CHESTO MEANS BUSINESS

Hydro-Quebec shut off the spigots for New England power in March and hasn't turned them back on. Why?

By Jon Chesto Globe Staff, Updated May 22, 2025, 4:38 a.m.



The Robert-Bourassa Generating Station and its spillway along Le Grande River in northern Quebec in 2024. RUTH FREMSON/NYT

Hydro-Quebec's main transmission line into New England is considered the region's largest potential source of electricity, now that the Mystic power plant has gone dark for good.

What a great opportunity for the Canadian utility, right?

Not exactly. After reliably selling electricity into the New England market for years, Hydro-Quebec shut off the spigots in early March, reducing the flow to a trickle.

The lack of Canadian hydropower isn't a reliability issue for us — not yet, anyway. But the surprisingly long dry spell out of Hydro-Quebec should serve as a warning to New England policy makers that the days of cheap, plentiful, low-carbon power from the north hitting the spot market are no longer guaranteed. A big power line under construction for Massachusetts, dubbed New England Clean Energy Connect, was supposed to complement these existing imports, not supplant them. And scratch any thought of starting another one to Quebec anytime soon.

The utility, which is owned by the Quebec government, made the move amid tensions between the Trump administration and Canadian leaders over tariffs. So the shutoff's timing raised more than a few eyebrows — at least on this side of the border. Tensions have since eased with Mark Carney's election to prime minister, and it's looking increasingly likely Hydro-Quebec's electricity wouldn't get hit with a Trump tariff anyway.

No surprise, then, that Hydro-Quebec says this unusual shutoff is about market dynamics, not politics.

The company says it simply can't sell power profitably into New England right now, given the relatively low prices on the wholesale market. Quebec experienced its
warmest year on record last year, with temperatures that reduced water levels in the province's reservoirs, and prompted the executives in Montreal to be conservative about how much power they sell to the south. And New England's power consumption <a href="https://distribution.org/linearized-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unitary-to-unit

meter," directly to adjacent homes and businesses.

Hydro-Quebec did send a bit of electricity here this spring, but essentially only to meet contractual obligations, not to compete in the wholesale market as it usually does. On most days, no power at all flowed here over the main line; an ISO New England spokesman says that line typically provides 1,000 to 1,600 megawatts of electricity to the region, enough power for more than one million homes; it was sending plenty of juice into the region as recently as February when prices were much higher.

How important is it? The grid overseer <u>recently told federal regulators</u> that Canadian imports provided more than 10 percent of New England's power during the past five years, and that the transmission line from Quebec is now the region's single largest source of electricity (though Dominion's Millstone nuclear plant in Connecticut is on a similar scale).

Serge Abergel, Hydro-Quebec's US chief operating officer, says he expects Hydro-Quebec will return to the New England market after the temps heat up and the air conditioners start humming. Sure as the season, demand for electricity will drive up wholesale electric prices and make it more profitable to sell here.



Hydro-Quebec's US chief operating officer says he expects Hydro-Quebec will return to the New England market after the temps heat up and the air conditioners start humming. DAVID L. RYAN/GLOBE STAFF

This spring is different, Abergel said, for two reasons: Hydro-Quebec's reservoirs were lower than average following two years of warmth and limited rainfall, and are being replenished. Meanwhile, the company needs to ensure it can keep the lights on in its home province while also meeting the demands spelled out in two big contracts that kick in over the next year — one for the New England Clean Energy Connect (NECEC) line through western Maine, and another for a parallel line going up in New York.

The full effect of the spring thaw won't be seen for another few weeks, but Abergel says Hydro-Quebec officials are hoping for a return to more normal conditions this summer.

To Dan Dolan, president of the New England Power Generators Association, the Hydro-Quebec shutoff confirms his original concern that the new transmission line that Avangrid is building for Massachusetts through Maine might not lead to a net

increase in hydropower imports into the region, as originally intended.

Governor Maura Healey has repeatedly stressed the importance of the NECEC line to the regional grid's reliability and efforts to curb carbon emissions. But Dolan says that goal can only hold true if the power line adds to the historical Hydro-Quebec flows, instead of replacing them. Otherwise, Dolan warns that Avangrid could be building a \$1.5 billion power line that doesn't really end up adding much new energy to the region, a concern he has had for the past decade that this concept has been under discussion.

The energy company and the trade group <u>disagree on this issue</u>. Abergel says transmission upgrades like the Maine line are crucial for the grid, and will provide more flexibility not only for importing power from Canada, but also for exporting it there from New England. The increased access between the Canadian and New England markets should help flatten price spikes, he said. Plus, the line helps with fuel diversity, an important contribution given New England's reliance on natural gas.

The Healey administration remains steadfast about NECEC's value amid this hydropower dry spell. A spokeswoman said it will reduce electricity prices, provide reliability in the winter, and improve public health here.

Still, hydropower consultant Robert McCullough says the extended shutoff could be a sign of troubling trends in Quebec. He's beginning to wonder if the droughts and resulting low reservoir levels will continue — contrary to the company's stated hopes that more normal conditions are on the way. Hydro-Quebec, he says, underinvested for years in its own power infrastructure, and is now racing to keep up.

Richard Levitan, an energy consultant in Boston, says it's sensible that Hydro-Quebec is conserving its resources in light of the fact it has been drier than normal this past winter, and springtime demand in New England is low. It's understandable why the company doesn't open the floodgates into a "down market."

The spigot has been predictably tightened, in his view, not closed. But if one of our big power plants or major transmission lines isn't available this summer at a time when electricity demand in New England is high, Levitan says he would be concerned about reliability if exports from Quebec don't pick up.

Tapping into Quebec's hydropower was once seen on Beacon Hill as a smart way for Massachusetts to help fight global warming. Ironic, then, that prolonged stretches of warmer weather could cause the sources of that power to start drying up.

Jon Chesto can be reached at jon.chesto@globe.com. Follow him @jonchesto.

Show 40 comments

©2025 Boston Globe Media Partners, LLC