CHILE - Shut the Gate to HidroAysén and Patagonia Celebrates

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June 10th 2014 - On Monday the 10th, the Chilean government rejected HidroAysén's controversial project once and for all, after years of resistance from both environmental groups and affected communities that alerted the world of the destructive consequences to Patagonia. This project was to construct five central hydroelectric plants in the southern part of the country.

"It's a historic day", affirmed Juan Pablo Orrego, an IPS international coordinator of Patagonia Without Dams, on hearing of the hard fought decision.

He added, "I am overwhelmed that the citizens, because this is truly their victory, managed to finally inspire the government to do what the right thing in the face of such a big project."

That determination was felt by the socialist Michelle Bachelet's government and the cabinet committee that dismissed three hours before revealing its decision.

The committee, composed by the Secretaries of Environment, Energy, Agriculture, Mining, Economy and Health, reached a unanimous decision on the thirty five complaints presented against the project. Of them, thirty four were introduced by communities and those opposed to the initiative and the other by the very company involved.

The resolution took six years to arrive, after several judicial battles, and the announcement made tons of people go to the streets of Chilean Patagonia to celebrate.

The Secretary of Environment Pablo Badenier emphasized, "This cabinet committee has decided to gather the resources of presented complaints by the community, for the people and render ineffective the environmental qualifications of the HidroAysén project and in this final administrative act, and declare the hydroelectric project rejected."

The company, part of the Italian firm Endesa-Enel (with 51% of shares) and the Chilean firm Colbún, has thirty days to appeal the resolution, before an environmental court of Valdívia, in the south of the country.

President Bachelet had anticipated the refusal of HidroAysén by her government during the campaign that returned her to power in March, when she stated that the project wasn't viable.

In May, upon knowing the Energy Agenda, anticipated that renewable energies would go forward, not conventional ones and the use of natural gas. In contrast with the plan of president Sebastian Piñera (2010-2014), whom preceded her in the position and that volleyed for hydroelectricity.

The HidroAysén complex was presented in August of 2007, and proposed the construction of five central hydroelectric plants on the Baker and Pascua rivers and in Chilean Patagonia. The year before, 32 of 34 public services called upon to vote on the project did so in opposition.

The southern zone of Aysén, where the labor would begin, some 1600 kilometers south of Santiago, is considered by some environmental groups as the motherland of humanity due to its vast biodiversity. It is also one of the largest freshwater reserves on the planet.

The project contemplated the construction of the centers in an area of 5910 hectares and promised a total output capacity of 2750 megawatts, that would be stored in the Central Interconnection System (SIC).

Chile counts on an set capacity of 17000 megawatts: 74% is in the SIC, 25% is in the Great North Central Interconnection System (SING) and the rest in average networks in the southern regions of Aysén and Magallanes.

The proposal also included a transmission line of 1912 kilometers, the widest in the world, that would pass through 9 of the 15 regions in Chile and 66 municipalities.

The Secretary of Energy, Máximo Pacheco, affirmed that the HidroAysén project "was created with important weaknesses in its execution, and was not treated with the proper care and attention with the related aspects of the people that live there."

He added that as Secretary of Energy he has "voted with all surety and with complete clarity in relation to this project."

To the environmentalist Orrego, with the rejection of the HidroAysén construction, "is insinuating the end of the era of megaprojects in electricity, thermoelectricity, and hydroelectricity. An era that in the developed countries ended a long time ago."

Chile imports 97% of the hydrocarbons that it requires and its main electricity is composed in 40% hydroelectricity and the rest in fossil fuels and contaminants, through thermoelectric networks.

The desperation for energy sources has placed the production price of a megawatt hour among some of the most expensive in Latin America, with a cost that surpasses 160 US dollars. The same amount costs simply 55 dollars in Peru, 40 in Colombia, and 10 dollars in Argentina.

The executive director of the Electric Trade Association, Rodrigo Castillo, said on March 10th that this resolution "refers to a project in particular and not to future impossibility to make use of the hydrologic resources of southern Chile."

René Muga, on the other hand, of Generators of Chile, assured that HidroAysén represents 40% of the energy that the country needs in the next 10 years, equivalent, according to statistics, to what would require seven to eight carbon mines. He also affirmed that, "That energy is truly needed."

Orrego analyzed the decision of Bachelet could result in "very serious political consequences."

He affirmed that it was "a valient tactic" but "inspired by the people, of this we have no doubt."

He remembered that "there are many years fo war that culminate with this resonating victory of the people."

In accordance with surveys, 74% of Chileans interviewed reject the project and since 2011, more than one hundred thousand people marched against HidroAysén, a mobilization that opened that gates to others, like the student movement, that took eto the streets to communicate their own demands."

Orrego, ecologist and winner of the Right Livehood Award (1998), gave his "thanks to Chile, because this campaign has been ran by the whole country."

He recognized as well the participation os "allies" in other countries in the world, like Italy, Spain, Belgium and Argentina, among others.

In the region of Aysén, the opposers of the project held a video of the committee's decision in the local theatre and soon marched through the streets of Coyhaique, the capital, to celebrate.

Patricio Segura, of the Aysén People Life Reserve Coalition, assured IPS that the governments decision "is

that which corresponds en terms of sustainability and of constructing the central electric hub that we deserve as a country."

He added, "We hope to fulfill the political promise of president Michelle Bachelet, along with the duty of casting out an abnormal project that advanced the base of proposals and pressure."

Segura recognized that the project "generated an impressive polarization in the Aysén region" and criticized that "not so much as a brick has been laid and nonetheless the inhabitants of Aysén have been impacted profoundly."

He affirmed that consequently this decision rocked the boat so that in Aysén "we felt to discuss that which really matter is the Aysén Life Reserve."

He concluded that, "we should now debate a central, sovreign and sustainable energy for the Aysén region, including abundant water and wind resources in our region."

Source (Spanish): <u>http://www.ipsnoticias.net/2014/06/chile-cierra-la-compuerta-a-hidroaysen-y-la-patagonia-celebra/</u>

Translated by **Riley Pentico**.