

Premier vows to stop Hydro-Quebec's power grab

Danny Williams calls utility 'despicable' in its attempt to take over NB Power

By BARB SWEET
THE TELEGRAM

Premier Danny Williams is threatening to go to the Competition Bureau or take other legal action if Hydro-Quebec completes a rumoured plan to take over the assets of NB Power.

Media reports have been circulating since last week that a deal is in the works and New Brunswick wants to get rid of the heavily indebted utility.

"When this deal rolls out, we will analyze it and if it looks like this deal is not good for the people of Atlantic Canada, the people of Newfoundland and Labrador, the people of the country, then we would certainly look at going before the Competition Bureau with an anti-competitive claim. Then if there's other legal recourse we'd have to look at, we're quite prepared to do that as well," Williams told reporters Monday.

He accused Hydro-Quebec of making a "despicable" power grab and trying to block Newfoundland and Labrador's access to the U.S. Eastern Seaboard so it can get Lower Churchill power for a meagre rate and make a big profit from its resale.

"Hydro Quebec is saying, 'We've got the Upper Churchill, we're going to take that up to 2041. And now we're going to try to bring them to their knees on the Lower Churchill,'" Williams said.

"I gotta tell you that will be over my dead body."

By going after NB Power, he said, Quebec is trying to monopolize the grid and become the gateway to the U.S. electricity market.

"It's an attempt to hold us to ransom. It's never enough for Hydro-Quebec. They have the benefit of a deal to Newfoundland and Labrador that takes them out to 2041, whereas



Premier Danny Williams speaks with reporters Monday outside the House of Assembly.
— Photo by Gary Hebbard/The Telegram

they are going to get over a billion a year from us," he said.

Williams came out swinging on the weekend at the Tory convention in Gander, where he lambasted Hydro-Quebec for walking away Friday from signing a water-sharing agreement for the Churchill River.

It's now up to this province's Public Utilities Board to arbitrate an agreement between Hydro-Quebec and this province.

"It's a heavy-handed tactic they are taking. But you know, Newfoundland and Labrador is not going to put up with that from Hydro-Quebec," Williams said Monday.

He said it's up to New Brunswick whether or not to sell its power assets, but he warned the deal could be bad for people in that province in the long run.

"I have a word of caution to the people of New Brunswick: make sure you don't do something shortsighted that's going to hurt the province in the long run."

New Brunswick," Williams said.

He said if Hydro-Quebec takes over the NB Power's debt, "you can rest assured Hydro-Quebec is going to get that back."

Meanwhile, NDP Leader Lorraine Michael said while Williams boasts about his negotiating prowess, recent events surrounding Hydro-Quebec indicate the opposite.

The legislature was convened in September for a special two-day session to change the wording of the legislation on water rights for the Churchill River after Hydro-Quebec's lawyers raised concerns. Michael said that suggested barriers were being overcome to the Lower Churchill negotiations.

"We're putting a lot of money into energy company Nalcor — \$589 million invested. ... Yet here we are not able to get anywhere with Quebec," she said.

"It doesn't bode well for the future."

negotiator, why can't he and his people come up with ways to thwart what Quebec is doing?"

As for Williams' fighting words, she said Williams should realize — based on his getting nowhere with Prime Minister Stephen Harper — that his public antagonism isn't effective.

"Maybe it's a sign of desperation on his part," Michael said.

Liberal Opposition Leader Yvonne Jones said in a news release the proposed sale of NB Power demonstrates how unprepared the Williams government is when dealing with route options for the Lower Churchill development.

Jones noted that in September, Natural Resources Minister Kathy Dunderdale downplayed the missed opportunity to bid on transmission capacity through New Brunswick when requests for proposals were issued in 2008. Instead, Hydro-Quebec purchased all excess capacity on the New Brunswick grid.

"This is a continuous cycle of this government. When they haven't done their homework, they throw their hands up in the air and find someone else to blame. If government participated in the request for proposal process in 2008, we would be in a better position today with more transmission options available," Jones said.

"We've seen this haphazard approach from the premier before on the Lower Churchill," she said.

"He was willing to put transmission lines through Gros Morne National Park, but recently took that option off the table, saying he was only kidding. It appears the premier is unprepared to deal with the real circumstances facing the transmission of power from the Lower Churchill."

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