

## Power surge

Quebec announces a sweeping new multibillion-dollar energy strategy yesterday

■ **BIG HYDRO PROJECTS** Quebec will spend \$25-billion over the next 10 years on new hydro-electricity projects. That massive investment is expected to pump out an extra 4,500 megawatts of power and create 70,000 jobs. These include the La Romaine and Petit Mecatina rivers on the St. Lawrence River's North Shore, as well as a river in the far-north Ungava region.

■ **EYES ON EXPORTS** With Ontario's production capacity dropping by 8 per cent over the past decade, Quebec sees the potential to sell its increased energy not just to its neighbouring province, but to the eastern U.S. While Quebec won't say how much it expects to make from these markets, estimates run in the billions.

■ **THE POWER OF WIND** Quebec estimates the province has the potential to plug another 4,000 megawatts of wind power into the grid by 2015. That represents about 10 per cent of peak electricity demand. Two other wind-power projects in the Gaspé region and on Magdalen Islands, worth about \$5-billion, are in the works. They are expected to generate 3,000 megawatts by 2013.

■ **ENERGY EFFICIENCY** Between now and 2015, Quebec's government plans to increase the province's overall energy efficiency target by a factor of eight from the current levels. That is expected to save consumers about \$2.5-billion a year, and avoid putting about 9.4 million tonnes of greenhouse gas in the air annually.



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### UTILITIES

# Hydro-Québec targets energy for export in \$25-billion plan

## Aims to sell excess power to Ontario, U.S.

BY RHÉAL SÉGUIN, QUEBEC

Hydro-Québec plans to invest \$25-billion in new hydroelectric projects over the next 10 years, aiming the power straight at lucrative markets in Ontario and the United States.

The hydro projects will eventually produce a total of 4,500 megawatts of power, part of an energy strategy unveiled yesterday by Que-

bec government.

In addition, the utility plans to produce another 4,000 megawatts of wind power that is scheduled to be plugged into the Hydro-Québec grid by 2015.

It has already started work on two other wind power projects worth \$5-billion that will generate 3,000 megawatts by 2013.

In all cases, the Quebec government expects the projects will pro-

duce more electricity than the province needs, and the extra will be sold to power-hungry export markets.

The announcement comes at a time when Ontario's production capacity has declined by 8 per cent over the past decade while demand has increased by 6 per cent.

Quebec anticipates it can profit from both Ontario's current energy shortage and demand in the United States.

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# Hydro-Québec plans to boost wind power

**HYDRO-QUÉBEC** from page B1

"We are taking the view that we are able to develop more capacity than our economy will consume and that by doing that it puts us in a position where we can export and benefit from the exports," Premier Jean Charest said yesterday in announcing the government's energy strategy.

The strategy was released yesterday following a broadly based consultation process that began in November, 2004, aimed at using the province's energy potential as an important lever for future economic development.

Mr. Charest said hydroelectricity represents the province's most important source of renewable energy that has the potential to generate the wealth needed to reduce the province's debt and sustain economic growth.

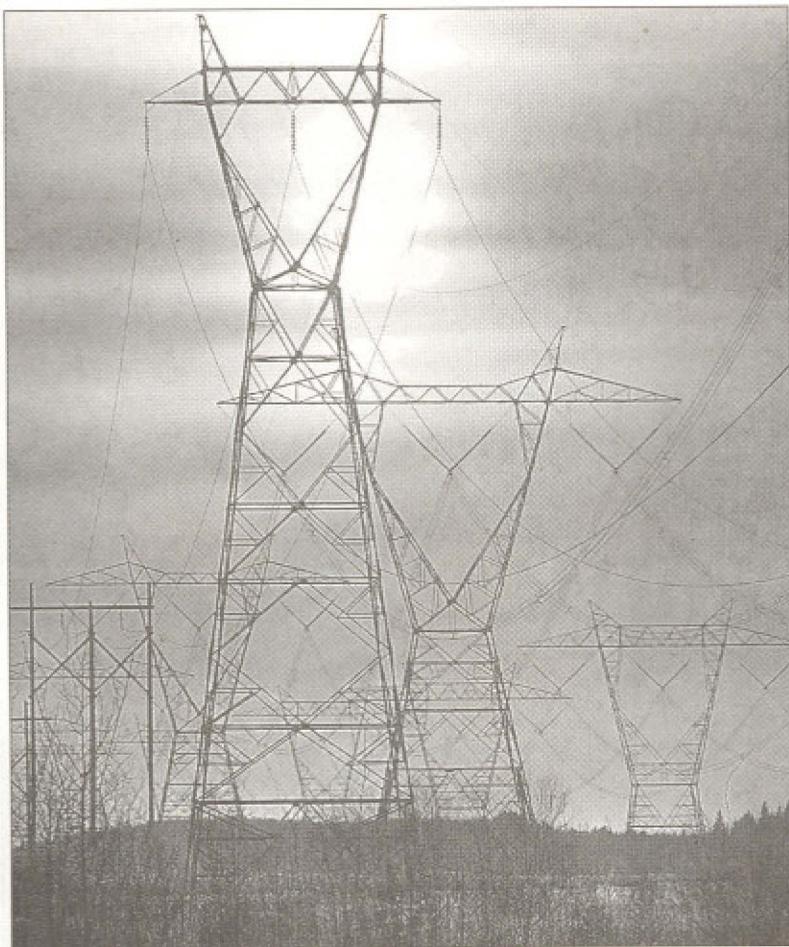
Hydro-Québec president Thierry Vandal refused to project how much profit will be generated for the province by the greater exports. He said only that it will be "in the billions of dollars." Hydro-Québec will release the projected figures in its own energy plan this month.

Quebec's short-term priority will be to increase exports to meet Ontario's soaring electricity needs by building new interconnections with its neighbouring province.

It is expected that Ontario will formally announce this month the construction of new reactors as part of a \$40-billion nuclear program to replace aging plants. Quebec anticipates it can profit from Ontario's current energy shortage as well as U.S. demands by signing energy agreements both in Canada and the United States.

The Quebec government estimates that by 2025, Ontario will need an additional capacity of 24,000 megawatts of electricity while the eastern United States will require 12,400 megawatts during the same period.

In 2005, Hydro-Québec sold 6.7 terawatt-hours of electricity outside the province, which generated \$830-million in profit. (One terawatt-hour is equal to 1,000 megawatt-hours. That means that 6.7 terawatts is equal to 6,700 megawatt-hours. Generating stations that have the power to generate 4,500 megawatts will produce a variation of megawatt-hours or terawatt-



JACQUES BOISSINOT/CANADIAN PRESS

**Quebec expects the new projects will produce more electricity than it needs, and the extra will be sold to power-hungry export markets.**

hours of electricity depending on how long the generating station operates during the day, week or year.)

While Hydro-Québec offered no specific information on the plans, Mr. Charest said the major projects include the development of power dams on La Romaine and Petit Mecatina rivers located in the North Shore region of the St. Lawrence River as well as a river in the Ungava region of Northern Quebec.

Ontario's **Hydro One Inc.** will participate in the Churchill project, a Quebec official said, but could not provide details.

All projects are in their early stages and will need environmental approval before public tenders are called to begin construction expected within the next five years.

Major engineering companies such as SNC-Lavalin Group Inc., Tecsult Inc. and Swiss-based ABB Ltd. will likely have an important stake in the new hydro projects.

General Electric Co., which manufactures turbines for one of Quebec's major wind power projects in the Gaspé region, is expected to continue playing a major role when companies such as Cartier Wind Energy consortium, Northern Power or Skypower examine bids for the development for various projects. Tenders will be open for all regions of Quebec with the highlands along the St. Lawrence River and the James Bay region being among some of the best locations.

Hydroelectric development experienced a slowdown in recent years, and yesterday's announcement will accelerate major projects that have been sitting idle on the drawing boards.

Through the development of new projects and innovative conservation measures, the Quebec government wants to maximize the greatest amount of electricity for exports.