

Lignite production is expanding to meet the growing requirements of the Saskatchewan Power Corporation. The Boundary Dam station at Estevan is the largest user of lignite. When the generating capacity of this station is increased by 300 MW in 1977, its coal consumption will increase to 4.5 million short tons (4 100 000 t) annually. Recent contracts with Ontario Hydro and the planned East Poplar River power station will further expand the markets for Saskatchewan lignite, which for several years have included two thermal power stations in Manitoba.

**New Brunswick.** In 1974 N.B. Coal Limited, a provincial Crown company, produced a total of 461,000 short tons (418 000 t) of coal from six surface mines within the Minto coal field. Approximately 156,000 short tons (142 000 t) went to pulp and paper mills in Quebec and the remainder was delivered to the NB Electric Power Commission's Grand Lake and Chatham power stations.

**Nova Scotia.** Production of coal in Nova Scotia reached 1.8 million short tons (1 600 000 t) in 1975, up almost 30% over 1974. Production was limited in 1975 by a fire in No. 26 mine at Glace Bay that resulted in its closure for several weeks. Another increase was expected in 1976 with expanded production at the Lingan and No. 26 mines, and the opening of the Prince Mine at Point Aconi. Approximately two thirds of the Nova Scotia production is thermal coal, with about one third consumed in Nova Scotia and the other one third exported to Europe and Canadian destinations. Approximately 600,000 short tons (544 000 t) was used by the Nova Scotia steel industry. In the latter part of 1976, Stelco Ltd. (Hamilton) was to begin receiving its first shipments of Nova Scotia coal, the result of a new five-year, 2.5 million short tons (2 300 000 t) contract. The expansion of production and the completion of a new wash plant indicate the resiliency of the Nova Scotia coal industry. While the new Prince Mine is projected to have a life of only 10 years, a jointly funded federal-provincial inventory program is under way to evaluate potential new deposits of coal in several areas of Nova Scotia.

**Outlook.** Strong demand for Canadian coking and thermal coal reflects expanding foreign requirements and projected growth of the domestic electric utility industry. Japanese steel companies could double imports from Canada in the next 10 years to approximately 25 million tons (23 000 000 t) annually. Other countries are also interested in this resource, including Britain, South Korea, Mexico and the Federal Republic of Germany. Contracts of Ontario Hydro for thermal coal and the delivery system to be developed for this, mark a new phase in Canada's coal industry. In a time of rising coal prices and potential reduced availability, development of a delivery system to provide a potential alternate source of supply will benefit coal consumers in central Canada. Increasing prices and decreasing availability of alternate fuels, together with the advances in coal gasification technology could put major demands on western Canadian thermal resources in the 1980s. Some of the major problems facing Canada's coal industry include longer lead times for mine development, introduction of new and more stringent regulations, shortages and longer delivery times for mining and processing equipment, the costs of and the need to upgrade transportation and terminal handling capacities, higher construction, development and operating costs, and anticipated shortages of skilled labour.

## 13.6 Electric power

### 13.6.1 Electric power development

Additions to generating capacity during 1975 raised the total installed capacity at year-end by 2.2% to 58 738 MW (megawatt = 1 000 kilowatts). The 1 258 MW added during the year included 311 MW of hydro-electric generation and 947