"Hydro-Québec"

Introduction:

Hydro-Québec is a government-owned public utility established in 1944 by the Government of Quebec. Based in Montreal, the company is in charge of the generation, transmission and distribution of electricity across Quebec. With sixty hydroelectric and one nuclear generating stations, Hydro-Québec is the largest electricity generator in Canada and one of the world's largest hydroelectric generating companies. The combined capacity of its power stations was 36,810 megawatt (MW) and its distribution network served over 3.96 million customers in 2009. In addition, Hydro-Québec has a revenue of C$12.33 billion, operating income of C$5.43 billion and C$3.04 billion net income with 23,616 employees.

The development of several large-scale hydroelectric projects which took place non-stop from the late 1940s to the mid-1990s — the Bersimis, Carillon, Manic-Outardes, Churchill Falls and the two phases of the James Bay Project — allowed Quebec to reduce its reliance on fossil fuels. In 2006, primary electricity accounted for 40.4% of all energy used in the province. However, the construction and operation of these projects has led to conflicts with aboriginal populations living in Quebec's North.

Hydro-Québec has played a "nearly mythical role" in Quebec's economic development since its establishment, with its sustained capital investments, by fostering local engineering expertise and by its capacity to generate large quantities of electricity at low prices.

Increasing energy costs and the growing international consensus on climate change had a positive impact on Hydro-Québec's balance sheet in the last decade. Between 2005 and 2009, the company paid C$10 billion in dividends to its shareholder, while keeping Quebec power rates among the lowest in North America.

History :

In the years after the Great Depression, voices were raised in Quebec asking for a government takeover in the electricity business. Many of the criticisms leveled at the so-called "electricity trust" focused on high rates and excessive profits. Inspired by the example of Adam Beck, who had nationalized much of the electric sector in Ontario 20 years earlier, local politicians, such as Philippe Hamel and Télesphore-Damien Bouchard, strongly advocated moving Quebec towards a similar system. Soon after being elected Premier of Quebec in 1939, Adélard Godbout warmed to the concept of a state-owned utility. Godbout was outraged by the inefficient power system dominated by Anglo-Canadian economic interests and the collusion between the Montreal Light, Heat & Power (MLH&P) and the Shawinigan Water & Power Company, the two main companies involved. At one point, he even called the duopoly an "economic dictatorship, crooked and vicious".

New hydroelectric developments :

After a pause in the 1990s, Hydro-Québec restarted its construction activities in the early 2000s. Recent projects include the Sainte-Marguerite-3 (SM-3) station in 2004 (884 MW); Toulnustouc in 2005 (526 MW); Eastmain-1 in 2007 (480 MW); Peribonka (385 MW) and Mercier in 2008 (50.5 MW), Rapides-des-Cœurs (76 MW) and Chute-Allard (62 MW) in 2009.

On February 7, 2002, Premier Bernard Landry and Ted Moses, the head of the Grand Council of the Crees, signed an agreement allowing the construction of new hydroelectric projects in northern Quebec. The Paix des Braves agreement clarified some provisions of the James Bay and Northern Quebec Agreement, granted a C$4.5 billion compensation to the Cree Nation to be paid over a 50 year period, established a special wildlife and forestry regime, and gave assurances that Cree businesses and workers would get a share of the economic spin offs of future construction projects in the area.

In return, the Cree nation agreed not to challenge new construction projects in the area, such as the Eastmain-1 generating station—authorized by the government in March 1993 and the partial diversion of the Rupert River to the Robert-Bourassa Reservoir, subject to a number of provisions regarding the protection of the natural and social environment.

Construction on the first 480-MW plant started in the spring of 2002 with a road linking the project site to the Nemiscau substation 80 kilometres (50 mi) away. In addition to the plant, built on the left bank of the Eastmain River, the project required the construction of a 890-metre (2,920 ft) wide and 70-metre (230 ft) tall dam, 33 smaller dams and a spillway. The three generating units of Eastmain-1 entered into service in the spring of 2007. The plant has an annual output of 2.7 TWh.

These projects are part of Quebec's 2006–2015 energy strategy. The document calls for the development of 4,500 MW of new hydroelectric generation, including the development of the 1,550 MW Romaine river complex, under construction since May 2009, the integration 4,000 MW of wind power, increased electricity exports and the implementation of new energy efficiency programs.