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Reason to rethink Belize hydro dam

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There's time yet for Britain's Privy Council to grant a Christmas wish to an indefatigable group of ecologists.

They don't ask for much. The Belize Association of Non-Government Organizations simply seeks a fresh environmental assessment on a proposed hydroelectric dam that Canadian operator Fortis Inc. is busily constructing on the Macal River, flooding more than 1,000 hectares of Belizean rainforest.

Two days of Privy Council hearings in London last week can be summed up in the concise phrase of the unnamed law lord who pondered the proceedings and wondered why all the relevant facts pertinent to the dam construction had to be "squeezed out in dribs and drabs." Excellent question: Why?

Here's a big fat fact that stands out. While Fortis' commissioned environmental assessment asserted that the groundstone in the area in question is granite, and thereby just the thing for dam construction, the foundation material has since been proved to be ... not granite, but sandstone.

Fortis has offered verbal assurances to concerned environmentalists, the people of Belize and the Privy Council that this distinction matters not. Ergo, all systems go.

I've studied enough post mortems on megaprojects to suggest that the more astute course of action is to order a fresh, independent review.

The Chalillo Dam project has been in and out of the news for years, drifting in initially as U.S. operators first became entangled — backstopped by British money — in the privatization of Belize's electricity sector, and then waxing and waning as environmentalists itemized the ecological damage that will be ushered in as a by-product of Chalillo.

It's issues such as these that force dimwits such as me to learn: that the scarlet macaw is in very short supply, with current population estimates running at about 200 birds. That the resoundingly beautiful red parrot is extremely fond of the Macal river basin. That they like to tour about in small groups and call to each other in what has been described as "raucous hoarse voices."

The scarlet macaw — and the black howler monkey and the tapir, for that matter — is in the line of fire, as it were, of the Chalillo project, which sits upriver from the town of San Ignacio (population: 14,200). A line-up of celebrities, including but not limited to Cameron Diaz and Harrison Ford, have lent their names to the stop-Chalillo movement.

Through the narrative, downstream habitat preservation has lost out to the bigger push of the Belizean government to cut deals with a series of private-sector suitors, going back to the likes of the Virginia Electric Power Co. in the mid-'90s. Beginning in the late 1990s, Fortis grew a presence in both the transmission and

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- distribution of electricity in Belize through the country's monopoly operator, Belize Electricity Ltd., in which it now owns a 67 per cent interest, and Belize Electric Co. Ltd., or Becol, of which it owns 95 per cent. (The remaining 5 per cent of Becol is held by the government of Belize.)

The rainforest expansion, commencing with Fortis making investments in Belize Electricity via two Cayman Island subsidiaries, always seemed unlikely for the St. John's-based company, whose primary assets include Newfoundland Power Inc. and Maritime Electric Co. Yet Fortis has emerged as the owner and operator of the Mollejon hydroelectric facility, which sits downriver from the new dam.

It's a key point. The Mollejon has been a chronic underperformer, consistently operating below capacity in the dry season, leaving Belize to import electricity from Mexico. The Chalillo dam is meant to redress that problem and add new capacity for the electricity starved region.

At what cost?

Last week, Godfrey Smith, Belize's attorney general, reiterated that future economic development of his country relies on the dam going forward, and sounded somewhat embarrassed at having "the world financial community" — aka, prospective investors — ponder "this kind of indecisiveness."

The Privy Council considered Smith's position once before, last summer, in fact, when it dismissed an application for an injunction to stop dam construction. But in that application, the council examined whether the government's granting of the project work was on the up and up. It didn't consider whether the geological presumptions for the project were accurate.

Alastair Rogers, who co-authored a report on the environmental effects of the dam on behalf of Britain's Natural History Museum, was quoted in the Independent last spring saying: "Fortis claims that the bedrock of the area is granite. We believe that the presence of a large amount of porous rock such as limestone could render the dam useless. The forest would be flooded, but the water would drain away. You'd be left with all the negatives and none of the positives."

The Natural History report was appended to the initial assessment commissioned by Fortis, and recommended a much deeper analysis of the potential aftershocks of the project. That didn't happen.

The Privy Council, which as far as anyone can figure has never before adjudicated an environmental issue, now considers whether the file should be reopened. Last week, the court reserved judgment. Bacongo, the group fighting the dam's construction, wants much more than a new rock analysis. They want the Chalillo project stopped in its tracks. Knowing what we know now about the actual foundation of the dam, the Privy Council now has a reason to order a reprieve.

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