# Notice to BC Hydro's Site C Peace River Hydro Partners and Contractors

## TO: Contractors - Acciona Canada; Samsung C&T; Petrowest; Voith Hydro

### BC Hydro, BC Hydro Board of Directors, Government of BC

**Contractors:** You have knowingly entered into contracts with BC Hydro, the BC Provincial Government, and possibly others, to provide goods and services for an earthfill dam and powerhouse, ancillary equipment, electrical connections and equipment, generators, access roads, etc. on the Peace River in northeast British Columbia, known as Site C.

At the time of your signature to any and all agreements made under these contracts, you were well aware that there were several outstanding legal challenges to the Site C project.

You were also well aware of:

- substantial public opposition to the project: over 100,000 signatories opposing the project, over 300 scientists and scholars opposed, the Royal Society, numerous wildlife, agricultural, environmental, and water related organizations opposed,
- the Union of BC Municipalities had unanimously opposed Site C,
- the Union of BC Indian Chiefs had unanimously opposed Site C,
- that there had been essentially no increase in domestic demand for electricity for the past ten (10) years and that there was therefore no need for the project,
- that there are a multitude of alternatives to Site C available at lower cost, to wit, Columbia River Treaty power, Burrard Thermal power, upgrades to other BC dams and power houses, electricity conservation that by BC Hydro's own numbers cost as little as 1/3 for equivalent electricity (now released under BCUC Revenue Requirements testimony that double the Site C output has been saved at \$1.5 Billion, or 2x the power at 1/6<sup>th</sup> the cost),
- that other renewable sources of electricity being solar and wind, are less costly,
- that geothermal resources exist in the area of Site C and would provide electricity at comparable cost to Site C, with less or no environmental impact.

You were aware that the former Chair of the Joint Review Panel, Dr. Harry Swain had publicly stated his opposition to the Site C project.

You were aware that a former CEO of BC Hydro publicly opposed Site C.

You were aware that First Nations Treaty rights were not being honoured.

You were aware that First Nations were strongly opposed to the project.

You were aware that a former BC Provincial Premier opposed Site C.

You were aware that the Government of BC excluded an open review of the project by the BC Utilities Commission.

You were aware that the Government of BC excluded land areas to be affected from review by the Agricultural Land Commission.

You were aware that the Government of BC excluded the Columbia River Treaty and an equivalent amount of electricity to Site C, from consideration as an alternative to Site C.

**BC Hydro, BC Hydro Board of Directors, and BC Government:** You have intentionally created a situation which circumvents essential aspects of major project approvals:

- Review by government established agencies,
- Using legislation to exclude specific areas of review to enable projects to proceed
- Using legislation to facilitate approval of projects
- Ignoring legal challenges to projects

#### **Acting in BAD FAITH?**

**Contractors, BC Hydro, BC Hydro Board of Directors and BC Government:** With all this knowledge, all parties wilfully agreed to proceed with contracts.

Despite this knowledge, you willingly participated in signing contracts for goods and services to build the Site C project.

A serious legal question, is raised, "Did the various parties **ACT IN BAD FAITH**"?

In a 2104 Supreme Court decision, there is a REQUIREMENT that all contracts, to be valid, can only be agreed upon if all parties are acting in Good Faith.

Justice Thomas Cromwell wrote "In my view, it is time to take two incremental steps in order to make the common law less unsettled and piecemeal, more coherent and more just. The first step is to acknowledge that good faith contractual performance is a general organizing principle of the common law of contract which underpins and informs the various rules in which the common law, in various situations and types of relationships, recognizes obligations of good faith contractual performance. The second is to recognize, as a further manifestation of this organizing principle of good faith, that there is a common law duty which applies to all contracts to act honestly in the performance of contractual obligations."

This would apply to entering into contracts as well as contract performace.

Reference: http://business.financialpost.com/legal-post/supreme-court-of-canada-updates-common-law-to-make-good-faith-an-implied-term-of-all-contracts

#### **Lack of Project Need and Lower Cost of Alternatives**

It has been clearly shown that there is no clear need for the project. It has also been clearly shown that there are at least en (10) alternatives, many at much lower cost to Site C.

Given these two compelling facts, it is probable that the project will be paused and or terminated.

#### Repercussions of Acting in BAD FAITH

**Contractors**: Given that all the evidence indicates that **all parties ACTED IN BAD FAITH**, and that the Site C project is likely to be paused or cancelled, there are major consequences and repercussions: all work must stop, and equipment orders delayed, renegotiated or cancelled.

Under such conditions. to continue with further work may be greatly to your detriment. Under these circumstances of having acted in **BAD FAITH**, you are being asked to <u>withdraw your services and goods at the earliest possible time</u>, to prevent failure of payment, as such services and goods will not be necessary.

FURTHER – any contracts entered into beyond this date by yourselves, jointly or severally, will not be honoured by the residents of British Columbia.

There is further supporting documentation on the following page which indicates a history of questionable moral, ethical and/or financial business practices, which reinforces that these companies have in the past, acted IN BAD FAITH, and should not be entitled to remuneration for any goods or service provided in BAD FAITH.

Signed

Roger Bryenton, P. Eng,(former). MBA BC Resident

# Concerns about the "Peace River Hydro Partners" entity, and \$1.75 Billion Contract for Goods and Services.

All of the three partners in "Peace River Hydro Partners" have questionable business viability and/or moral and ethical business records.

The question of Acting in BAD FAITH is therefore reinforced by examining these three businesses.

**Acciona** – headquarters in Spain. Fined for corruption and bribery.

**Samsung Canada C & T** – headquarters in Korea, the father of Samsung (Korea) jailed for bribery and corruption. The son likewise jailed for bribery and corruption.

**Petrowest** – Calgary based, public corporation, PRW on Toronto exchange. Latest share price, 18 cents. Company is not presently profitable. 25% partnership share. Approx \$35 million capitalization. Concerns about cash flow and ability to fund continuing operations, according to recent corporate quarterly report.