



Canadian
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The Future of Electricity & Grid Infrastructure: Partnering for Green Power in the 21st Century

Panel Remarks by

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Context

- Thanks to the organizers of Globe for inviting me to participate in this Panel discussion and share the stage with two distinguished members of our CEA family.
- In terms of setting the context, it's no secret that the electricity sector is undergoing an unprecedented transformation:
 - **Infrastructure is aging** and needs to be replaced;
 - Traditional **business models** are evolving;
 - Distribution grids are becoming **smarter**;
 - **New technologies** are challenging conventional forms;





- **They are also empowering Customers, with greater choices.**

- **And De-carbonization** remains a “top of mind” issue.

- How we respond to these challenges and opportunities will determine whether we will embrace and shape that future, or be disrupted by it.

- As we contemplate our tomorrows, let me quickly speak to four issues.



1. First, we need to invest \$350 billion over the next twenty years to renew our aging infrastructure.

- The systems are at an end-of-life-cycle.
- Clearly, the scale of investment, will have implications for consumers.
- Because no one likes paying more.
- But electricity is indispensable. To our quality of life and to the competitiveness of our economy.
- As such, it is a strategic asset for social and economic prosperity.
- Which means that procuring the cheapest system, should not be the only factor. If it is, we will compromise the reliability of electricity for future generations.



- Instead, I believe we must combine low costs with the **value** that we subscribe to reliable and sustainable electric power.
- And if we do, we will entrust our children and grandchildren, with *at least* the same quality of electricity infrastructure that our forefathers built for us.

2. Second, the Paris agreement could well prove be a watershed moment.

- Which means that **de-carbonization and innovation** will play a formative role in **how the electricity system evolves in the future.**





- While our new Federal Government declared at COP 21 that they were “back”, the electricity sector never left.
 - a. Since 2005, Canadian utilities have decreased GHG emissions by about 30 percent.
 - b. By 2030, almost all coal-fired generating units will be retired.
 - c. And today, we are over 80% free of GHG emissions, making us one of the cleanest in the world.
- Clearly, electricity is part of Canada’s clean energy solution.
- But we cannot stop there.
- The electrification of transportation and industrial applications holds the key for Canada to drastically cut





emissions. Transportation alone, is responsible for almost 25% of our carbon foot print.

- We must therefore devise and implement an electrification strategy for our country.
- Innovation will play a critical role, but **successful innovation** is all about taking risks and thinking big!
- However, all too often, funding new, transformational technologies are generally not permitted by our provincial regulators.
- Yet, these very aspirations are increasingly at the heart of federal and provincial government agendas.
- So, we have a classic “**policy gap**”, which urgently needs bridging, and we are working with relevant federal and provincial Ministers to do just that.



3. **Third, who is doing the innovation?**

- In other words, people often think that the next Google will come from brilliant youngsters experimenting in their garages. And they are right.
- But that is only part of the story.
- Our members, many of whom have been around a long time, are also innovating.
- The two utilities represented on this panel are fine examples.
- But there are others:
- Right in this community, **BC Hydro** is delivering a network of EV charging stations.



- **SaskPower's** Carbon Capture and Storage Project is the world's *very first* commercial-scale facility.
- **Ontario Power Generation** is converting coal to biomass, and its Atikokan plant is the largest in North America.
- **And Nalcor Energy's** Wind-Hydrogen-Diesel Project is reducing diesel generation. Which is so critical, because Canadians living in those remote communities, together with indigenous people, are no less deserving of the benefits of a low-carbon lifestyle than the rest of us!
- The moral of the story is that, when it comes to innovation, our members are also in the driver's seat.
- Thus, it makes good sense for governments to invest in a sector that is already producing clean energy benefits, and which can further deepen those dividends, for all Canadians.



4. Finally, in the post COP 21 era, we now need more than ever, a balanced dialogue and partnership between governments and industry.

- As the First Ministers tackle the arduous task of operationalizing the Paris Agreement, they will set the political ambition.
- While many in this room, will be responsible for achieving the target.
- These are two sides of the same climate coin.
- If we are to reduce Canada's GHG emissions in the most efficient, fair, and cost effective manner, it is critical that we build such a partnership.
- Indeed, we require a **new, permanent National Government and Stakeholders Climate Forum.**





- A Forum which brings together federal and provincial government officials, industry, NGO's, and Indigenous interests.
- The mission would be to **find common ground and forge a national consensus, on an evolving and ongoing basis.**
- **In closing**, I hope my remarks will have served to stimulate some thoughts.
- Thanks for your attention.

