

# ***MESOAMERICA***

*Volume 26, Number 5, May 2007*

---



## **COSTA RICA**

### **Electric Company Officials Say: Costa Rica Running on Empty**

On the evening of 19 Apr, a transformer blew at the Arenal power plant at Lake Arenal Dam in Guanacaste Province, sending shrapnel tearing through nearby power transmission lines. Suddenly, the national electricity grid failed and most of Costa Rica was plunged into darkness from the Caribbean coast to the Pacific.

It was the first nationwide blackout in more than five years. In San José, traffic snarled under darkened traffic lights. Phone lines to 911, fire-fighters and the Red Cross were saturated and then collapsed.

In the days following, the darkness exposed a Costa Rica starving for electricity, and officials blamed everything from politics to outdated laws to El Niño, and President Oscar Arias called for more privatization of the government-controlled energy market.

According to Costa Rican Electricity Institute (ICE) officials, a drier-than-usual dry season in '06 meant that the reservoirs feeding the nation's hydroelectric dams—which make up more than 80% of Costa Rican electricity infrastructure—had dipped dangerously low. The day of the national blackout, ICE officials were already preparing to ration energy in some Central Valley neighborhoods with rolling blackouts.

Near-daily blackouts continued for two weeks as ICE—a government institution with a monopoly over the Costa Rican energy market—rationed power across Costa Rica, unable to produce enough electricity to meet the demand.

President Arias declared a state of emergency to free up cash to purchase more thermal power plants, which burn fossil fuels to create power. Sales of gas- and diesel-powered electric generators shot up and public institutions were asked to present power-saving strategies.

ICE officials, under political fire and at the receiving end of public ire, defended the institution, saying “higher political interests” and restrictive legislation kept it from expanding as it had planned. ICE, which allows minimal private generation of power, stands to lose its monopoly if the

controversial Dominican Republic-Central American Free-Trade Agreement (DR-CAFTA) is approved.

Arias, a DR-CAFTA supporter, partly blamed anti-private sector biases within ICE, and institutional inefficiency, for the dire situation.

After two weeks, the daily blackouts stopped, as officials said that recent rain showers—which signaled the beginning of rainy season—had restored the reservoirs to minimum operational abilities.

Costa Rica has long prided itself on its mostly hydro infrastructure. In recent years, it boasted that more than 90% of the power it produced came from renewable sources—hydropower more than anything else, but also some limited wind power and geothermal. Costa Rica also has maintained a small fleet of thermal power plants that run on fossil fuel and are used in short bursts hort.

Those plants, however, are now 30-40 years old, and were intended for use for 1-2 hours, not the 24-hour service being demanded of them in the days before, and weeks after, the blackout, said ICE spokesman Elberth Durán. Had it not been for a series of malfunctions that took out multiple thermal plants, the explosion in Arenal might not have triggered the country-wide blackout.

Major hydroelectric projects planned by ICE to help keep pace with the national demand for power that grows between 5-6% annually have failed to materialize. The Boruca hydroelectric dam planned for southern Costa Rica would have been capable of producing as much as 600 megawatts (MW) of power—a major boost for a national infrastructure currently capable of generating up to 2,200 MW. That project, however, was nixed after protests from Indigenous groups (at least 1,000 mostly Indigenous people would have been displaced so that 700 hectares of their land could be flooded) and environmentalists. Other projects also have been cancelled due to protests or environmental concerns, or stalled by conflict and bureaucracy.

### **People to Decide CAFTA in Historic Popular Referendum**

Costa Rica will be the first nation ever to give its citizens the choice of whether to join a free-trade agreement, or not. After months of deliberations that all but erased the possibility of a referendum from public dialogue, the Supreme Electoral Tribunal (TSE) announced in mid-Apr that DR-CAFTA was eligible for a popular referendum.

The vote also would be the first referendum in Costa Rican history.

The TSE decision came at the request of former legislator and presidential candidate José Miguel Corrales, who opposes DR-CAFTA and petitioned the TSE to consider the possibility last year. At that time, pro-DR-CAFTA President Arias opposed the idea.

Last month, however, Arias quickly changed his tune, and once the TSE announced that the trade-agreement was fair referendum game (because it did not contemplate any fundamental changes to the national tax structure—a disqualifier for a referendum), he said he would be submitting DR-CAFTA to a popular vote, and subsequently issued such a presidential decree.

Up until then, the trade pact had been caught in the midst of a political battle in the Legislative Assembly, since former President Abel Pacheco sent it there in Oct '05.

While it appeared that a majority of legislators approved the pact, anti-DR-CAFTA lawmakers continued to slow down the approval progress toward an up or down vote with bureaucratic stall tactics. By passing off DR-CAFTA approval to the public, Arias would see a vote possibly as soon as Sep.

The President's cooption of the referendum infuriated Corrales and others in the anti-DR-CAFTA camp, who called on the TSE to disregard Arias' decree. Instead, they demanded that the TSE should freeze DR-CAFTA in the Legislative Assembly and authorize a signature-gathering petition process, which under Costa Rican law can last as long as 10 months, and up to 14 months with other waiting periods worked in. The signature process had the potential to freeze approval on the trade pact until after the Mar '08 deadline for all signatory countries to have ratified the agreement. Costa Rica is the only country to have signed DR-CAFTA but not to ratify it.

In early May, the TSE sided with President Arias and authorized the referendum via presidential decree, a measure that was approved in the Legislative Assembly in late Apr, thereby guaranteeing a much earlier vote, now expected in Sep. The TSE has yet to decide whether the binding referendum will require a minimum 30% or 40% voter participation.

The TSE dismissed, however, a request by DR-CAFTA opponents to request the Constitutional Chamber of the Supreme Court to review the pact for possible unconstitutionality before it is put to a vote.

### **Turtle Race Chases Global Awareness of Leatherback Sea Turtle's Plight**

In two decades, the number of leatherback sea turtles in the Pacific Ocean near the American continent has dropped by 95%. Researchers fear that, because of threats from irresponsible fishing and invasive coastal development, the ancient sea creature, which has been around for 100 million years, could become extinct in the Western hemisphere within a decade.

Enter The Great Sea Turtle Race. In an effort to raise awareness of the leatherback's plight, international environmental organizations teamed up with Costa Rica's Environment and Energy Ministry to hold a "race" of leatherbacks from their nesting grounds at the Las Baulas National Marine Park in Playa Grande, in northwestern Costa Rica, to the Galapagos Islands, located about 2,000 km southwest of Costa Rica.

With major sponsors such as Yahoo, Travelocity and Dreyer's Ice Cream, 11 leatherbacks were outfitted with backpack-like satellite transmitters that broadcast their positions as they followed their season migration from nesting grounds to feeding grounds.

The data was plotted on the website: [www.greattutlerace.com](http://www.greattutlerace.com), giving people around the world an opportunity to log on and root for their turtle of choice. Though the turtles were tagged as many as six weeks apart, the data was kept secret and set back to zero for the start to the race—intended more to raise awareness than money. Most of the money donated by the sponsors went to pay for the satellite tags, and anything left over was to be given to The Leatherback Trust, an environmental organization that works with the leatherbacks at the Las Baulas National Marine Park in Costa Rica.

Organizers called the event a success and claimed that more than 600,000 people visited the website to watch the turtles' progress, and 60,000 signed up with their e-mail addresses to receive more information.

The number of females nesting at Playa Grande and at neighboring Playa Ventanas, suddenly dropped by more than 50% last year, going from 124 nesting females in '05 to 58 in '06. In '89, those same beaches were nesting grounds for 1,300 leatherbacks.

—*Leland Baxter-Neal*