

consumers, so an agreement with the Quebec utility is required. The cost of construction is estimated at between \$6-billion and \$9-billion.

The Innu of Labrador have an unresolved claim to the territory to be developed and have opposed the project in the past, meaning environmental approval is far from assured.

On the Quebec side of the border, Mr. Charest plans to add 4,500 megawatts of generating capacity -- on top of the 888-megawatt Eastmain-Rupert project currently undergoing environmental hearings -- by 2015. The total investment is estimated at \$25-billion and the government projects the work will create 70,000 person-years of employment.

Sylvain Theberge, a Hydro-Quebec spokesman, said the next projects on the utility's list are on the Romaine and Petit Mecatina rivers on Quebec's Lower North Shore. They would add an additional 3,000 megawatts to the province's generating capacity. The remaining 1,500 megawatts in the energy plan would come from upgrades to existing dams, Mr. Theberge said, squelching speculation that Hydro would open a new frontier in the far north Ungava region.

Quebec's plans are music to the ears of Hydro engineers and private-sector builders, but they remain cautious.

"Yes, we are happy, yes, we want to begin this work in the best possible perspective, but we have to keep in mind that there are some precise steps that remain," Mr. Theberge said. "We have to conduct the necessary studies, we have to agree with the communities and we have to ensure the necessary approvals and environment permits are obtained."

Supporters hope the development will mark the rehabilitation of big hydro projects as green energy. In the early 1990s, Hydro-Quebec saw prospective U.S. export contracts evaporate when environmentalist and native groups raised concerns about the impact of vast flooding. Now Quebec argues that flooding is a small price to pay compared with the carbon emissions and resulting climate change produced by fossil fuels.

David Hales, counsel for sustainability policy at the Washington, D.C.-based Worldwatch Institute, said the recent outbreak of hydro enthusiasm in eastern Canada bucks the global trend.

He noted that hydro dams may be cleaner than fossil-fuel plants but they still release significant amounts of greenhouse gases when flooded vegetation decomposes.

"It's an approach that is kind of trapped in the 1970s and 1980s," he said of the Newfoundland and Quebec plans. "It's ignoring too much of what we've learned about large dams and what we've learned about the potential of other energy sources." He said it would be much wiser for the provinces to invest their billions in energy-efficiency programs.

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