

New Brunswick Power Not for Sale

by **Angela Giles and Andrea Harden-Donahue**

On the surface one Crown corporation buying another in Eastern Canada doesn't seem like cause for concern. But on closer inspection, one particular deal can be seen as symptomatic of the way governments are selling out our energy security.

As announced at the end of October 2009, the New Brunswick Power Distribution and Customer Service Corporation, more commonly known as NB Power, entered into a Memorandum of Understanding (MOU) that it would be sold by the Government of New Brunswick to Hydro-Québec, also a Crown corporation.

Reaction to the proposed deal was both swift and negative. Elected officials in New Brunswick (opposition MLAs) and officials in the other three Atlantic provinces, as well as the public, labour groups and concerned organizations like ours, quickly opposed the plan, saying it brings no benefit to people or the province. In rapid response to this announcement, a coalition called “NB Power: Not for Sale” came together. The Council became a member of this coalition, and helped organize events, town halls and rallies across the province.

Reacting to these pressures, the provincial government, under Liberal Premier Shawn Graham, announced in January 2010 that the MOU would be revised. The changes, outlined in a brief statement released to the public, include New Brunswick keeping “control” of NB Power’s transmission and distribution systems.

The Council of Canadians expressed several concerns about this agreement, including its lack of transparency and the fact that it would take the control of NB Power out of New Brunswickers’ hands.

This agreement also had broader implications for neighbouring provinces and for Canada, highlighting problems with Canada’s energy vision, and the need for a Canadian Energy Strategy.

Across the country, much of the energy produced is on an export-oriented model. Instead of focusing on meeting local energy needs, many provincial providers choose to sell energy to the United States at a high price. In the case of the sale of NB Power, the other three Atlantic prov-

inces were concerned that their access to the U.S. energy market would diminish or be blocked altogether. Under the deal, Hydro-Québec would have greater access to limited distribution lines to sell power to the U.S. Instead of focusing on sending energy south, Canada needs an energy strategy that will give Canadians security of energy supplies, strong policies that protect our environment, and a focus on renewable energy sources and a more sustainable model of energy production and consumption.



Council of Canadians Board member Leticia Adair (right) joins other New Brunswickers in protesting the sale of NB Power to Hydro-Québec. The deal was scrapped in late March due to mounting opposition.

Another serious problem with the deal was the lack of public consultation and transparency. Engaging with the people who would be impacted directly by any decision government makes — from signing the Buy American deal to selling off a public utility — requires a formal process and willingness to listen and respond to criticisms and recommendations.

Unfortunately, since this deal was announced last fall, the New Brunswick government failed to adequately consult with the public. It started with the government withholding details of this agreement from the public and then relegating “input” to a glossy PR campaign

and website. New Brunswickers had no public forum to share their concerns with decision makers. Instead, they relied on the media and social networking to get the word out. The government only recently agreed to present the full details of the agreement for legislative debate, and only as a result of intense opposition.

Through our chapters and members, the Council has been involved in this struggle from the beginning. From developing analysis on the deal and doing media work before the deal was even announced, to working to mobilize our chapter and members in New Brunswick and across the country, we have helped apply pressure to force the government to abandon the deal. We sent a letter to provincial government leaders and encouraged people to take action by attending rallies and events and sending letters of their own.

The mobilization was quick and efficient. The message that NB Power was not for sale was decided on quickly, and a public campaign including media work, a Facebook group, public events and a website was launched. The message was clear: this deal is bad. It’s bad for workers, bad for energy security, bad for the future of the renewable energy sector in New Brunswick, and bad for the people of New Brunswick. NB Power is not for sale!

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UPDATE — DEAL SCRAPPED!

Faced with mounting pressure over the deal to sell NB Power, New Brunswick Premier Shawn Graham announced at the end of March the agreement with Hydro Québec has been scrapped. “This is a victory and a testament to the power that people have when we unite and organize for the common good — the NB Power sale was a raw deal from the beginning,” said Andrea Harden-Donahue, the Council’s Energy Campaigner in a media release following the announcement.