

AVICC Resolution:

WHEREAS homes, businesses, and industries in Vancouver Island and coastal communities rely heavily on energy generated outside the region and delivered through long-distance transmission systems, subsea infrastructure, and marine transport, resulting in a high degree of dependence on external energy supply and limited opportunities for local generation;

AND WHEREAS resource, transportation, and building sectors are seeking to modernize, improve efficiency, and reduce emissions while remaining competitive and affordable, and communities across Vancouver Island and the coast are working to attract investment and sustain local jobs, yet constrained energy availability—combined with accelerating provincial electrification policy and the pending expiry of BC Hydro’s electricity purchase agreement with Capital Power’s Island Generation facility—is already resulting in lost investment and development opportunities;

THEREFORE BE IT RESOLVED THAT the Association of Vancouver Island and Coastal Communities urge the Province of British Columbia, BC Hydro, FortisBC, and the British Columbia Utilities Commission to collaborate with local governments, First Nations, and industry to ensure long-term energy certainty for Vancouver Island by:

- immediately convening and resourcing formal energy roundtables with the Province of British Columbia, BC Hydro, FortisBC, the British Columbia Utilities Commission, local governments, First Nations, and industry to address urgent energy supply constraints, assess interim and long-term solutions, and prevent further loss of investment and economic activity in Vancouver Island and coastal communities;
- recognizing the importance of local, dispatchable, and redundant energy generation—and the critical role of existing facilities such as Island Generation—in supporting economic development, grid reliability, and industrial modernization;
- ensuring that long-term energy planning and contracting decisions consider the economic development needs of AVICC communities alongside the timelines for new renewable energy projects to come online; and
- supporting interim energy solutions that allow resource industries and new investments to remain, modernize, and grow in coastal and island communities while Indigenous-led renewable projects advance to completion.

Background:

Purpose

This resolution highlights growing energy supply constraints on Vancouver Island and in coastal communities that are limiting economic development, industrial modernization, electrification efforts, and the ability of communities to attract and retain investment.

Energy Dependence and Infrastructure Risk

Vancouver Island and coastal communities rely heavily on electricity generated outside the region and delivered through long-distance transmission systems and subsea infrastructure. This structural dependence limits local energy resilience and increases vulnerability to outages, transmission constraints, and capacity limitations during peak demand periods.

The pending expiry of BC Hydro's electricity purchase agreement with Capital Power's Island Generation facility introduces near-term reliability uncertainty at a time when electricity demand is accelerating. Reliable, dispatchable, and redundant generation capacity plays a critical role in maintaining grid stability, meeting peak demand, and supporting energy-intensive industries during periods when variable renewable generation alone cannot meet system needs.

Accelerating Demand Growth

Provincial electrification policy, industrial decarbonization initiatives, transportation electrification, building conversions, and population growth are rapidly increasing electricity demand across Vancouver Island and the coast. While new renewable generation projects are advancing, they typically require multi-year planning, permitting, and construction timelines, creating a near- to medium-term supply gap.

Communities are already reporting delayed or cancelled investment decisions due to insufficient available power. Resource sector modernization, value-added processing, and new industrial proposals depend on access to reliable and affordable electricity. Without timely interim solutions, communities face increasing risks to competitiveness, job retention, and long-term economic sustainability.

Why Coordinated Planning Is Essential

Ensuring long-term energy certainty requires coordinated planning among the Province of British Columbia, BC Hydro, FortisBC, the British Columbia Utilities Commission, local governments, First Nations, and industry. Energy planning and contracting decisions must explicitly consider regional economic development needs, grid reliability, and the timing mismatch between electrification policy objectives and infrastructure readiness.

Interim energy solutions are needed to support existing industries and new investments while Indigenous-led renewable projects advance through development and into operation. A coordinated and regionally informed approach is essential to prevent further loss of investment and to support economic resilience in Vancouver Island and coastal communities.

References

[Capital Power – Island Generation](#)

[BC Hydro Integrated Resource Plan](#)