

LDCs TO PLAY A PIVOTAL ROLE IN ONTARIO'S GREEN ENERGY FUTURE

The energy landscape in Ontario is rapidly changing — and members of the Electricity Distributors Association are on the leading edge.

The breadth of the shift is vast. Coal-fired generation will be eliminated by the end of 2014. The renewable energy sector is growing in leaps and bounds. Over 1,200 megawatts (MW) of new renewable energy have been added to the electricity grid since 2003. In addition, there are signed contracts for another 1,800 MW of wind power projects that are either under construction or development. And this growth will be greatly accelerated through a new Feed-In Tariff.

Meanwhile, conservation and efficiency policies and initiatives are being ramped up to achieve ambitious targets. Ontario has set a target to reduce peak electricity demand by at least 6,300 MW by 2025. It's all part of Ontario's comprehensive strategy to become a North American leader in green energy and fight climate change. And EDA members are central to that effort.



“Local distribution companies are our first and most direct point of contact with Ontario's electricity consumers,” says Colin Andersen, chief executive officer of the Ontario Power Authority (OPA). “As such, we are counting on them to be energy leaders in their communities as we continue to fight climate change by cultivating a ‘culture of conservation’ and supporting more green energy.”

Ontario's Green Energy Act (GEA) will open up new avenues for LDCs to take on that leadership role, in both conservation and renewable energy generation. Under the GEA, LDCs will take the lead on delivering local energy conservation programs to conserve energy within their service territories and will assume responsibility for meeting specific savings targets.

Pursuing aggressive energy conservation and supporting more renewable energy will support Ontario's plan to remove coal-fired electricity generation from the supply mix by the end of 2014, the largest single climate change initiative of its kind in Canada.

Ontario is building on a strong foundation. In 2008, about 80 per cent of the province's electricity came from non-emitting sources of power, such as nuclear,

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but also from water and wind. Since 2003, online wind capacity has jumped 80-fold: from 15 MW to more than 1,100 MW. That's enough capacity to power about 300,000 Ontario homes.

And our early conservation efforts have paid dividends too. Through the many programs and initiatives carried out by the OPA in partnership with LDCs and the Province, and the efforts of many Ontario businesses and consumers, Ontario met its first conservation milestone at the end of 2007, reducing peak demand by 1,350 MW. Incentives, for example, to replace energy-hogging technologies with efficient alternatives have been well received. Consumers have exchanged coupons for energy savings while businesses have benefited from cost-effective retrofits.

Under the GEA, those efforts will be accelerated and the toughest building code in Canada will become tougher still.

The opportunity for local distribution companies to further Ontario's energy renaissance is as pivotal as the need is great. Achieving our goals for conservation and new generation will rely, in part, on LDCs' ability to leverage local connections, customer loyalty and service orientation – it's an exciting time for the energy services industry. And the best is yet to come.

FOR MORE INFORMATION ABOUT ONTARIO'S GREEN ENERGY ACT AND ITS EFFORTS TO COMBAT CLIMATE CHANGE, PLEASE VISIT:

Ontario Ministry of Energy and Infrastructure –
Green Energy Act, 2009:
mei.gov.on.ca/english/energy/gea

Ontario Ministry of the Environment
Climate Change Information
ontario.ca/climatechange

Ontario Power Authority
powerauthority.on.ca



The legislation will create the opportunity for consumers, public institutions and industry to better manage their energy use through a series of conservation initiatives. Among other measures, it will establish premium energy efficiency levels for certain household appliances; establish mandatory conservation targets for local distribution companies; make energy efficiency a key purpose of the Ontario Building Code; establish mandatory home energy audits; require government and broader public sector to report on conservation; and will remove local barriers to small scale renewable technologies. These initiatives, among others, are expected to support 50,000 direct and indirect jobs over three years.

The need for a “culture of conservation,” maturation of green technologies, and the possibility of reinvigorating Ontario's economy, while rebuilding our grid to “smart” standards, provide a unifying set of intertwined challenges and prospects.

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