

March 6, 2020



Re: Your request for access to information under Part II of the *Access to Information and Protection of Privacy Act* (File # NR-108-2020)

On February 21, 2020, the Department of Natural Resources received your request for access to the following records/information:

RE: January BN list released as NR-44-2020 please provide a copy of the note called Hydro Quebec and New Brunswick power agreement

I am pleased to inform you that a decision has been made by the Department of Natural Resources, confirmed by the Deputy Minister, to provide access to the requested records. The records are attached.

We are providing access to the most information possible but have made redactions in accordance with Sections 29.1.a, 34.1.a.i, 35.1.d, 35.1.f and 35.1.g of *ATIPPA, 2015* as follows:

29. (1)(a) The head of a public body may refuse to disclose to an applicant information that would reveal advice, proposals, recommendations, analyses or policy options developed by or for a public body or minister;

34. (1)(a)(i) The head of a public body may refuse to disclose information to an applicant if the disclosure could reasonably be expected to harm the conduct by the government of the province of relations between that government and the following or their agencies: the government of Canada or a province.

35. (1)(d) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to result in the premature disclosure of a proposal or project or in significant loss or gain to a third party;

35. (1)(f) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose positions, plans, procedures, criteria or instructions developed for the purpose of contractual or other negotiations by or on behalf of the government of the province or a public body, or considerations which relate to those negotiations;

35. (1)(g) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to prejudice the financial or economic interest of the government of the province or a public body.

Please be advised that you may ask the Information and Privacy Commissioner to review the processing of your access request, as set out in section 42 of the *Access to Information and Protection of Privacy Act* (the *Act*). A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner.

The request for review may be addressed to the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner
2 Canada Drive
P.O. Box 13004, Stn. A
St. John's, NL. A1B 3V8

Telephone: (709) 729-6309
Toll-Free: 1-877-729-6309
Facsimile: (709) 729-6500

Pursuant to section 52 of the Act, you may also appeal directly to the Supreme Court Trial Division within 15 business days after receiving the department's decision.

Please be advised that responsive records will be published following a 72 hour period after the response is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the responsive records posted to the Completed Access to Information Requests website within one business day following the applicable period of time. Please note that requests for personal information will not be posted online.

For further details about how an access to information request is processed, please refer to the Access to Information Policy and Procedures Manual at <http://www.atipp.gov.nl.ca/info/index.html>.

If you have any questions, please feel free to contact me at 709-729-0463 or rhynes@gov.nl.ca.

Sincerely,

A handwritten signature in cursive script that reads "Rod Hynes".

Rod Hynes
ATIPP Coordinator

Information Note
Department of Natural Resources

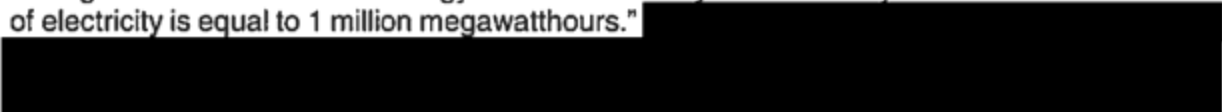
Title: Hydro-Québec and New Brunswick Power agreements

Issue: To provide an overview of recently- signed agreements between Hydro Québec (HQ) and New Brunswick Power (NB Power) on electricity purchase and expertise sharing.

Background and Current Status:

- On January 10, 2020, HQ and NB Power announced the signature of three agreements in a joint press conference in New Brunswick (NB). The news release is attached below.

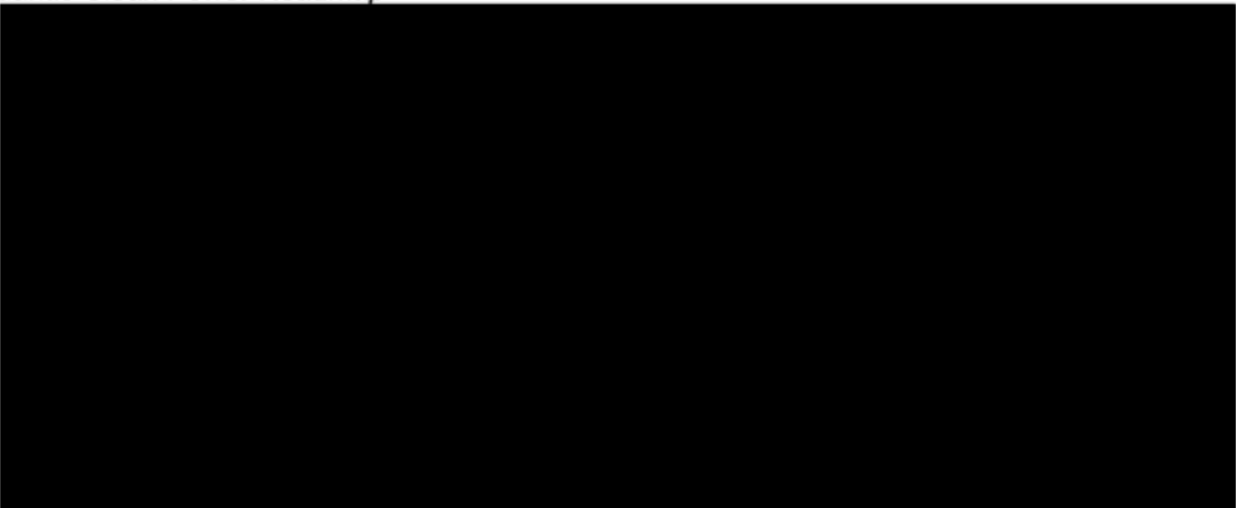
- Under the first agreement HQ will export a total of 47 Terawatt hours (TWh) or of electricity to New Brunswick for a period of 20 years (between now and 2040). This is an average of 268 MW of power at any point in time. The announcement indicates these exports will be transmitted over existing interconnections and adds to existing energy import agreement between the two parties since 2012.

- The NB Power news release also noted, "For the coming years, Hydro-Québec can count on having more than 40 TWh of energy available annually for sale to adjacent markets. A terawatt of electricity is equal to 1 million megawatthours." S.35.1.d


- The second agreement, according to the announcement, provides for technical collaboration between HQ and NB Power for part of the refurbishment of the NP Power Mactaquac hydroelectric generating station in order to extend its useful life at least until 2068. Mactaquac is experiencing concrete expansion problems that has reduced the original 100-year life span of the facility by 40 years.

- The third agreement calls for discussions to begin regarding the construction of additional interconnections between Québec (QC) and NB, to increase electricity exports to Atlantic Canada and the United States.

Atlantic Clean Power Roadmap

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S.29.1.a
S.34.1.a.i
S.35.1.d
S.35.1.f
S.35.1.g

S.29.1.a S.34.1.a.i S.35.1.d S.35.1.f S.35.1.g

Analysis:



Action Being Taken:

- The note is provided for information purposes. NR will continue to monitor these developments.

Prepared by/Approved by: Y. Khan, C. Snook/
Ministerial Approval:

January 10, 2020

NB Power News Release

Hydro-Québec and NB Power sign agreements on electricity purchases and expertise sharing

<https://www.nbpower.com/en/about-us/news-media-centre/news/2020/hydro-quebec-and-nb-power-sign-agreements-on-electricity-purchases-and-expertise-sharing/>

2020-01-10

Mactaquac, New Brunswick, January 10, 2020 – The CEOs of Hydro-Québec and NB Power, Éric Martel and Gaëtan Thomas, are pleased to announce the signature of three agreements in a joint press conference at Mactaquac hydroelectric generating station, near Fredericton. Under these agreements, a large volume of electricity will be exported from Québec and imported into New Brunswick; a technical collaboration will be initiated between the parties to refurbish concrete at the Mactaquac generating station; and discussions will begin regarding the construction of additional interconnections between the two provinces.

Electricity purchase agreement

Under the first agreement, Hydro-Québec will export a total of 47 TWh of electricity to New Brunswick between now and 2040. These exports will be transmitted over existing interconnections. New Brunswick has had an agreement with Québec on energy imports since 2012, and this will build on that agreement.

For the coming years, Hydro-Québec can count on having more than 40 TWh of energy available annually for sale to adjacent markets. A terawatt of electricity is equal to 1 million megawatthours.

Technical collaboration at the Mactaquac hydroelectric generating station

The second agreement provides for technical collaboration between Hydro-Québec and NB Power for part of the refurbishment of Mactaquac generating station (pending regulatory approvals), in order to extend its useful life at least until 2068.

Since the 1980s, NB Power has observed that the concrete portions of the generating station and spillway have been affected by a chemical reaction causing the concrete to swell and crack. This reaction, called alkali aggregate reactivity or AAR, has compromised the useful life of the facility, which has required substantial annual maintenance and repairs.

Over the years, Hydro-Québec has developed expertise that can help limit the impacts of this problem while ensuring the long-term operability of the affected structures. The company will provide expert advice, handle design aspects and ensure technical supervision of the project.

Discussions on the construction of additional interconnections

The third agreement calls for discussions to begin regarding the construction of additional interconnections between Québec and New Brunswick, to increase electricity exports to Atlantic Canada and the United States.

Boosting the transmission capacity between the two grids would not only help reduce GHG emissions in northeast North America by replacing fossil fuels with clean hydropower, but also improve the reliability of both grids.

Quotes

"Thanks to a major build-out of our generation facilities, Hydro-Québec has a lot of energy available, and we're thrilled to be contributing to New Brunswick's clean energy supply over the next two decades," said Éric Martel, President and CEO of Hydro-Québec. "We're also very proud that our expertise will help NB Power keep the Mactaquac generating station in operation until at least 2068."

"We are very pleased to continue our long and beneficial partnership with our neighbours in Québec," said Gaëtan Thomas, President and CEO of NB Power. "Not only will this result in more clean energy for our province and Atlantic Canada, but Hydro-Québec's expertise in AAR mitigation will be very helpful to our Life Achievement project at Mactaquac and will translate into significant capital cost savings on the project."

For more information:

Hydro-Québec communications: 514 289-5005; NB Power communications: 506 458-4203