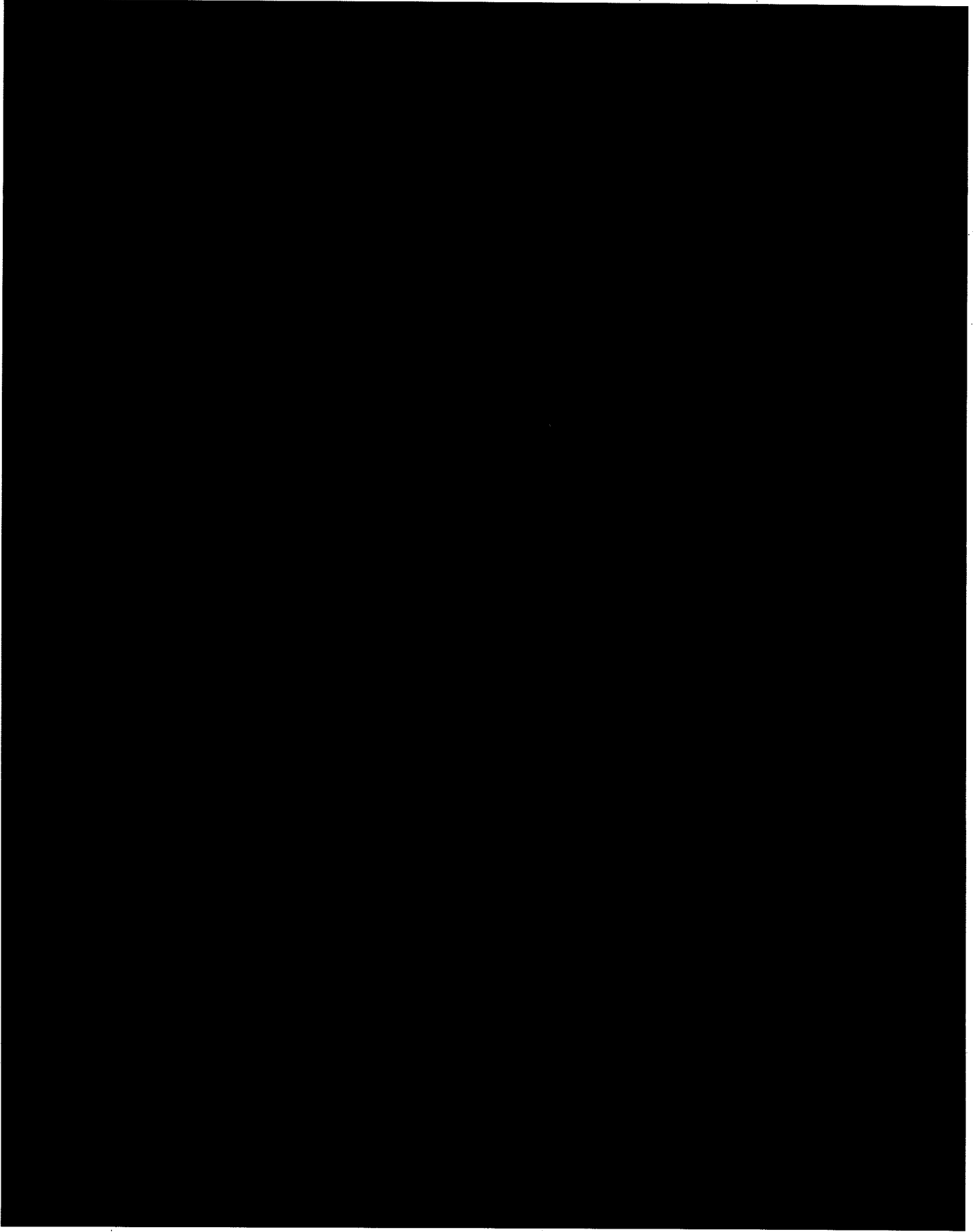
Section 21

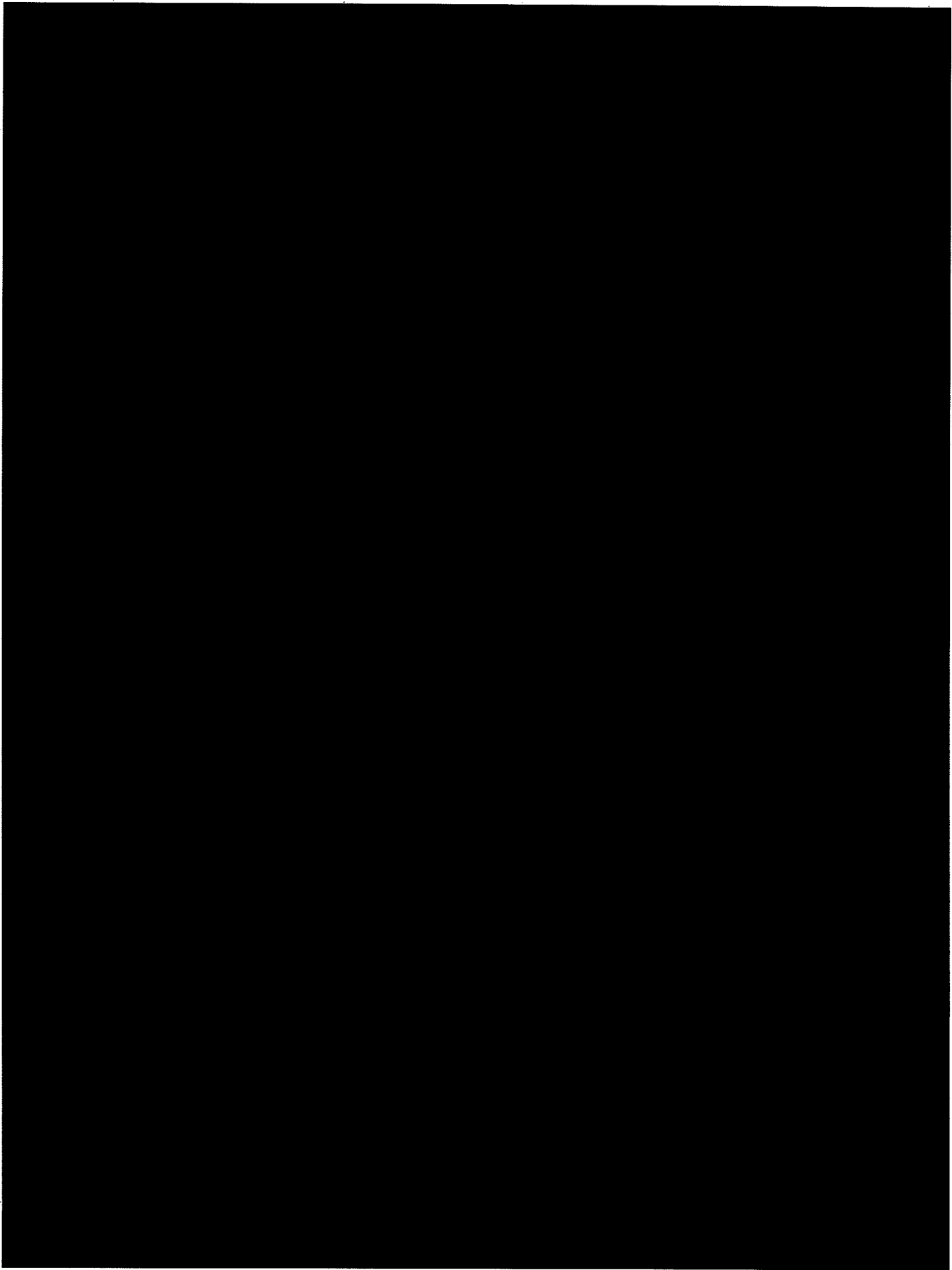


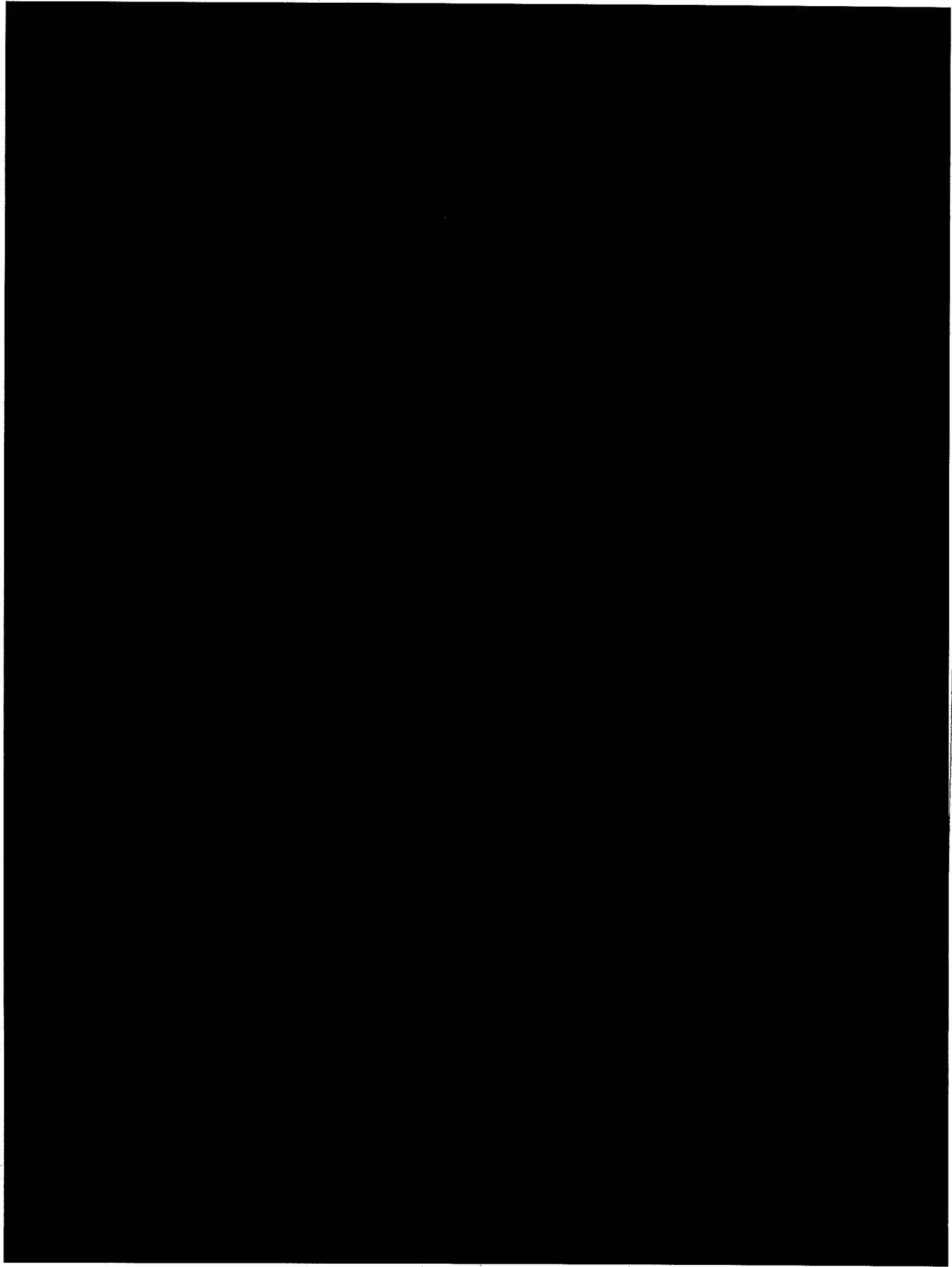
Section 14

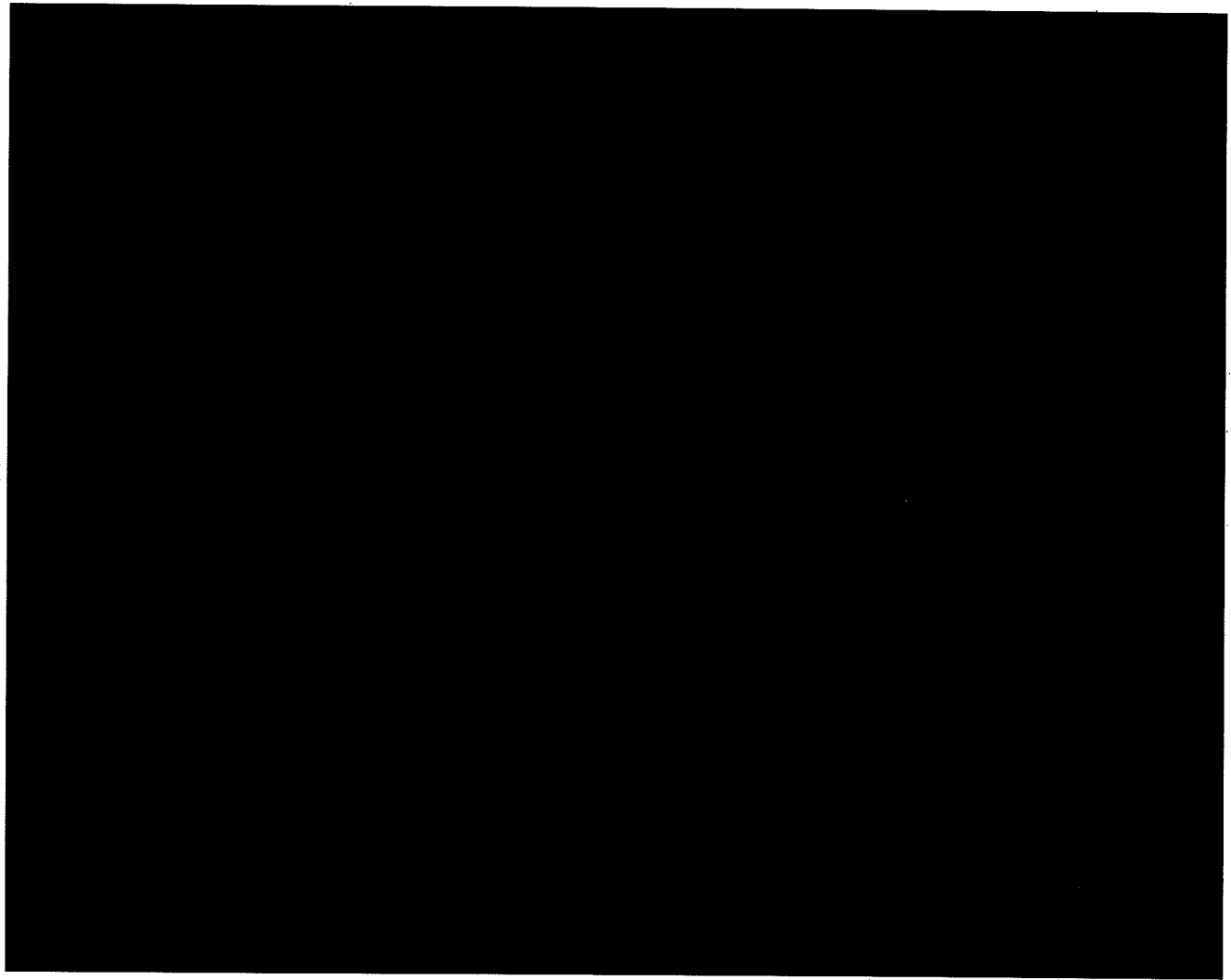
Section 17

Section 21









McKenna, Joanne

Subject: BC Hydro/Westpac LNG [REDACTED] Meeting
Location: BC Hydro Office - 16th Floor - Shipman Room

Start: Wed 2007-05-23 2:00 PM
End: Wed 2007-05-23 4:00 PM
Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Required Attendees: Schwingenschloegl, Maureen; Lin, Frank; Cender, Leon; Kusnierczyk, David; Baum, Judy; rkline@westpacking.com

Rick, on your arrival at BC Hydro offices, please report to our security desk on the main floor to obtain a visitors pass. Call me at 74277 from their courtesy phone for access to the floor and meeting room.

Please provide agenda items you wish to discuss prior to meeting.

Attending from:
WestPac LNG
Rick Kline
Stu Leson

[REDACTED]
BC Hydro
Dave Kusnierczyk
Leon Cender
Frank Lin
Judy Baum

Please contact me if you have any questions or requests.

Regards
Maureen

Maureen Schwingenschloegl
Administrative Assistant, Power Acquisitions
Customer Care & Conservation
BC Hydro
Phone: 604 623 4277
Cell: 778 772 0084
Fax: 604 623 4335
Email: maureen.schwing@bchydro.com
www.bchydro.com

McKenna, Joanne

From: Design, 2007 Call
Sent: 2007, June 11 5:21 PM
To: 'rkline@westpacng.com'
Cc: Kusnierczyk, David; 'Stuart Leson'
Subject: RE: BC Hydro's Power Acquisition

Dear Mr. Kline,

As per your request, your names and contact information were added to the Power Acquisitions mailing list. You will receive updates as they become available.

We work diligently to maintain a distribution list of individuals and organisations that show interest in BC Hydro's power acquisition activities through our various contact points. We apologize for not adding you to our distribution list in time for the June 6 information session. As indicated in the notice issued last Friday, the presentation materials for "Understanding BC Hydro's System Needs" have been posted to our website at www.bchydro.com/ipp.

Thank you for your continued interest in BC Hydro's power acquisition activities.

Regards,

**Office of Power Acquisitions
BC Hydro**

From: Rick Kline [mailto:rkline@westpacng.com]
Sent: 2007, June 05 12:20 PM
To: Design, 2007 Call
Cc: Kusnierczyk, David; 'Stuart Leson'
Subject: BC Hydro's Power Acquisition

Please be advised that we would like WestPac LNG Corporation to be put on your IPP update list. Unfortunately, we did not get the notice of your June 6, 2007 information session, "Understanding BC Hydro's System Needs." WestPac has met with Dave Kusnierczyk, Frank Lin and Judy Baum at least four times about our project, including just two weeks ago. We are very interested in your 2007 Call. Thank you for your assistance.

Yours truly,

Richard Kline, Vice President
WestPac LNG Corporation
rkline@westpacng.com
d. (403) 770-4161
c. (403) 703-7750

McKenna, Joanne

From: Simpson, Graeme
Sent: 2007, October 19 5:26 PM
To: Hanlon, Kristin; Lin, Frank; Holowaty, Nadja; Scouras, James
Cc: Reimann, Randy; Henry, Bruce; 'Allan Grant'; Wilson, Anne; Gin, Jennifer
Subject: RE: LNG 600MW plant - Texada Island

Kristin:

I have had no contact with Rick Kline or anyone else Westpac since the ROU scoping session in July. My sense is that it will be difficult to get information from them that would be useful for planning purposes. Using a generic CCGT as a proxy may not be very accurate given the apparently unique features of their project, but may be the best we can do in the circumstances. The only other option I can think of (barring some disclosure from Westpac) would be to try to get a consultant to estimate the costs and technical data that would apply to the Westpac generation project.

Graeme

From: Hanlon, Kristin
Sent: 2007, October 19 1:54 PM
To: Hanlon, Kristin; Lin, Frank; Holowaty, Nadja; Scouras, James
Cc: Reimann, Randy; Henry, Bruce; 'Allan Grant'; Wilson, Anne; Simpson, Graeme; Gin, Jennifer
Subject: RE: LNG 600MW plant - Texada Island

After some further checking, it appears that Rick Kline attended our ROU scoping session and was interested in participating in the natural gas stream. Graeme, have you had any further contact with Rick or someone from Westpac? Or more specifically, has Rick offered any comments to suggest he is unhappy with our proxy CCGT option?

If Westpac hasn't indicated discontent with the proxy CCGT option (or offered up information on their own project), I would be less inclined to contact them for purposes of developing a resource options database sheet on the Texada Island project.

From: Hanlon, Kristin
Sent: 2007, October 18 3:24 PM
To: Lin, Frank; Holowaty, Nadja; Scouras, James
Cc: Reimann, Randy; Henry, Bruce; 'Allan Grant'; Wilson, Anne; Simpson, Graeme; Gin, Jennifer
Subject: RE: LNG 600MW plant - Texada Island

Jennifer or Anne – could you check to see if Westpac was invited to the ROU Scoping Session? Thanks.

Nadja, as I mentioned to you before, I think the key questions to decide whether we would want to contact Westpac for information on the Texada Island project for ROU purposes are:

- Are there unique advantages with the Texada Island project that we can capture within our existing ROU methodology that are not represented by our proxy CCGT resource option?
- Has Westpac been given an opportunity to comment on our proxy CCGT resource option (i.e., were they on the list of invitees for the ROU Scoping Session)?
- Would the information that Westpac would provide on Texada Island be of a comparable level of certainty to that of our proxy CCGT (or any resource option for that matter)?

Depending on the answers to these questions, we may still want to continue to rely on our proxy CCGT option. I also think there is a political element to this project, so would suggest that you may want to elevate this decision.

From: Lin, Frank
Sent: 2007, October 18 12:18 PM
To: Holowaty, Nadja; Scouras, James; Hanlon, Kristin
Cc: Reimann, Randy; Henry, Bruce; Allan Grant; Wilson, Anne; Simpson, Graeme
Subject: RE: LNG 600MW plant - Texada Island

Nadja, you can contact Rick Kline at 403-770-2125 or at rkline@westpaclng.com

Please note that Rick and his colleagues have visited us a number of times already, expressing very strong interest in participating in the upcoming call. Given the uncertainty of the "clean" guideline and our position on gas price risks, I would exercise extra caution so that they don't interpret your contacting them has anything to do with our view of their project in the context of the call.

From: Holowaty, Nadja
Sent: 2007, October 18 11:52 AM
To: Lin, Frank; Scouras, James; Hanlon, Kristin
Cc: Reimann, Randy; Henry, Bruce; Allan Grant; Wilson, Anne; Simpson, Graeme
Subject: LNG 600MW plant - Texada Island

Frank, James and Kristin,

I am wondering if you have had any contact with the proponents of the WestPac Texada Island LNG project (President Mark Butler; Geoff Plant former BC attorney general sits on the board of directors).

I would like to ascertain if these proponents would be willing to provide BC Hydro with additional project details so that a project data sheet can be drafted for energy planning purposes. Obtain information directly from the proponents may be delicate but more efficient and accurate than through a consultant.

The LNG project has been in the news a great deal these days. In view of the EP Resource Option Update "Reporting-Out" session planned for early December, I am thinking that it may be wise to develop a data sheet for this project (technical, financial, social, and environmental).

During our Reporting-Out session, the issue of Texada Island may arise and it would be advantageous for BC Hydro to be in a position to accurately reflect the potential of the LNG plant in the context of the provincial energy planning. As you know, the proponents of the Texada project are presenting the project as a means of:

- attaining the government's goal of self-sufficiency by 2016
- providing firm electrical capacity to back up green-power projects
- replacing Burrard thermal with a more efficient and cleaner option
- cutting the cost of gas to BC consumers.

Kristin:

If we have not had previous contact with the Texada Island LNG plant proponent, can you suggest a means of doing so?

Thanks,
Nadja

Tom, Philip

From: Henry, Bruce
Sent: 2007, November 06 10:16 AM
To: Holowaty, Nadja
Subject: FW: Proposal for 600MW Combined Cycle Plant
Follow Up Flag: Follow up
Flag Status: Completed

FYI

From: Simpson, Graeme
Sent: 2007, November 05 8:44 PM
To: Henry, Bruce
Subject: RE: Proposal for 600MW Combined Cycle Plant

Apparently, there will not be much difference if there is no steam extraction. There may be minor costs for reconfiguring the cooling water piping and/or implementing flue gas heat exchangers. Also, achieving 600 MW output will require duct firing and steam reheat which is not part of the generic 500 MW CCGT.

From: Henry, Bruce
Sent: 2007, November 05 5:42 PM
To: Simpson, Graeme
Subject: RE: Proposal for 600MW Combined Cycle Plant

With LNG re-gasification having no impact on CCGT costs or electrical efficiency, does this mean that there are no unique characteristics to the Texada LNG plant from a generic CCGT?

Bruce

From: Simpson, Graeme
Sent: 2007, November 05 3:39 PM
To: Henry, Bruce
Subject: FW: Proposal for 600MW Combined Cycle Plant

Bruce:
I have spoken to Derek McCann. It appears they can meet all the needs identified in my note. Derek also advised that LNG re-gasification should have no impact on CCGT costs or electrical efficiency. Cooling water or flue gas from the CCGT will contain sufficient residual heat to operate the gasifiers. No steam extraction is required. Expect final proposal and amending agreement from Derek later today or early tomorrow.

Graeme

From: Simpson, Graeme
Sent: 2007, November 05 2:30 PM
To: 'McCann, Derek'
Cc: Bruce, Douglas M; Henry, Bruce
Subject: RE: Proposal for 600MW Combined Cycle Plant

Derek:

2008-06-20

As promised, here are some comments on your attached draft scope of services letter for this assignment:

- We would like some wording (probably in the 3rd paragraph of the letter) that use of the GE 7FB gas turbine/generator and associated steam turbine/generator equipment would be suitable for a cogeneration application with steam extraction for LNG re-gasification. This is to try to make it generally applicable to the Westpac Texada LNG situation, but without actually saying that we are estimating the costs that would be specific to their project.
- The estimate should include an estimate of interconnection costs to BCH at 500 kV (substation plus line).
- The estimates should assume southern BC sea level ambient conditions for output/efficiency calculations.
- It would help if we could estimate a ballpark value (or range of values) for the steam extraction required for re-gasification of LNG, and associated effect on heat rate and costs. There is some data on WestPac website (see below) that may be helpful, e.g. up to 500 MMcfd of re-gasification:
Onshore, there will be two full-containment LNG storage tanks, each with a gross volume of 165,000m³ capacity for storing LNG. There will also be an LNG re-gasification plant with a capacity of up to 500 million cubic feet per day; in-tank and external LNG export and trans-shipment pumps; a vapour handling system, and pipeline interconnection and compression. The power generation facility comprises natural gas-fired turbines and heat-recovery steam generators, with a sub-station, a 500kV transformer and short interconnection line to the existing transmission line on Texada Island that delivers electricity from the B.C. mainland to Vancouver Island. The co-location of the LNG and power generation facilities will enable WestPac to minimize power needs (and associated emissions) by using waste heat from the power generation turbines to re-gasify the LNG.
- We would like to adjust the schedule to have a draft ROR project data sheet for stakeholder review by 23 November. This would be subject to revision to reflect final data in the November 29 report.

In terms of getting this approved expeditiously, the simplest thing for us would be to make a further amendment to the PO we already have with AMEC for the other Resource Options work. This would be in the form of a change order for \$9000 plus an amending agreement similar to the one Doug Bruce recently submitted, and which would cover the additional scope for the 600 MW CCGT project. If we can go this route, we can probably have approval within 1-2 days after receipt of your revised letter and associated contract amendment.

Please call me if you wish to discuss (604 623-4364).

Regards,

Graeme Simpson, P. Eng.
Energy Planning
BC Hydro

From: McCann, Derek [mailto:Derek.Mccann@amec.com]
Sent: 2007, November 05 8:48 AM
To: Simpson, Graeme
Cc: Bruce, Douglas M
Subject: RE: Proposal for 600MW Combined Cycle Plant

Graeme,

Please find attached a draft of our proposal (minus the legal stuff).

Please confirm that the scope of services is appropriate.

I have talked to our Atlanta office.

They have advised that combined cycle projects with a General Electric F gas turbine generator typically have reheat, as they are regarded as utility projects rather than industrial.

Therefore, we will include (single) reheat.

Regards

2008-06-20

Derek McCann, P.Eng
Director of Strategic Energy
AMEC
Forest Industry Consulting
Phone 604 664 4359
Fax 604 664 5381
derek.mccann@amec.com
www.amec.com

From: Simpson, Graeme [<mailto:Graeme.Simpson@bchydro.com>]
Sent: Thursday, November 01, 2007 10:20 AM
To: McCann, Derek
Cc: Bruce, Douglas M
Subject: RE: Proposal for 600MW Combined Cycle Plant

Sounds good to me.

From: McCann, Derek [<mailto:Derek.Mccann@amec.com>]
Sent: 2007, November 01 10:19 AM
To: Simpson, Graeme
Cc: Bruce, Douglas M
Subject: RE: Proposal for 600MW Combined Cycle Plant

Graeme,

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From what you say, it would have an extraction-condensing STG.
This would make it partly cogeneration.
The extraction steam flow for LNG heating is unknown.
For our exercise, I think we would assume a straight condensing STG with duct firing to achieve 600 MW.
The capital cost differences between their plant and a non-cogeneration plant would be small.

Regards

Derek

From: Simpson, Graeme [<mailto:Graeme.Simpson@bchydro.com>]
Sent: Thu 11/1/2007 12:39 PM
To: McCann, Derek
Cc: Bruce, Douglas M
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Derek McCann, P.Eng
Director of Strategic Energy
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To: Simpson, Graeme
Cc: Bruce, Douglas M
Subject: RE: Proposal for 600MW Combined Cycle Plant

2008-06-20

Graeme,

After talking to GE, I believe that duct firing will be required to achieve 600 MW. I would assume that we are not using reheat, unlike VIGP. Please confirm.

Regards

Derek

From: Simpson, Graeme [mailto:Graeme.Simpson@bchydro.com]
Sent: Wed 10/31/2007 7:51 PM
To: McCann, Derek
Cc: Bruce, Douglas M
Subject: RE: Proposal for 600MW Combined Cycle Plant

Thank you. Please Email the proposal to me and I will get comments back to you. With respect to turbine generator type it would be useful to match this as closely as possible with what Westpac has stated in its public announcements. If this is not known, then the GE7B machine sounds like a logical choice on which to base the estimates.

From: McCann, Derek [mailto:Derek.Mccann@amec.com]
Sent: 2007, October 31 2:40 PM
To: Simpson, Graeme
Cc: Bruce, Douglas M
Subject: Proposal for 600MW Combined Cycle Plant

Graeme,

I plan to send you a **draft** proposal for completing the capital and operating costs for the 600 MW combined cycle plant, in response to your request to Doug. I have assumed that it would be based on using GE 7FB gas turbine generators. Please return the proposal with your comments and we will revise and re-issue.

Regards

Derek McCann, P.Eng
Director of Strategic Energy
AMEC
Forest Industry Consulting
Phone 604 664 4359
Fax 604 664 5381
derek.mccann@amec.com
www.amec.com

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2008-06-20

Tom, Philip

From: Simpson, Graeme
Sent: 2007, October 29 4:49 PM
To: Henry, Bruce
Cc: Holowaty, Nadja; Hanlon, Kristin; 'Allan Grant'; Wilson, Anne; Gin, Jennifer; 'Kenna Hoskins'
Subject: RE: LNG 600MW plant - Texada Island

OK – I will discuss with AMEC tomorrow and advise.

From: Henry, Bruce
Sent: 2007, October 29 3:24 PM
To: Simpson, Graeme
Cc: Holowaty, Nadja; Hanlon, Kristin; 'Allan Grant'; Wilson, Anne; Gin, Jennifer; 'Kenna Hoskins'
Subject: RE: LNG 600MW plant - Texada Island

Graeme,

I discussed this ongoing issue with Randy today to obtain some direction for the ROU.

The first preference is to ask AMEC if they could do a rough estimate for purposes of the ROU of the technical and cost characteristics of a typical gas facility that uses re-gasification of LNG. For AMEC contract purposes, this could be done under a contract extension to the current ROU work they are doing. To this end, can you discuss this with AMEC tomorrow in your meeting with them on the ROU work?

If AMEC is not able to indicate that they can provide input by mid-late November (e.g. Nov 23rd), we will set up a short internal meeting with Power Acquisition and people here to discuss contacting Westpac directly.

Thanks,
Bruce

From: Simpson, Graeme
Sent: 2007, October 23 4:18 PM
To: Hanlon, Kristin; Holowaty, Nadja
Cc: Henry, Bruce; 'Allan Grant'; Wilson, Anne; Gin, Jennifer; 'Kenna Hoskins'
Subject: RE: LNG 600MW plant - Texada Island

Yes, the plan is to circulate the updated data on generic CCGT. I have spoken to Doug Bruce and expect to have AMEC's draft report by the end of this week, so am hoping to have updated draft data sheets by next week. I assume this is what we would send out to interested parties (not the AMEC report).

Graeme

From: Hanlon, Kristin
Sent: 2007, October 23 11:35 AM
To: Simpson, Graeme; Holowaty, Nadja
Cc: Henry, Bruce; 'Allan Grant'; Wilson, Anne; Gin, Jennifer; 'Kenna Hoskins'
Subject: RE: LNG 600MW plant - Texada Island

Just to follow up on this Graeme – do you have plans to circulate the information on the proxy CCGT for comment to those who indicated an interest at the ROU scoping session?

2008-06-20

My preference would be for you to do this for two reasons: (1) we would like all interested parties to have an opportunity to comment on the ROU information prior to the final report out session on Dec. 4th; and (2) we may get an indication from Westpac on whether the proxy CCGT reflects their project. (And if it doesn't, we may want to follow up with Nadja's suggestions below.)

From: Simpson, Graeme
Sent: 2007, October 19 5:26 PM
To: Hanlon, Kristin; Lin, Frank; Holowaty, Nadja; Scouras, James
Cc: Reimann, Randy; Henry, Bruce; 'Allan Grant'; Wilson, Anne; Gin, Jennifer
Subject: RE: LNG 600MW plant - Texada Island

Kristin:

I have had no contact with Rick Kline or anyone else Westpac since the ROU scoping session in July. My sense is that it will be difficult to get information from them that would be useful for planning purposes. Using a generic CCGT as a proxy may not be very accurate given the apparently unique features of their project, but may be the best we can do in the circumstances. The only other option I can think of (barring some disclosure from Westpac) would be to try to get a consultant to estimate the costs and technical data that would apply to the Westpac generation project.

Graeme

From: Hanlon, Kristin
Sent: 2007, October 19 1:54 PM
To: Hanlon, Kristin; Lin, Frank; Holowaty, Nadja; Scouras, James
Cc: Reimann, Randy; Henry, Bruce; 'Allan Grant'; Wilson, Anne; Simpson, Graeme; Gin, Jennifer
Subject: RE: LNG 600MW plant - Texada Island

After some further checking, it appears that Rick Kline attended our ROU scoping session and was interested in participating in the natural gas stream. Graeme, have you had any further contact with Rick or someone from Westpac? Or more specifically, has Rick offered any comments to suggest he is unhappy with our proxy CCGT option?

If Westpac hasn't indicated discontent with the proxy CCGT option (or offered up information on their own project), I would be less inclined to contact them for purposes of developing a resource options database sheet on the Texada Island project.

From: Hanlon, Kristin
Sent: 2007, October 18 3:24 PM
To: Lin, Frank; Holowaty, Nadja; Scouras, James
Cc: Reimann, Randy; Henry, Bruce; 'Allan Grant'; Wilson, Anne; Simpson, Graeme; Gin, Jennifer
Subject: RE: LNG 600MW plant - Texada Island

Jennifer or Anne – could you check to see if Westpac was invited to the ROU Scoping Session? Thanks.

Nadja, as I mentioned to you before, I think the key questions to decide whether we would want to contact Westpac for information on the Texada Island project for ROU purposes are:

- Are there unique advantages with the Texada Island project that we can capture within our existing ROU methodology that are not represented by our proxy CCGT resource option?
- Has Westpac been given an opportunity to comment on our proxy CCGT resource option (i.e., were they on the list of invitees for the ROU Scoping Session)?
- Would the information that Westpac would provide on Texada Island be of a comparable level of certainty to that of our proxy CCGT (or any resource option for that matter)?

Depending on the answers to these questions, we may still want to continue to rely on our proxy CCGT option. I also think there is a political element to this project, so would suggest that you may want to elevate this decision.

From: Lin, Frank
Sent: 2007, October 18 12:18 PM
To: Holowaty, Nadja; Scouras, James; Hanlon, Kristin
Cc: Reimann, Randy; Henry, Bruce; Allan Grant; Wilson, Anne; Simpson, Graeme
Subject: RE: LNG 600MW plant - Texada Island

Nadja, you can contact Rick Kline at 403-770-2125 or at rkline@westpaclng.com

Please note that Rick and his colleagues have visited us a number of times already, expressing very strong interest in participating in the upcoming call. Given the uncertainty of the "clean" guideline and our position on gas price risks, I would exercise extra caution so that they don't interpret your contacting them has anything to do with our view of their project in the context of the call.

From: Holowaty, Nadja
Sent: 2007, October 18 11:52 AM
To: Lin, Frank; Scouras, James; Hanlon, Kristin
Cc: Reimann, Randy; Henry, Bruce; Allan Grant; Wilson, Anne; Simpson, Graeme
Subject: LNG 600MW plant - Texada Island

Frank, James and Kristin,

I am wondering if you have had any contact with the proponents of the WestPac Texada Island LNG project (President Mark Butler; Geoff Plant former BC attorney general sits on the board of directors).

I would like to ascertain if these proponents would be willing to provide BC Hydro with additional project details so that a project data sheet can be drafted for energy planning purposes. Obtain information directly from the proponents may be delicate but more efficient and accurate than through a consultant.

The LNG project has been in the news a great deal these days. In view of the EP Resource Option Update "Reporting-Out" session planned for early December, I am thinking that it may be wise to develop a data sheet for this project (technical, financial, social, and environmental).

During our Reporting-Out session, the issue of Texada Island may arise and it would be advantageous for BC Hydro to be in a position to accurately reflect the potential of the LNG plant in the context of the provincial energy planning. As you know, the proponents of the Texada project are presenting the project as a means of:

- attaining the government's goal of self-sufficiency by 2016
- providing firm electrical capacity to back up green-power projects
- replacing Burrard thermal with a more efficient and cleaner option
- cutting the cost of gas to BC consumers.

Kristin:

If we have not had previous contact with the Texada Island LNG plant proponent, can you suggest a means of doing so?

Thanks,
Nadja

Tom, Philip

From: Simpson, Graeme
Sent: 2007, October 17 9:19 AM
To: Henry, Bruce
Cc: Holowaty, Nadja; 'Allan Grant'
Subject: RE: ROU Update - Texada Island Gas Plant

I agree, it would probably be desirable to have specific cost and technical data for this project, rather than relying on generic CCGT or SCGT data. My understanding is that it is a cogeneration option (i.e. with waste heat recovery) to vapourize LNG, thus it will have some unique characteristics. My understanding also is that the plan is that be interconnected with the 500 kV Cheekye-Dunsmuir lines crossing Texada Island, this it will have unique interconnection features and costs. If we plan to pursue getting more specific data, then I think we will have no option but to engage a consultant to assess costs and other technical data required for ROU based on what is currently known about the project. I would expect that the proponents would be reluctant to share any specific detailed information they have at this stage.

PS – I am now very concerned with how much time I can devote to ROU work. I can probably complete coordination related to the existing short term work by AMEC on the generic SCGT and CCGT options (i.e. to the data sheet update stage). My target is to get this done in the next week or two. However, beyond that I don't expect to have much time in November due to my involvement in the Alcan regulatory process (e.g. for either ROU stakeholder engagement or the Texada assessment). Therefore, if we engage a consultant on the Texada project work, someone else will need to coordinate this.

From: Henry, Bruce
Sent: 2007, October 16 7:41 PM
To: Simpson, Graeme
Cc: Holowaty, Nadja; Allan Grant
Subject: ROU Update - Texada Island Gas Plant

Graeme,

Nadja, Allan Grant and I were discussing the potential 600MW gas plant being proposed for Texada Island in context of our Resource Options Update. I assume you are aware of this project. We would like your input as to whether or not we should include this as a separate Gas resource option in our update or will the generic gas options that we are updating with the current work underway be sufficient to address this project.

Our concerns are that this project is getting some significant coverage in the press and we are updating our Resource Options at this time. If we do not address this Texada Island project directly with it's own Resource Option project, we should have some compelling reasons for not doing so.

If we believe we should include the Texada Island project as a separate option in our ROU, what steps should we undertake?

Your guidance is most appreciated.

Cheers,
Bruce

2008-06-20

Tom, Philip

From: Simpson, Graeme
Sent: 2007, October 23 4:18 PM
To: Hanlon, Kristin; Holowaty, Nadja
Cc: Henry, Bruce; 'Allan Grant'; Wilson, Anne; Gin, Jennifer; 'Kenna Hoskins'
Subject: RE: LNG 600MW plant - Texada Island

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To: Simpson, Graeme; Holowaty, Nadja
Cc: Henry, Bruce; 'Allan Grant'; Wilson, Anne; Gin, Jennifer; 'Kenna Hoskins'
Subject: RE: LNG 600MW plant - Texada Island

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Thanks,
Nadja

Tom, Philip

From: bhenry@vancouvercg.com
Sent: 2007, October 31 7:23 PM
To: Holowaty, Nadja
Subject: Fw: Proposal for 600MW Combined Cycle Plant

Follow Up Flag: Follow up
Flag Status: Completed

Sent on the TELUS Mobility network with BlackBerry

-----Original Message-----

From: "Henry, Bruce" <bruce.henry@bchydro.com>

Date: Wed, 31 Oct 2007 16:40:36
To: <bhenry@vancouvercg.com>
Subject: FW: Proposal for 600MW Combined Cycle Plant

From: Simpson, Graeme
Sent: Wednesday, October 31, 2007 4:40:35 PM
To: Reimann, Randy; Henry, Bruce
Subject: FW: Proposal for 600MW Combined Cycle Plant
Auto forwarded by a Rule

Bruce/Randy:

Please note that AMEC has responded to our request to submit a proposal a planning level estimate on the proposed 600 MW combined cycle/cogeneration plant for Texada. I will forward the proposal as soon as I receive it. They are aware of the desired timing

Graeme

From: McCann, Derek [mailto:Derek.Mccann@amec.com]
Sent: 2007, October 31 2:40 PM
To: Simpson, Graeme
Cc: Bruce, Douglas M
Subject: Proposal for 600MW Combined Cycle Plant

Graeme,

I plan to send you a draft proposal for completing the capital and operating costs for the 600 MW combined cycle plant, in response to your request to Doug.

I have assumed that it would be based on using GE 7FB gas turbine generators.

Please return the proposal with your comments and we will revise and re-issue.

Regards

Tom, Philip

From: Wilson, Anne
Sent: 2007, August 09 10:19 AM
To: Henry, Bruce
Subject: RE: ROU Team Meeting Notes - Aug 8th

Hi Bruce, can you please forward David's list of action items from the July 19th session.

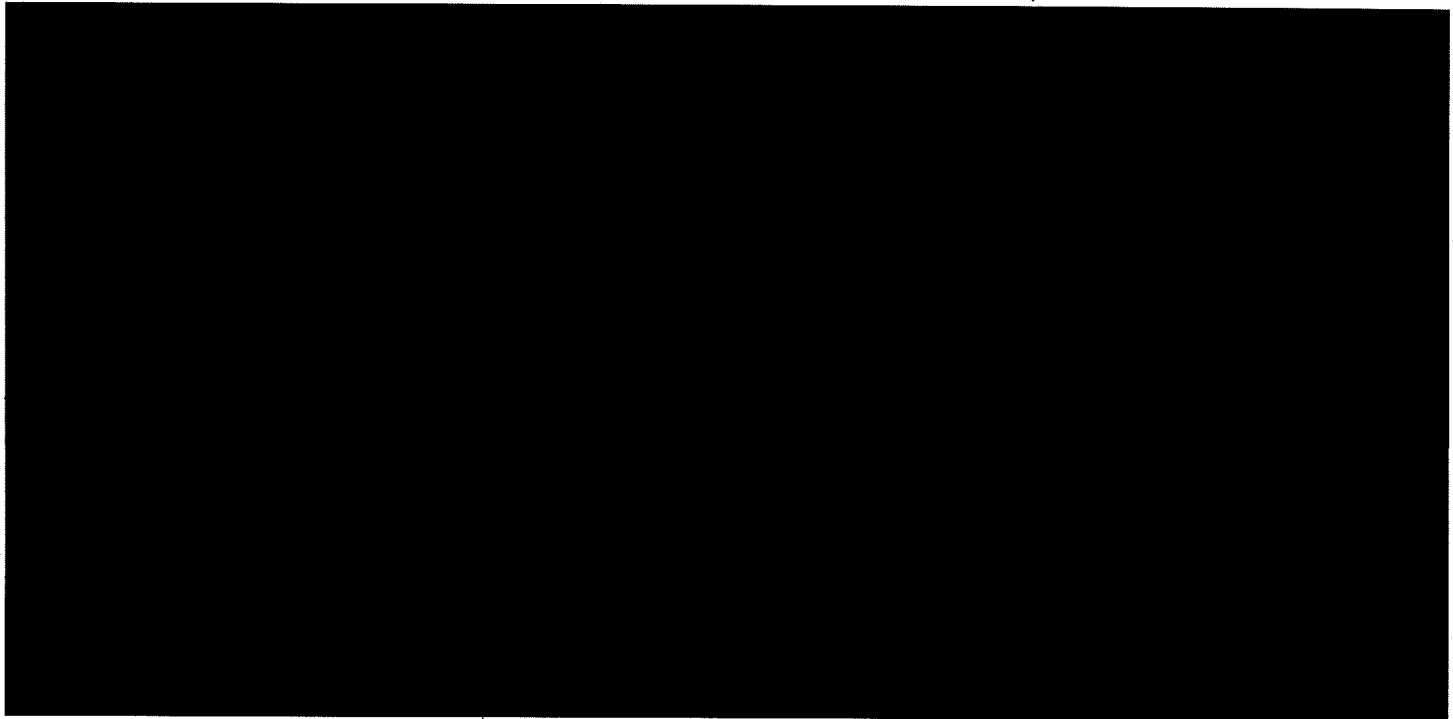
Thanks,
Anne

Anne Wilson

Energy Planning
Customer Care & Conservation
BC Hydro
Phone: (604) 623-3583
Fax: (604) 623-4335
Email: anne.wilson@bchydro.com

From: Henry, Bruce
Sent: 2007, August 08 10:38 AM
To: Holowaty, Nadja; Hanlon, Kristin; Wilson, Anne; Kwong, Trudy; Gin, Jennifer; Dai, Nan; 'kenna.hoskins@powertechlabs.com'; 'allan.grant@powertechlabs.com'
Cc: bhenry@vancouvercg.com
Subject: ROU Team Meeting Notes - Aug 8th OUT OF SCOPE

Here are the notes from our team meeting today, August 8th.



OUT OF SCOPE

- Texada Island LNG/Gas/Cogen site – The team feels that this will be addressed with the generic gas options. No specific contact will be pursued to Wespac, the proponent of this project.

