



**NEWS RELEASE**

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**November 16, 2010**

## **Glacier Howser Private Power Project Heads for the Rocks**

### **Recent developments reveal company no longer has financial agreement with BC Hydro**

*Nelson, BC* – The controversial Glacier/Howser private hydro project in the Kootenays has hit yet another major snag. AXOR, under subsidiary Purcell Green Power, no longer has an Electricity Purchase Agreement (EPA) with BC Hydro, leaving the fate of the project in question.

“Losing the EPA could be the rock that sinks the ship,” said Raelynn Gibson with the West Kootenay EcoSociety. “This is a project that has profound public opposition, a project that is environmentally unsound and now it is a project that has lost an extremely lucrative financial agreement with BC Hydro. It looks like a project that is finished.”

An EPA is a financial agreement between BC Hydro and private power producers that determines the price of the energy that BC Hydro will purchase. EPAs are highly sought after by power companies because BC Hydro pays a rate that is double, and in some cases, triple market prices for electricity. The vast majority of run-of-river power projects are not financially viable without an EPA signed by BC Hydro.

“A financial agreement with BC Hydro is the holy grail for private power producers. This project had already run into an environmental wall and now it has run into a financial wall as well,” said Gwen Barlee, policy director with the Wilderness committee. “I think the time has come for AXOR to pack their bags and go home.”

If AXOR ever wants to progress with this project, they would be required to reapply for another EPA in a future call for power; a chancy proposition given the strenuous public opposition and ongoing environmental concerns that have dogged the controversial proposal.

AXOR made a splash in the 2006 when it proposed to develop a 100 MW private hydro project, complete with a 92 km transmission line 2 hours north of Nelson, BC in the Purcell Mountains. As the biggest proposal of its kind in the Kootenays to date it raised considerable controversy due to the negative impact it would have on threatened



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populations of bull trout and grizzly bears, and for the fact that the water diverted from the creeks would never be returned to the original water bodies.

The loss of contract with BC Hydro follows a telling pattern: last September the Environmental Assessment Office (EAO) suspended their review of the project following a series of public demonstrations against the project which culminated in more than 1,100 people flooding a public meeting on the project in Kaslo, exceeding the town's population.

"I think the time has come for AXOR to acknowledge that this project is neither environmentally or economically viable, roll up its irresponsible plans, and leave our wild rivers alone," said Gibson.

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