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Some basic facts:
The Proposed Chalillo Dam Project
- a statement by Belize Electricity Limited

Recent spate of blackouts experienced in Belize has undoubtedly called much attention to the country's present and future local energy supply situation. Considering the rapid rate at which local energy demand is growing, the attention is warranted, and so is any public pressure for the responsible authorities to assure Belize that its energy supply into the future is secure. For the Belize Electricity Limited (BEL) that has meant reassessing the capabilities and limitations of its current resources and pursuing options that will enhance and add to the capacity output of these resources.

Studies have indicated that the Chalillo Dam will do just that, there continues to be a barrage of untruths carried by a few naysayers. Meb Cutlack, in an article published in the April 15, 2001, edition of the Reporter Newspaper, had more than a few of his own, which BEL feels must be corrected out of respect for the intelligence of its citizens.

Mr. Cutlack stated that Mollejon never lived up to its promised output. Without being placed in its proper context that statement does little for his argument against the dam. Why Mollejon did not live up to its expectations? The dry season flows at the Macal River were lower than estimated because of hydrological uncertainties at the measuring points. After the dam came into operation, extensive studies and measurements conducted by three major international consulting firms, have shown that estimates for the wet season flows were always correct. Therefore, Mollejon never lived up to its promised output because of known and published information in the 1999 Feasibility Study, which was made available to the public.

Mr. Cutlack also claims the catchment area for Chalillo is in a rain shadow area. Such a claim begs the question for Mr. Cutlack's source. No study was ever conducted to determine the complex weather phenomenon and its effect, if any, is unknown in the Maya Mountains. The author further questions using downstream data to obtain flow data at Chalillo. BEL has used standard engineering techniques applicable to projects worldwide to derive the expected flow rates at Chalillo that includes averaging, runoff measurements, double mass analysis, correlation with the Matacuy gauging station in Guatemala to name a few. We are confident of the results of those analyses.

As regards to the Southern Pine Bark Beetle, BEL estimates in the 1999 Feasibility study that the Mountain Pine Ridge area accounts for less than 15% of the total area for the Chalillo project and while there would be an impact should the entire Mountain Pine Ridge Forest be destroyed and burnt away, the effect would be negligible.

Mr. Cutlack insists that the water in the dam will leak away. BEL is aware that solution cavities do occur in the region. The large cavities observed and documented are confined to the thick Cretaceous limestone, which occurs almost entirely above the reservoir level and inland from the Macal and Rospaculo River valleys. The small solution cavities in the thinner calcareous strata of the underlying Santa Rosa Formation. These limestones are inter-bedded with other sub horizontal sedimentary strata such as sandstone and shale, and at Chalillo are associated with granite rock that forms the riverbed. The Santa Rosa formation forms the valley walls of the reservoir area. From the work done during the feasibility study, BEL concluded that the inter-bedding of shales and sandstones with the limestones in the Santa Rosa Formation is not conducive to the development of major karstic features, as is the case with the massive Cretaceous limestone formations. We are aware that deposits do occur in the Rospaculo River Valley. These deposits would have formed from calcareous water flowing downward into the river valley. This does not automatically imply that reservoir water will be lost through a "reverse" process.

Our conclusions and recommendations in the Feasibility Study are in line with the conventional approach with regard to geotechnical matters on hydropower projects. Included in this approach is further surveillance of the reservoir rim during design and construction.

Mr. Cutlack maintains that BEL has never investigated the hydro feasibility of the Swasey River. BEL has shown him (and others) the 1990 Renewable Energy Study Report and he is aware that BEL has investigated the feasibility of all potential hydro sites countrywide. BEL has spent more than Bz\$1 million on this venture. BEL's conclusions are that there is hydro potential on the Swasey River and the Bladen Branch but it is not economic to develop either of the two schemes at this time. With these developments the cost of electricity was estimated to be: Swasey - US\$0.148 per kWh and Bladen - US\$0.388 per kWh. Note that these prices are for the year 1990 and surely no one would welcome any project that would cause an immediate doubling of the price of electricity.

The fact that BEL has found evidence of Mayan heritage within the reservoir shows that the company has completed its feasibility studies diligently and professionally and has made the information public. BEL has had extensive discussions with the Department of Archaeology and will submit a mitigation plan for the Department's approval in compliance with Belize's Law.

Finally, Mr. Cutlack's claim that BEL has steadfastly refused to join the Central American Power Grid for years is patently misleading. The Central American Grid was the result of a treaty signed in 1985 by the six member countries of the Central American Council for the Electricity of Central America (Guatemala, Honduras, Salvador, Costa Rica, Nicaragua, and Panama). This treaty was parented by Spain and since Belize was never a colony of Spain, Belize was not invited to sign onto the treaty. It was only in 1998 when cordial relations with BEL's counterpart in Guatemala were established that Belize was invited to be an observer. Belize maintains that position and can only join on to the Central American Power Grid with the Council's approval. BEL continues to seek membership.

BEL welcomes a healthy discussion on the proposed Chalillo Dam Project that is based on facts. The company maintains its commitment to responsible environmental management of Belize's natural resources and plans to submit its recent findings to the Department of Environment in June of this year. Before that time it may be wise for us not to pre-empt the report. It's in the best interest of Belize and the stability of our future power supply.

-press release-