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Keeping Churchill home

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THE CANADIAN PRESS-MONCTON, N.B.

The province is focusing on domestic use of power from the potential Lower Churchill hydroelectric project, Premier Danny Williams said Thursday.

'Canadian power should be for Canadians," Williams told reporters at Council of the Federation meetings in New Brunswick.

The premier suggested that any sales to the U.S. would only be "gravy," and surplus to Canadian needs.

Those comments follow a series of more hawkish remarks in recent months suggesting that province is seriously considering a subsea route to transmit power through the Maritimes to the northeastern United States.

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"Our priority, I think, as Canadians, first of all is that the power is used domestically, we want to make sure that that power is used for Canadians and obviously is reasonably priced and properly delivered, so that would be our priority," Williams said.

Williams said surplus power can go to lucrative spot markets south of the border. But he stressed the importance of domestic needs.

The premier was not available for an interview later Thursday. But the premier's spokeswoman, Elizabeth Matthews, stressed that his Moncton comments were not a departure from previous statements.

She said the U.S. has not been ruled out as an option for Lower Churchill power. Neither has transmission through Quebec to Ontario.

For months, Newfoundland and Labrador has been highlighting the fact that the subsea route - which avoids Quebec - is a viable option.

In June, the province signed a memorandum of understanding with Rhode Island to possibly export 200 megawatts - or about seven per cent — of Lower Churchill power to the state.

Three months earlier, Newfoundland and Labrador Hydro chairman Dean MacDonald said officials had yet to rule out the subsea route. "It's not poppycock. It's fact," he said.

A month before that, the province applied to wheel power through New Brunswick to the Maritimes and possible American destinations. At the time, Williams said the province's focus was on the maritime option. "It shows that we're serious," he said.

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In early 2006, Williams made his second visit to Washington, D.C., to pitch the province's energy potential. He met with a senior U.S. Department of Energy official. They discussed the province's oil and gas potential, as well as the Lower Churchill, Williams told Telegram at the time.

Quebec remains a key player in what is widely viewed as the more economical route, wheeling power through that province to markets in Ontario.

However, Premier Jean Charest said that Quebec must be able to maintain jurisdiction over its own energy supplies and transmission facilities, without interference from Ottawa.

"An east-west grid interests us," Charest said, adding that Quebec wants to profit from its huge supplies of clean hydro and wind power.

"But it will happen in respect of our jurisdictions. If anyone suggests that we run a line paid by the federal government in Quebec, that's not going to happen."

The 2,800-megawatt Lower Churchill project would generate enough electricity to power close to 1.5 million homes.

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