


COLUMBIA BASIN TRUST

Josh Smienk, Chair
New Delhi, India
June 26, 2006

www.cbt.org

A legacy for the people



Columbia Basin Trust

- Redress
- Rebuilding Trust in the Democratic Process
- Ownership & Empowerment
- Continuous Public Involvement & Results


A legacy for the people



Columbia Basin



A legacy for the people



Columbia River Treaty Impacts

- More than 2,300 residents were displaced and a dozen communities lost
- 60,000 hectares (231 square miles) of valley bottom land was flooded
- Flooded forests, farm land, and wildlife habitat limit growth and development and affect all communities
- No longer a pristine river system, which limits opportunities for recreation and tourism
- Communities along reservoirs are plagued by dust storms
- First Nations lost much of their archaeological heritage


A legacy for the people



Columbia River Treaty Impacts



A legacy for the people



The Columbia Basin Trust

Was created in recognition of the impacts to our region from the construction and continued operation of the Columbia River Treaty dams

History

In the early 1990s, residents of our region, the Columbia Basin, came together to press the Province for recognition of the impacts on the region from the creation of the Columbia River Treaty dams

Local governments in the Basin coordinated their efforts and formed the Columbia River Treaty Committee which, along with provincial representatives in the region, negotiated with the Province

The Committee's objectives were to create a Trust governed by a board of Basin residents and to receive a share of the ongoing downstream benefits earned under the Treaty to be managed by that Trust

Columbia Basin Trust Act

On both counts the negotiations were successful and in 1995 the Legislative Assembly, with the support of all political parties, passed the Columbia Basin Trust Act

As set out in the Act, CBT is a regional corporation, having the power and capacity of a natural person, and is not an agent of the government



Mandate

To manage CBT's assets, including money allocated by the Province for power projects and other investments, for the ongoing economic, environmental and social benefit of the region, without relieving governments of their obligations

A legacy for the people



The Columbia Basin Trust Board of Directors

12-member Board of Directors

- One nominee from each of the six local governments in the region
- Six Provincial government nominees
- All Directors must be residents of the region impacted

A legacy for the people



Columbia Basin Management Plan

- CBT extensively consulted the people of the Basin
- Five-year Columbia Basin Management Plan was developed
- The Plan describes CBT's objectives, priorities and programs



Financial Agreement

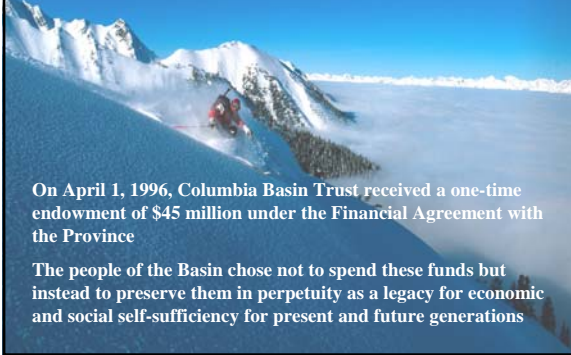
The Financial Agreement sets out the initial funding for CBT

The contribution to CBT from the Province under the Agreement is:

\$250 million Power Project Construction Financing \$45 million Regional Benefit Program Payment
-\$2 million per year for 16 years

The Province also committed to transfer an additional \$250 million at the same time to the Columbia Power Corporation (CPC), for power project construction financing

Non-Power Investments



On April 1, 1996, Columbia Basin Trust received a one-time endowment of \$45 million under the Financial Agreement with the Province

The people of the Basin chose not to spend these funds but instead to preserve them in perpetuity as a legacy for economic and social self-sufficiency for present and future generations

Power Project Investments

The process for searching out, receiving and evaluating power project investment proposals was determined by the terms of the Financial Agreement between CBT and the Province, and by the Power Project Planning Joint Venture Agreement between CBT and CPC

The joint venture partners are currently involved with three new hydro electric power project developments:



Arrow Lakes
Generating Station



Brilliant Expansion
Project



Waneta Expansion
Project

A legacy for the people



Delivery of Benefits

Investment Portfolio



Currently CBT is able to return \$4 million a year from its investments
This will grow to \$20 million per year over the next 8 years

Deliver Benefits to
the Residents

CBT annually establishes a number of programs to address priorities in the Columbia Basin

A legacy for the people



Delivery of Benefits

Youth



Social



Environment



Arts, Culture & Heritage



A legacy for the people



Delivery of Benefits cont.

Education



Economic Development



Community
Development Program



Community Initiatives



A legacy for the people



Involving residents in future decisions

Creating a Basin culture



Contact Us

1-800-505-8998

www.cbt.org



220 Broadway
NAKUSP V0G 1R0

445 - 13 Avenue
Suite 300
CASTLEGAR VIN 1G1

828D Baker Street
CRANBROOK VIC 1A2

103 Gould's Island
GOLDEN V0A 1H0






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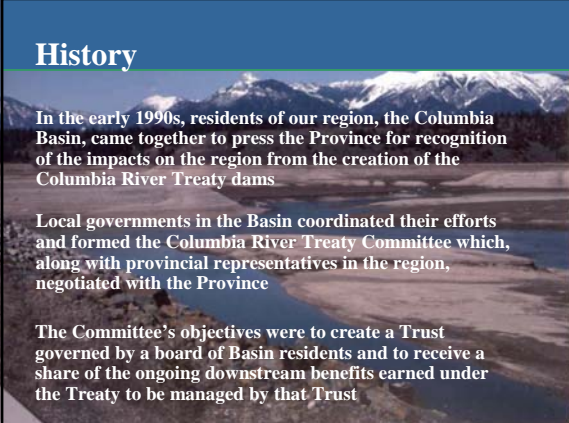
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The Act states the Province wants:

- To include the people of the Columbia Basin in decisions that affect their lives and determine their future; and

- To work with the people of the Columbia Basin to ensure that benefits derived from the Columbia River Treaty help to create a prosperous economy with a healthy, renewed natural environment



Mandate

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Financial Agreement

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The contribution to CBT from the Province under the Agreement is:

\$250 million \$45 million
 Power Project Construction Financing Regional Benefit Program Payment

The Province also committed to provide \$2 million per year for 16 years for operations and program development

Financial Agreement

The Province also committed to transfer an additional \$250 million at the same time to the Columbia Power Corporation (CPC), for power project construction financing:

CPC \$250 Million + CBT \$250 Million
 = Total of \$500 Million

CPC and CBT hold the power project investments jointly and equally – income from power sales is shared 50-50

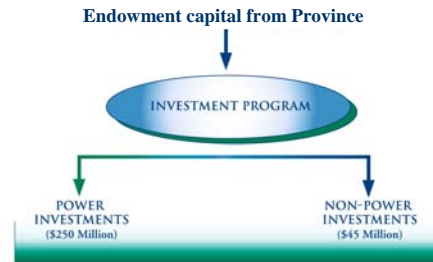
CPC and CBT also secured the expansion rights on one public and two privately owned existing power project facilities



Investments Portfolio

“By investing the capital, instead of spending it, CBT is creating a legacy for future generations.”

Investments Portfolio



Non-Power Investments

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The people of the Basin chose not to spend these funds but instead to preserve them in perpetuity as a legacy for economic and social self-sufficiency for present and future generations

Non-Power Investments

To date, CBT has placed more than \$24 million in investments within the Basin

These investments are managed in cooperation with a number of partners, including private companies, credit unions and congregate care facilities

Joseph Creek

Power Projects

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Project

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Delivery of Benefits

“Building capacity for greater self-sufficiency in communities.”

Delivery of Benefits

Investment Portfolio



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CBT annually establishes a number of programs to address priorities in the Columbia Basin

Delivery of Benefits

Youth



Social



Environment



Arts, Culture & Heritage



Delivery of Benefits cont.

Education



Community Development Program



Economic Development



Community Initiatives



CBT Water Initiatives

- The Columbia Basin Trust recognizes that one of the most significant water issues in the Columbia Basin is the opportunity to renew, terminate, or re-negotiate the Columbia River Treaty (CRT)
- The Columbia Basin Trust is committed to ensuring Basin residents' values and views are a key part of the CRT process - from start to finish



Involving residents in future decisions

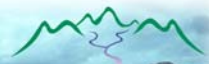
Creating a Basin culture



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