



Garry Merkel

Northwest Q & A: Garry Merkel, Columbia Basin Trust

The Columbia River Treaty between the United States and Canada authorized three dams to be constructed in the 1960s. The dams caused significant changes to the environment, economy, and culture of the affected area.

The Columbia Basin Trust, created by the Province of British Columbia, is authorized to mitigate those effects through investments.

The Trust, which is a partner in three hydroelectric power plants and is currently constructing a fourth, earns income from power sales and other investments through its original \$315 million endowment. The Trust invests in programs and initiatives that focus on fostering quality of life, improving environmental conditions, addressing social and economic issues, and improving public understanding and involvement regarding water issues.

While the treaty has no end date, either country can terminate most of its provisions on or after September 16, 2024 — 60 years after ratification — with 10 years' notice. With Sept. 16, 2014 just three years away, both countries are studying the future of the treaty.

In the winter 2011 edition of *Council Quarterly* we interviewed Steve Oliver, vice president of generation asset management for the Bonneville Power Administration and co-coordinator of the U.S. Entity for implementing the treaty. In this edition, Garry Merkel, a resident of Kimberley and chair of the Columbia Basin Trust, discusses the future of the treaty from their perspective.

Q. What benefits do the United States and Canada enjoy under the treaty, and would those change if the treaty is terminated? If so, how?

That's a technical question and I'm not a technical expert, but what I understand is that we both benefit. We both get the benefit of flood control, which allowed us to develop and maintain stable towns close to the river.

We both get the benefits of improved hydroelectric power generation. Also, from a Canadian perspective, we receive what is called "downstream benefits" from the United States. Canada gets a portion of the additional power produced in the U.S. as a result of water storage located in Canada, and these benefits are owned by the Province of British Columbia.

Would things change? If the treaty were terminated, we would not have guaranteed flood-control provisions, as there are now. Canada would still be obligated to provide some flood control, but it would be of a different nature. So that means we could potentially run our reservoirs differently, like keeping them higher over certain periods when it makes sense for us, and the U.S. would have to draft its reservoirs a lot more to provide the flood control that we would no longer provide. What that means is

the potential for a lot more uncertainty in Canadian operations compared to what the U.S. sees now. I have a strong feeling that we need some form of coordinated mechanism to manage the waters of the river between our two nations. We're looking to retain the existing benefits we receive and also explore ways to gain ecosystem benefits. We need to examine if the treaty is still that mechanism as we go forward into the future. Without some form of coordinated mechanism, we'll lose some of the benefits we now enjoy, and I just don't know how you'd operate the river and dams without that coordination.

Q. Why is the Columbia River Treaty important to the Trust? Will the Trust be involved in helping the province and national government think about the future of the treaty?

When the reservoirs filled behind the dams, it meant communities were displaced, fertile agriculture and forests were lost, as well as important fish and wildlife habitat. There are still ongoing effects related to the operation of the reservoirs, which results in large fluctuations in water levels.

While the treaty provided benefits to the Pacific Northwest as a whole, the people in the region felt they were bearing the consequences and not enough benefits were coming back here. Residents told the politicians of the day (early 1990s) that this region deserved some share of the benefits to allow us to provide ongoing environmental, social, and economic development.

Today, people are saying to us, "We don't want that to happen again. If they're going

exactly what they want. What it means is that people will be informed, and that they will have access to credible information, and they will be able to provide informed input themselves. And if a decision is made along the way that is contrary to their views, that decision should be communicated and they should be given a chance to talk about it.

That's a lot different than the 1960s when the Trust was established. Back then, the consultation was extremely limited; so we're beginning to engage the public in thinking about the future of the treaty.

With respect to the Trust's role with the provincial and federal government in the process, consultation regarding the treaty in Canada is the responsibility of the Province of British Columbia. The Province of B.C.

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The treaty is important to the Trust because the residents in our region have told us it's important to them. In fact, the genesis of the Trust was that British Columbia built these dams without adequately consulting local residents, and so at the time, people were very frustrated by being displaced and treated poorly.

to think about changing the treaty, we want to be part of this, and we want the Trust to help us be part of the process."

As for the future of the treaty, the Trust doesn't advocate any particular position on behalf of the basin residents. Our role is to be sure that residents are educated and informed. That doesn't mean everybody is going to get

and the Canadian federal government will be the decisionmakers with respect to the future of the treaty. The Trust is willing to work with both in a number of ways, including helping design engagement processes, but we are not decisionmakers when it comes to the treaty.



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Q. The treaty addresses only flood control and hydropower generation. Should other river values and uses be incorporated in a new or modified treaty?

I'm not really sure, frankly. I think each country can rely on its legislative framework to be sure environmental issues are taken care of. Having said that, though, for me, it wouldn't be bad if a new or modified treaty said something like, "This is all for flood control and maximizing hydroelectric power while making sure ecological integrity is maintained." In effect, that's how the system is operated already in the states because of the U.S. legislative framework.

We don't have as much control because we're required to operate the Columbia River Treaty dams in accordance with the treaty and its priorities (flood control and hydroelectric power). Having said that, over the last decade, we've seen an increased focus in Canada on hydrosystem operations that address ecosystem issues.

Q. While there are myriad issues to address and resolve regarding the future of the treaty, what are the most important in your opinion?

It's critically important to be sure the public is informed and involved. Like anybody, I hope we take care of the land and water, and beyond that it becomes a tradeoff of values.

If you don't take care of the land and water, what do you have? You do that indirectly by taking care of the things that live on the land and in the water — by trying to maintain habitat and preserving the integrity of the ecosystem.

Q. What role do you see for others in addressing the future of the treaty?

In Canada, we have a legal obligation to First Nations to consult and accommodate where necessary for potential infringements on their constitutionally protected aboriginal rights. These are rights to use and occupy the land in a manner consistent with communal practices and customs. If you live on the land, you have the right to continue to do that and

the government has the right to infringe, but that has to be justified. First Nations and the U.S. tribes will definitively have a very unique relationship in terms of the treaty and what happens with it.

The kind of work the Trust and Council do together across the border is the kind of work I think is essential to really try to come up with a treaty that makes more sense for the river. As we start to know a lot more about each other, we understand each other's issues and land more, and the public is better informed. I have a lot of faith in human nature that once we get to know each other fairly well, we're going to start to think about solutions that make sense for the river and people as opposed to having more of a financial and political discussion. We need to engage people in their community, and that's what we're about at the Trust.

