

May 3, 2002

Richmond City Council
Richmond City Hall
6911 No. 3 Road
Richmond, BC V6Y 2C1

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Dear Mayor Malcolm Brodie,
Councillor Linda Barnes,
Councillor Lyn Greenhill,
Councillor Evelina Halsey-Brandt,
Councillor Sue Halsey-Brandt,
Councillor Rob Howard,
Councillor Kiichi Kumagai,
Councillor Bill McNulty,
Councillor Harold Steves,

0150-20-BCHY1
xref: 0150-01

I am writing to you to ask that I be given the opportunity to speak before Richmond City Council on Monday May 13th.

The subject that I will address is the possible privatization of BC Hydro by the provincial government. I have attached a copy of a resolution that I encourage Richmond City Council to pass. I will be representing the Council of Canadians - Richmond Chapter.

The Council of Canadians - Richmond Chapter feels that the privatization of BC Hydro will be a tremendous mistake for this province. The privatization of BC Hydro will lead to rate hikes of 30-80% according to the Energy Task Force Review Committee of the provincial government. This will lead to increased costs for the City of Richmond, and the business community of Richmond. In Alberta and California the privatization of hydro led to increased costs for everyone.

Furthermore, the Attorney-General of California is taking four utility companies to court because they deliberately re-sold, for a profit, power that belonged to the California Independent System Operator (ISO) thus ignoring the companies legal contractual duties to provide reserve power.

Lastly, BC's energy prices (the third lowest in North America) are an important competitive edge in attracting businesses to our province.

Yours Sincerely,

Kevan Hudson
Council of Canadians - Richmond Chapter
10680 Agassiz Court
Richmond, BC V7A 4K2
Email: khudson@vcn.bc.ca

Tel. # 604-274-1191

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Whereas: BC Hydro is a crown corporation owned and developed for the benefit of all British Columbians.

Whereas: BC Hydro contributed \$904 million to the Provincial government last year to enable funding of medical care, education and numerous government programs.

Whereas: All sectors of the BC economy benefit from the third lowest power rates in North America delivered from clean, reliable generation sources.

Whereas: BC Hydro employs British Columbians to deliver power to the people of BC.

Whereas: Deregulation and Privatization will result in tremendous price increase (estimated by the government Energy Task Force Review Committee to be in the 30 – 80% range).

Whereas: The Joint Industry Electricity Steering Committee recognizes that the “electric power customers and the BC economy are being well served with reliable power at regulated, predictable rates” and “BC Hydro is returning substantial benefits to the province.

Be it therefore resolved: BC Hydro is owned by the people of British Columbia and provides affordable, reliable and clean power. In order to preserve this valuable asset, the province must retain BC Hydro as a complete entity within a regulated pricing structure. Its integrated systems and services are critical to Hydro’s ability to provide reliable power at affordable pricing that does not discriminate against rural customers.

B.C. Hydro's privatization plan double first estimate

Public utility is close to signing deal leading to a private firm assuming many of its services

BY JIM BEATTY

VICTORIA — B.C. Hydro announced Friday a significant expansion of its privatization plans that could shift more than 2,000 unionized employees to an international management company.

The public utility said it may be as close as six weeks away from signing a major deal leading to the privatization of its customer services, internal computer services, human resources, office services, financial and business department, electrical utility supplies such as lines and poles, and Westech, its information technology subsidiary.

The announcement to employees doubled earlier privatization plans and shocked union members, who had no knowledge their departments were being prepared for privatization.

Although no deal has been signed, B.C. Hydro expects to sign a memorandum of understanding by the end of May with Accenture, a major management and technology service company formerly known as Anderson Consulting.

With its chief executives based in Texas, Accenture has 75,000 employees in 47 countries and had revenues of \$11.4 billion last year.

"We want to assure the employees involved in this process that we do have their best interests in mind," Hydro spokesman Elisha Odowichuk

said. "This is a good business decision."

Although British Columbians own the public utility, officials at B.C. Hydro would not release any financial details of the proposal or estimate the potential savings.

"We expect it will be a very profitable venture," Odowichuk said.

If the deal goes through, the 2,000 employees would be transferred to Accenture along with their union and contract.

About 1,800 of the workers are members of the Office and Professional Employees' International Union, while the remaining 200 are members of the International Brotherhood of Electrical Workers.

Jerri New, president of OPEIU Local 378, said her members are shocked by plans to sell what she calls the backbone of B.C. Hydro.

"It's outrageous to transfer such an important asset from B.C. Hydro without any public consultation," she said. "There is no positive side for the breakup and privatization of B.C. Hydro for the consumer. We expect to see a price increase in electricity."

If the deal is signed, New said, there are no long-term guarantees for employees.

"They have a lot of questions. What will happen to their pensions? Will they have a job over the longer term? Where will the job be?"

Last fall, B.C. Hydro sought

See INCREASE IN E2

THE VANCOUVER SUN

FRIDAY, APRIL 20, 2002

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...out when he sits down with... union leaders in the next few... seat Boeing 737-200 aircraft... permitted by Stat...

Increase in electricity rates proposed by panel

From E1
expressions of private-sector interest in taking over customer services, fleet management and West-ech. On Friday, the corporation announced to its employees that it is now discussing considerably more services than it originally announced. Friday's announcement is just the beginning of what is expected to be a major overhaul of B.C. Hydro's operation.

A government panel on energy policy has recommended the corporation be broken up, privatized and electricity rates hiked. The recommendations, if adopted, could result in electricity price increases of up to 60 per cent for B.C. industries and 30 per cent for homeowners.

established as separate businesses and privatized.

Meanwhile, an Ontario court ruled Friday that the provincial government does not have the legal authority to sell its electricity grid.

*Sun Legislature Bureau
jbeatty@direct.ca*

What's a great tree without its fruits?



Fruits & Passion is looking for franchise partners

The management of Fruits & Passion is searching for franchise partners for several of its corporate boutiques, in particular, for the boutiques located at Richmond Centre, Coquitlam Centre and Victoria Eaton Centre.

Hire a lawyer, Forbes says of softwood dispute

From E1
tries.
"I just shiver whenever I read in the

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RE NOW CANADA

COMPANY
at Leasing
AMERICA IS
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mission.

Date: Tue, 19 Mar 2002 16:09:28 -0800
Subject: FW: [coc-chaps-l] Deregulation Exposed - The GSX - William/BC
Hydro
From: Kevan Hudson <khudson@vcn.bc.ca>
To: <jbhudson@interchange.ubc.ca>
Status:

From: Larry Whaley <larry@ufc.ca>
Date: Tue, 19 Mar 2002 09:10:52 -0800
To: Council of Canadians list-serve <coc-chaps-l@list.web.ca>
Subject: [coc-chaps-l] Deregulation Exposed - The GSX - William/BC Hydro

-----Original Message-----
From: Raymond Parker [<mailto:amanra@nanaimo.ark.com>]
Sent: Monday, March 18, 2002 4:28 PM
Subject: California Attorney General joins suit against power companies

Released March 11/02

Deregulation Exposed

Lockyer Suit Shows Anti-Consumer Behavior of Market Players

Santa Monica, CA -- California Attorney General Bill Lockyer today filed suit against four major power companies and their subsidiaries, alleging that the firms re-sold, for a profit, power that belonged to the California Independent System Operator (ISO), the non-profit agency that manages the state's electricity grid. Mirant, Dynegy, Williams, and Reliant, according to Lockyer's brief, ignored their legal, contractual duties to provide reserve power when they sold on the lucrative spot market power that had been purchased by the ISO.

"The huge potential for gouging in the deregulated market created the incentive for these companies to disregard their contractual obligations," said Joe Newlin, consumer advocate with Foundation for Taxpayer and Consumer Rights (FTCR). "The power companies saw deregulation as a license to steal, but the companies must be held accountable for robbing us blind. "

Send a message to your MLA -- Hands off Hydro!

I/we, the undersigned, demand the BC Liberal government keep its election promises and drop plans to privatize, deregulate and split up BC Hydro.

Name(s): _____

Email: _____

Address: _____

City: _____

Postal Code: _____

Additional Comments: _____

Every reply received will be forwarded to your local MLA.

Mail to: **The Office and Professional Employees' International Union Local 378**
2ND Floor 4595 Canada Way, Burnaby,
B.C. V5G 4L9

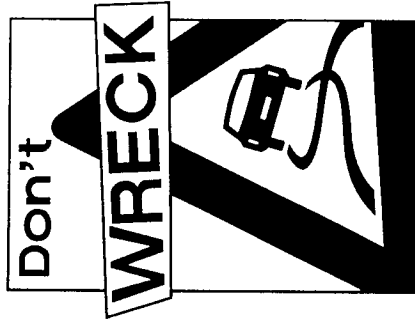
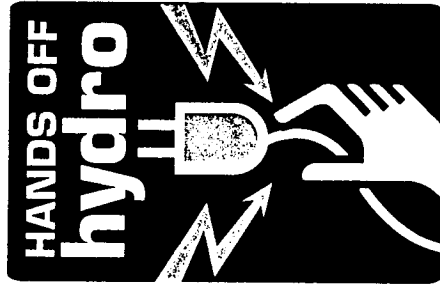


1-800-665-6838

BC Hydro works because we do

BC Hydro provides affordable, reliable and clean power thanks in part to the dedication of BC Hydro workers, represented by the Office and Professional Employees' International Union Local 378 and the International Brotherhood of Electrical Workers Local 258. For more information on the fight to stop BC Hydro privatization and deregulation, go to www.handsoffhydro.com or contact the OPEIU 378 at (604) 299-0378 or outside the Lower Mainland at 1-800-665-6838.

And if you are worried about BC Liberal plans to privatize publicly-owned auto insurance, go to www.saveicbc.com.



Public Auto Insurance

Don't sell BC Hydro!

Affordable, reliable and clean power — owned by the public — is at risk

For more than 40 years British Columbians have had among the lowest electricity rates in North America, with reliable delivery of clean, non-polluting hydro-electric power.

And it's owned 100% by you — the public.

Now the BC Liberal provincial government is trying to change all that. Premier Gordon Campbell has already broken his campaign promise not to privatize BC Hydro by putting three key components of the crown corporation up for sale — with more to come.

BC Hydro works for the public because its integrated systems and services are critical to BC Hydro's ability to provide reliable power at affordable prices that don't discriminate against rural customers.

Breaking up Hydro by selling off core parts — like information systems (Westech) and customer and fleet services — will guarantee an inefficient utility that charges consumers higher rates with less reliability.

BC Hydro also provides government with revenue needed for health care, education, child protection and other services. In the last fiscal year, BC Hydro contributed \$904 million to the province and local governments.

Why would the BC Liberals break up BC Hydro? The companies bidding to privatize BC Hydro could make huge profits — at your expense.

But there's still time to stop the Liberals from turning BC into a deregulated, privatized California with brownouts, blackouts, outrageously high electricity bills and polluting energy sources like coal and oil.

Help send a strong message to the BC Liberal government — *Hands Off Hydro!*

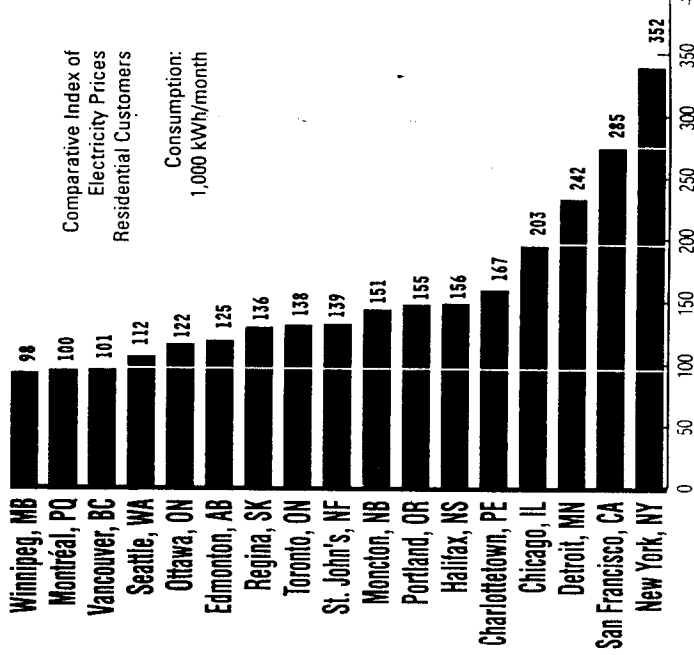
Please fill out the coupon on the back or visit www.handsoffhydro.com and let your Member of the Legislative Assembly know that you strongly oppose privatizing, deregulating and splitting up BC Hydro.

www.handsoffhydro.com

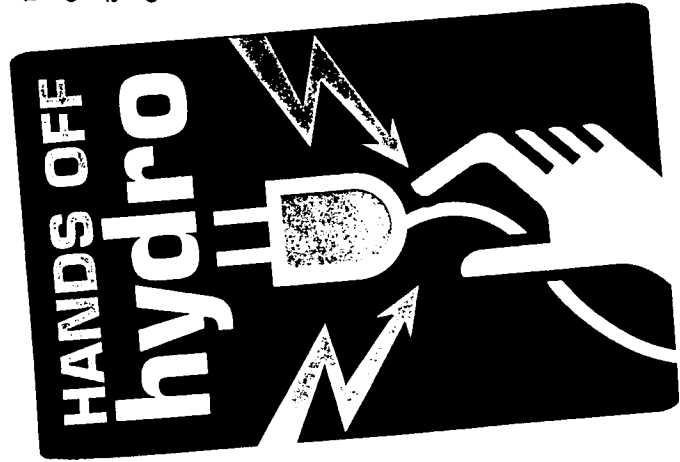
Consumers benefit from publicly-owned power utilities

Here's a comparison of what electricity costs in a variety of North American cities.

Electricity prices are the lowest in the three provinces with publicly-owned power utilities — BC, Manitoba and Quebec.



Monthly billings (excluding all taxes) Rates in effect May 1, 2000
Data Source: Hydro-Quebec's Comparison of Electricity Prices in Major North American Cities. Rates effective - May 1, 2000. Since the publication of the above study, electricity prices in California, Alberta and elsewhere have skyrocketed dramatically, while BC rates remain frozen.





City of Richmond

6911 No. 3 Road, Richmond, BC V6Y 2C1

Telephone (604) 276-4000

www.city.richmond.bc.ca

May 7th, 2002
File: 0150-01

Mr. Kevan Hudson
Council of Canadians – Richmond Chapter
10680 Agassiz Court
Richmond, BC V7A 4K2

Dear Mr. Hudson:

Re: Possible Privatization of BC Hydro

In response to your letter dated May 3rd, 2002, this is to confirm your appearance as a delegation to Council on the above matter at the Council Meeting scheduled for Monday, May 13th, 2002, at 7:00 p.m. in the Council Chambers, Richmond City Hall. Because this item is not on the agenda you will be heard at or near the end of the Council meeting.

As you are aware, Council procedures allow five minutes for you to make your presentation, not including any questions which Council members may ask. This five-minute limit is strictly enforced to ensure that all business for the meeting is dealt with.

Please conclude your presentation with a specific request on what you are seeking by appearing before Council as a delegation.

Yours truly,

J. Richard McKenna
City Clerk