

Dr. Maurício Tolmasquim
President, Energy Research Company
Ministry of Mines and Energy
Brasília, DF

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Dear Mr. Maurício Tolmasquim

First of all, we would like to congratulate you in your new job as President of the Energy Research Company (EPE), which we understand will play a central role in determining our country's energy future.

On this opportunity, and continuing the dialogue between government sectors and the Energy Working Group of the Brazilian NGO and Social Movements Forum for Environment and Development, we would like to point out some aspects of the energy planning process which we believe are key in producing a future energy plan for Brazil. We also would like to take this opportunity to request relevant information which we consider important to make publicly available.

- Transparency:

Dr. Amílcar Guerreiro, Energy Secretary of the Mines and Energy Ministry, gave a presentation regarding the EPE and aspects he considered important, among them the utilization of sound criteria, the adoption of a methodology and information within public scrutiny, consistency in planning processes, and a public discussion including technical questioning during the planning process.

We believe the EPE's credibility will depend on the degree of transparency with which it operates, and we hope that EPE will take energy planning out from behind closed doors at the ministry and energy company offices, opening the discussion to a broad debate including independent specialists, and civil society organizations, including environmental and social movements.

We would like to hear more about your plans for transparency in the EPE's work.

- Environmental and social sustainability:

The energy planning process begins with long-range planning. Social and environmental impacts resulting from the implantation of energy generation projects are the result of an obsolete planning attitude which used "generating potential" as the only factor in prioritizing projects for expansion of the country's generating park.

We would like to know, within this scenario of the New Electric Sector Model, and of the consolidation of responsibility within the EPE, what measures will be taken so that environmental and social considerations are incorporated into the mainstream of the process of determining priority projects for expansion of generating capacity in Brazil. Will these measures be subject to public consultation, involving interested sectors such as dam-affected populations? Will those inventories of hydroelectricity potential currently being carried out or reformulated by the MME incorporate new criteria to integrate environmental and social considerations? Will these inventories be subjected to a public consultation process?

- Hydroelectric projects in the Amazon region:

Approximately two-thirds of Brazil's hydroelectric potential is in the Amazon region. What will

be EPE's policy for evaluating new hydroelectric projects in the region? The Energy Working Group was informed, in a meeting with former Eletrobrás President Dr. Luis Pinguelli Rosa that an interministerial committee would evaluate the feasibility of projects in this region. Is the EPE going to be responsible for this initiative? Does the EPE plan to prioritize the full exploitation of the hydroelectric potential of the Xingu, Madeira, Tapajós, and Trombetas rivers, currently being evaluated in new inventory and feasibility studies? Does the EPE plan to hold public hearings to discuss energy policies and their implications for the Amazon?

- Binational energy projects:

There is much discussion regarding energy integration, with concrete projects for the Madeira and Mamoré Rivers (with Bolívia) and the Uruguay River (with Argentina). What will be the process by which Brazilian citizens and those of other countries will be heard in this discussion? Will the evaluation, concession, and implantation process require special legislation? Will Brazilian environmental legislation apply in these cases, or are there plans for new procedures which would establish extraordinary norms to facilitate construction of these projects, or for public consultations in these countries?

- The electric sector's transition toward energy sources of lesser impact and greater energy efficiency

Today, Brazil is dependent on hydroelectricity for its electricity generation. The governmental projects Proinfa, Procel and others demonstrate the great potential Brazil has for generating energy using cleaner energy sources with lesser social and environmental impact, and also to decrease the amount of energy that is wasted.

Does EPE plan to prioritize the transition to a sustainable energy policy? What would be the plans for facilitating this transition, both in terms of new electrical energy generating sources, and in greater energy efficiency?

Certain that your term as leader of EPE will mean a continued dialogue with society and increased transparency, which we consider fundamental for renewed energy planning along the lines of sustainability, we wish you success in this challenge.

Cordially,

Temístocles Marcelo Neto
Executive Secretary FBOMS

Lúcia Schild Ortiz
Coordinator of Energy Working Group, FBOMS

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