

# Gas-fired plant could supplement hydro needs

DEAR EDITOR,

Manitobans should be pleased with the provincial government's announcement it has asked the Public Utilities Board to conduct a study to tell it whether there is a better alternative to Hydro's plan to build the proposed northern Keeyask and Conawapa generating stations.

The construction costs of the two dams will exceed \$13.4 billion. In fact, many millions of dollars are currently being spent daily in planning and preparation. The purpose of the expansion is to give Manitoba Hydro additional capacity so it can export power to the U.S.

However, this no longer appears profitable, not only because of the decline in the U.S. economy but also because of a technological breakthrough allowing for the production of huge quantities of cheap shale gas. This has resulted in lowering the market price of electricity in the U.S. below the cost of generating hydro electricity in northern Manitoba. In effect, selling our high-cost northern power to the Americans is a losing proposition.

A previous PUB order, No. 5/12, issued

on Jan. 7, and available on the PUB website, includes a statement from the chairman at that time urging the government to re-examine the need for new hydro generation. He calls for a formal review of Hydro's development plan urging the government to conduct a "needs for and alternatives to" study.

On page 125, the chairman notes that a large, combined cycle gas-fired plant could be constructed at a fraction of the cost of Bipole III and would provide resource diversity we do not have. In effect, Bipole III would be unnecessary. In the event Bipoles I and II were out of service, the combined cycle gas-fired plant could be used to compensate.

The PUB report also indicates that the deferring or cancelling of Bipole III will benefit Hydro consumers with lower rates than we would have otherwise. And, of course, the Bipole III environmental problems will cease to exist.

There are other benefits that can result from adding a gas-fired plant to supplement our hydro system. Among them are:

■ The lessening of air pollution in this part of the continent, since it would eliminate the need to import "dirty" electricity (that is, generated

from oil) from the U.S., which occurs in times of drought and extreme cold.

■ The improvement in our balance of payments with the U.S., since we would no longer be paying to import electricity.

■ The attainment of more security of supply with less dependency on long, distant power lines, since the plant would be closer to consumers than a remote hydro dam.

■ The creation of jobs to build and then operate the facility resulting in economic stimulus.

The logical place to build the plant is in the populated areas of southern Manitoba. Brandon would probably be the ideal spot because there are support services available. The city's economy would expand through the construction activities and then the ongoing need for workers to operate the plant.

Regardless of the location, however, there would be economic stimulus realized in our province from the establishment of a gas-fired plant.

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