

Sun, May 8, 2005

All fired up on coal

While Ontario is down on the power-plant fuel, Alberta loves it

By [NEIL WAUGH](#), EDMONTON SUN

Somewhere along the way, Old King Coal has become Killer Coal. And you can blame the Kyoto Krazies in the Ontario government for it.

Yup, they're dying like flies in the nation's self-appointed heartland. Hospitals are overflowing. And it's all coal's fault. Damn you, coal!

Don't believe me? Listen to what Ontario Energy Minister Dwight Duncan told the Canadian Club in Toronto last week, while at the same time lamenting that up to \$40 billion in new investment is required "to keep powering our province."

Duncan talked about the need to "foster a culture of conservatism," and making sure that electric power prices "reflect the true cost of power."

Plus, how the "vibrant" electricity sector must "reduce the environmental footprint we leave future generations."

All this is Duncan's contorted attempt to justify the unjustifiable.

Ontario Premier Dalton McGuinty's dangerous plan to shut down every coal-fired power plant in his province - approximately 25% of the present capacity - by firing up old nuke plants, damming the few undammed rivers left in Ontario and building windmills.

Indicating just how far the Ontario Liberals are willing to go to show the end justifies the means, Duncan released a bizarre report to back up his "true cost of power" argument.

"The study found a relationship between increased air pollution due to coal-fired electricity generation," Duncan's statement warned.

COAL PLANTS ACCUSED

It fingered the coal plants for "up to 668 premature deaths, 928 hospital admissions, 1,100 emergency room visits and 333,600 minor illnesses."

"Coal is costing the people of Ontario more than the number on their electricity bills," Duncan scowled.

It turns out Dwight's "study" wasn't quite as definitive on Killer Coal. Even the consultants - who clearly gave the Ontario Liberals the report they paid for - wouldn't go that far.

"Estimates of premature deaths attributable to air pollution are often the source of much confusion," the report's fine print admitted. "In actual fact, it is impossible to identify which specific deaths that occur over a given period of time are actually attributable to air pollution."

So don't ask me where Dubious Dwight's 668 corpses came from.

But that kind of irresponsible political posturing can't help having a negative effect in Alberta - where coal really is king when it comes to power generation. Coincidentally, some Alberta coal and power companies came out with their quarterly updates last week confirming that.

"They're in an awkward position," sniffed Allen Wright, executive director of the Calgary-based Coal Association of Canada. "And they're trying to find a way out of it."

Especially with a plan to replace coal plants with natural gas. Gas prices have gone through the roof. Coal is reasonably stable. Add in the massive new transmission lines needed to hook up Manitoba and Quebec hydropower to save McGuinty's butt, and Ontario power bills are destined to soar, even with Duncan's cynical plan to have the feds subsidize much of it.

Meanwhile here in Alberta there is no apparent power-plant genocide.

EPCOR president Don Lowry was in a congratulatory mood Thursday with the successful start-up of the Genesee project, a super-critical plant fired by coal. At the same time, EPCOR is in a quandary about what to do with its gas-fired Clover Bar station, which has priced itself out of the market.

INDUSTRY LOOKING UP

Sherritt International was also crowing about a 5% coal production increase at Genesee and Coal Valley - where a \$37-million mine expansion is just about done. Meanwhile, the Bow City power project - designed to tap rich southern Alberta coal deposits - is grinding through the regulatory process.

TransAlta Utilities annual information form was equally upbeat. TransAlta owns 50% of Genesee 3. It's also going through the regulatory mill on a 450-megawatt addition to its Centennial facility in Keephills. EPCOR has an option to buy half.

ATCO held its annual meeting last week, at which it revealed all its Battle River problems are little ones.

The drought's over, water levels in the cooling pond have "returned to normal" and the big generator can get back to burning coal and making power. And money.

In fact, the only uncertainty on ATCO chairman Ron Southern's mind is Kyoto. "The corporation is unable to determine what impact the protocol may have," the ATCO shareholder report said. Mainly because the feds still haven't released "industry specific details."

Funny that with all this coal around, nobody in Alberta is dying from it.