



CINDY WILSON/TELEGRAPH-JOURNAL

Premier Shawn Graham, left, and Maine Gov. John Baldacci, centre, listen to comments by Saint John Mayor Ivan Court after Wednesday's announcement of a possible energy corridor.

Getting energized

Development Maine, New Brunswick exploring energy corridor, Irving Oil plans to study feasibility of building power plant in city

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SAINT JOHN – In a room full of business people and dignitaries from both sides of the border, New Brunswick's premier and the governor of Maine officially threw the switch on a possible energy corridor that could mean thousands of temporary and long-term jobs.

Premier Shawn Graham, Gov. John E. Baldacci, provincial Energy Minister Jack Keir and Jeff Matthews, director of business development for Irving Oil Ltd., made the official announcement Wednesday at the Delta Brunswick hotel.

The northeast energy corridor would consolidate transmission from a number of energy sources.

Irving Oil announced Wednesday a feasibility study and preliminary engineering work on the corridor that could be home to a 1,200- to 1,500-megawatt transmission line.

Irving Oil also announced it is consider-

ing constructing a natural gas co-generation plant in the city that would support wind generation. The plant would be built near Canaport LNG.

"I believe their involvement will attract additional private sector partners and investors throughout the region," Graham told the crowd. "The northeast energy corridor would create a path to market to increase our region's supply of secure, reliable and clean energy, attract investment and create new economic development opportunities."

The corridor is only in the exploratory stages, but Graham believes it's the next step to make Saint John a true energy hub.

"Today marks an important milestone in the development of a New Brunswick energy hub and the partnership with the state of Maine," the premier said.

Baldacci said Irving Oil has been the catalyst.

"Irving Oil's willingness to invest in the project has moved the project closer to reality," Baldacci said. "There is still much

work to be done and many important details to be considered, but I envision the northeast energy corridor as a connection between Maine and Saint John, New Brunswick, that would connect our power projects to markets in southern New England that are hungry for clean, renewable electricity."

The project, Baldacci said, would provide the transmission capacity to spur the development of wind power in Maine and New Brunswick.

"The first phase of this project would attract about \$2 billion of investment and create thousands of jobs in Maine and New Brunswick."

While there are no hard numbers, the cost for the first phase has been estimated at several billion dollars.

Graham said more details will be released when the New England governors and eastern Canadian premiers meet here in September.

Matthews said the corridor would help

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First phase of project would create thousands of jobs, governor says

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solve the challenge of transmitting such renewable energy sources as wind power.

“Over the next few weeks and months we will continue to explore this opportunity, including feasibility work and preliminary engineering,” Matthews said.

People shouldn’t take Wednesday’s announcement to the bank, Matthews said.

“This should not be misinterpreted as indicating that this initiative or even Eider Rock (a second oil refinery) is a sure thing. There remains many challenges facing any major energy initiative in this region.”

Matthews listed some of the challenges as labour availability, infrastructure, capital costs, uncertain economy and global competition.

Irving Oil, he said, has been investigating the potential of such a corridor for more than a year, but he didn’t offer any time lines as to when the potential project might become reality.

“It’s important, in this economic time we’re in, to push things,” Matthews said.

There could be room along the corridor, Graham said, for power from a second

nuclear generating station at Lepreau. Transmitting power from the Lower Churchill hydro-electric development, which Newfoundland and Labrador has on its books, is also a possibility, the premier said.

Keir said there have been queries from Newfoundland and Labrador as to what is happening in New Brunswick and projects such as the corridor.

“In this particular case what Irving Oil is looking at is a merchant line that they’re going to own and operate,” Keir said.

Calling the concept extremely complex and challenging, Keir said it was well worth it since it would stimulate billions of dollars in economic activity.

“We’ve got to understand the opportunity that we have here. It is huge,” Keir said.

“We’ve got to do it right. It’s not going happen alone, but the opportunities are just wonderful. This is just the next step and all the critics that suggested it could never be done, this is another step to show that the opportunities are absolutely there.”



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Premier Shawn Graham smiles after announcing in Saint John Wednesday that the province will work with Maine to explore the development of the northeast energy corridor.